

A Guide to the
**DIGITAL MARKETING
BODY OF KNOWLEDGE**
(DMBOK® GUIDE)

2017 Edition



SMstudy® Guide

DIGITAL MARKETING

2017 Edition

A Comprehensive Guide to Digital Marketing

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PREFACE

The *SMstudy® Guide* (also referred to as a Guide to the Sales and Marketing Body of Knowledge, or *SMBOK® Guide*) is a comprehensive process-oriented framework for the planning and execution of activities associated with all facets of Sales and Marketing. It can be used as a reference source for experienced Sales and Marketing professionals or as a detailed guide for individuals or students with little prior Sales and Marketing knowledge or experience. The *SMstudy® Guide* can be applied in any organization or industry—from small companies with only a few employees to large, complex organizations with numerous business units, multiple product lines, and thousands of employees across many countries.

The *SMstudy® Guide* series consists of six books that elaborate on each of the Aspects of Sales and Marketing: Marketing Strategy, Marketing Research, Digital Marketing, Corporate Sales, Branding and Advertising, and Retail Marketing. Each book addresses a key component of Marketing and can be used as a standalone resource or as part of a more comprehensive program that utilizes any number of the six books as required by a business. In this way the *SMstudy® Guide* series offers a flexible framework that can be tailored to address the specific needs of each organization.

This third book, Digital Marketing, provides a framework for use in the planning and execution of the Digital Marketing Strategy for a company's products, services, and brands. Digital Marketing includes all marketing activities that use electronic devices connected to the Internet to engage with customers (e.g., computers, tablets, smartphones). These include activities related to creating and managing effective websites and mobile apps, as well as promoting a company's products and brands through various online channels that help meet marketing objectives. The processes associated with Digital Marketing include gaining an understanding of the specific targets that this Aspect of Marketing must achieve in order to contribute to the successful attainment of overall marketing objectives; recognizing and evaluating the various digital marketing channels and options that digital media offers; building or acquiring the needed expertise and establishing a strong digital presence; optimizing each of these digital marketing channels to ensure maximum reach; building good customer relationships; and establishing and protecting a strong reputation in the chosen markets.

I would like to thank the forty-two co-authors, subject matter experts, and reviewers who greatly contributed to the creation of this body of knowledge. Their combined efforts and collaborations have resulted in a comprehensive, highly effective, and unique approach to understanding, planning, and implementing Sales and Marketing initiatives.



Tridibesh Satpathy
Lead Author, *SMstudy® Guide* Book Three (Digital Marketing)

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1. INTRODUCTION

A *Guide to the SMstudy® Sales and Marketing Body of Knowledge (SMBOK® Guide)*, also referred to as the “SMstudy® Guide,” is a series of books that provide guidelines for the Sales and Marketing of products and services. It offers a comprehensive framework that can be used to effectively manage Sales and Marketing efforts in any organization. The objective of the *SMstudy® Guide* is to provide a practical and process-oriented approach to Sales and Marketing that emphasizes how various elements of Sales and Marketing can be integrated to develop a comprehensive and effective organizational Sales and Marketing Plan.

The concepts in the *SMstudy® Guide* can be applied effectively to any company in any industry—from small companies with only a few employees to large, complex organizations with numerous business units, multiple product lines, and thousands of employees across many countries. The term “product” in the *SMstudy® Guide* may refer to either a product or a service of a company.

This introductory chapter includes definitions of key terms, the purpose and framework of the *SMstudy® Guide*, an overview of the Aspects of Sales and Marketing discussed throughout the *SMstudy® Guide*, the SMstudy® certification schema, a brief history of Digital Marketing, and a general overview of the contents of this book on Digital Marketing. This chapter also briefly discusses Corporate Strategy and its relationship to Sales and Marketing and to Digital Marketing. In depth discussions of the history of Sales and Marketing, and an overview of Marketing Strategy are provided in the appendices.

This chapter is divided into the following sections:

- 1.1 How to Use the *SMstudy® Guide*?
- 1.2 Why Use the *SMstudy® Guide*?
- 1.3 A Brief History of Digital Marketing
- 1.4 Corporate Strategy Overview
- 1.5 Aspects of Sales and Marketing
- 1.6 Levels of Sales and Marketing Strategy
- 1.7 Marketing Strategy Overview
- 1.8 Digital Marketing Overview

1.1 How to Use the SMstudy® Guide?

The *SMstudy® Guide* can be used as a reference and knowledge guide by experienced Sales and Marketing practitioners, as well as by persons with little prior knowledge or experience in Sales or Marketing roles. Because the *SMstudy® Guide* offers a comprehensive Sales and Marketing framework, many will find value in using this resource to guide decision making and planning across all facets of Sales and Marketing; however, the contents of the Guide are organized to enable quick and easy reference for individuals who may be interested in, or studying, only one or two specific facets of Sales or Marketing. Similarly, the *SMstudy® Guide* provides a valuable tool for individuals already in distinct Sales or Marketing roles (e.g., Digital Marketing Manager), as its design enables such individuals to focus on the specific Aspects that are most relevant to such roles.

1.1.1 Process-Oriented Approach with Defined Inputs, Tools, and Outputs

In order to facilitate the best application of the *SMstudy® Guide* framework, the *SMstudy® Guide* defines a process-oriented approach to Sales and Marketing, which provides specific guidance to Sales and Marketing professionals about how to most effectively and efficiently manage their sales and marketing activities. The *SMstudy® Guide* defines Sales and Marketing in terms of processes that comprise a series of actions that lead to a particular result. Each process requires specific inputs and then uses various tools to create specific outputs. To cater to the needs of a diverse audience with varying levels of expertise in Sales and Marketing, the *SMstudy® Guide* has differentiated highly recommended inputs, tools, and outputs from recommended, but optional ones. Inputs, tools, and outputs denoted by asterisks (*) are highly recommended, while others with no asterisks are recommended, but optional. It is suggested that those individuals being introduced to Sales and Marketing focus primarily on the highly recommended inputs, tools, and outputs for each process, while more experienced practitioners should thoroughly understand all of the relevant inputs, tools, and outputs for each process.

1.1.2 Using SMstudy® Guide with SMstudy.com Website and VMedu® Mobile App

The SMstudy.com website and the VMedu® mobile app provide additional resources to help individuals better understand and apply the Sales and Marketing framework defined in the *SMstudy® Guide*. The website and app include the following:

- A certification schema, which helps students study marketing subjects in a structured manner, get tested on relevant concepts through proctored certification exams, and gain relevant certifications which demonstrate their knowledge and experience in different areas of Sales and Marketing (see section 1.1.3 for a description of the certification schema)
- High-quality videos with relevant and interesting examples that help individuals gain a thorough understanding of specific concepts

- Case studies that illustrate how the *SMstudy® Guide* framework can be used in real-life scenarios
- Additional resources for students to obtain expert training through physical classrooms, virtual instructor-led sessions, and high-quality online courses
- A glossary of terms, flashcards, study guides, and more

1.1.3 Certification Schema for SMstudy® Certifications

The certifications related to the *SMstudy® Guide* are managed by SMstudy.com. The certification schema is outlined in Figure 1-1.

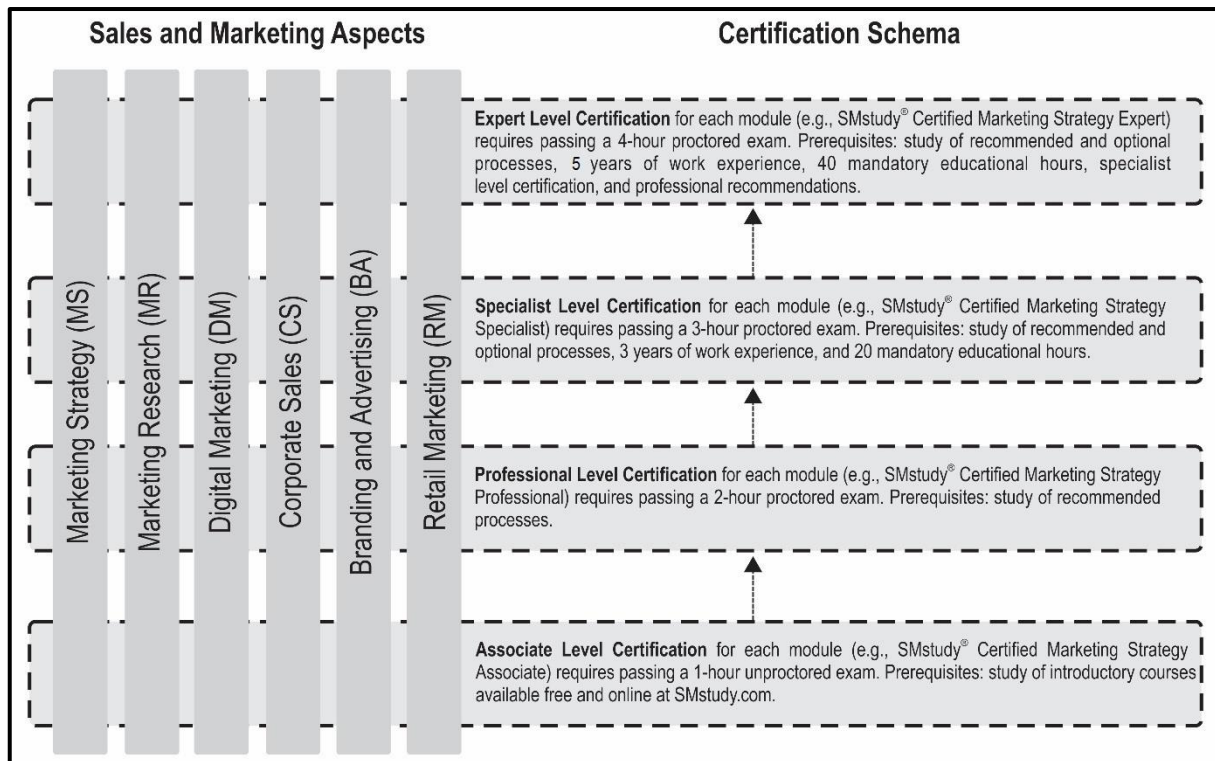


Figure 1-1: SMstudy® Certification Schema

The following is a brief description of each level of certification:

- **Associate Level Certifications**—The introduction modules are available at no charge to interested individuals. All Aspects of Sales and Marketing have an applicable Associate-level certification (e.g., “SMstudy® Certified Marketing Strategy Associate”). The certification exams are free and not proctored; and candidates have one hour to complete each exam. The prerequisite is an understanding of the highly recommended inputs, tools, and outputs for each process relevant to the particular Aspect of Sales and Marketing. There is no work experience requirement and no mandatory educational hours in addition to the recommended study.

- **Professional Level Certifications**— All Aspects of Sales and Marketing have an applicable Professional-level certification (e.g., “SMstudy® Certified Marketing Strategy Professional”). The certification exams are proctored and candidates have two hours to complete each exam. The prerequisite is a study of the relevant *SMstudy® Guide* book with more emphasis on the highly recommended inputs, tools, and outputs for each process relevant to the particular Marketing Aspect. There is no work experience requirement and no mandatory educational hours in addition to the recommended study. Individuals who pass the certification exams for three or more Professional modules are awarded an additional certification called “SMstudy® Certified Sales and Marketing Professional.”
- **Specialist Level Certifications**—All Aspects of Sales and Marketing have an associated Specialist-level certification (e.g., “SMstudy® Certified Marketing Strategy Specialist”). The certification exams are proctored and candidates have three hours to complete each exam. The prerequisites are a study of all of the relevant inputs, tools, and outputs for each process, three years of related work experience, and twenty mandatory educational hours. Individuals who pass the certification exams for three or more Specialist modules are awarded an additional certification called “SMstudy® Certified Sales and Marketing Specialist.”
- **Expert Level Certifications**—All Aspects of Sales and Marketing have an associated Expert-level certification (e.g., “SMstudy® Certified Marketing Strategy Expert”). The certification exams are proctored and candidates have four hours to complete each exam. The prerequisites are attaining the Specialist level certification for that specific Aspect, a study of all of the relevant inputs, tools, and outputs for each process, five years of related work experience, forty mandatory educational hours, and recommendations from two peers and a manager. Individuals who pass the certification exams for three or more Expert modules are awarded an additional certification called “SMstudy® Certified Sales and Marketing Expert.”

Other than the certifications mentioned above, SMstudy® offers additional certifications in fields related to Sales and Marketing such as Affiliate Marketing, E-mail Marketing, Search Engine Optimization, Search Marketing, Social Media, and Web Analytics. Information about these certifications is available in the SMstudy.com website.

1.2 Why Use the SMstudy® Guide?

Some of the key benefits of using the *SMstudy® Guide* are as follows:

1. **Consolidated Expertise**—The *SMstudy® Guide* was developed by VMEdU, Inc., a global certification course provider that has educated over 400,000 students world-wide in more than 3,500 companies. It provides practical, industry-proven best practices, rather than purely theoretical advice.
2. **Process-Oriented Approach**—The *SMstudy® Guide* explains Sales and Marketing concepts through a practical, process-oriented approach. This helps Sales and Marketing professionals understand the specific processes they should follow to be effective in their Sales and Marketing roles. Each process has associated inputs, tools, and outputs that are recommended for use. Highly recommended inputs, tools, and outputs are noted with an asterisk (*) beside the concept in each process box and then again when each process is discussed throughout that section.
3. **Applicable to All Industries**—The many authors, advisers, and reviewers of the *SMstudy® Guide* have worked in numerous Sales and Marketing areas and geographic regions across a variety of industries. Thus, insights provided by them make this body of knowledge industry independent.
4. **Applicable to Companies of All Sizes**—The *SMstudy® Guide* has been written to meet the needs of all companies regardless of size. Small start-up companies with fewer than ten employees, or large organizations with several thousand employees and multiple product lines and business units, can equally benefit from the information in this guide. Additionally, the content provided in the *SMstudy® Guide* is highly relevant to for-profit and non-profit organizations alike.
5. **Comprehensiveness**—The *SMstudy® Guide* is organized into six Sales and Marketing Aspects: Marketing Strategy (MS), Marketing Research (MR), Digital Marketing (DM), Corporate Sales (CS), Branding and Advertising (BA), and Retail Marketing (RM). Each Aspect is detailed in a separate book. Taken together, the series provides a comprehensive and complete understanding of Sales and Marketing. The concepts covered in the *SMstudy® Guide* are further reinforced through videos and case studies available at SMstudy.com.
6. **Applicable to Beginners and Experts**—The *SMstudy® Guide* presents recommended concepts that beginners should know and also highlights advanced concepts for individuals who have more experience and who are on their way to becoming experts in the field. Readers can decide which of the six Sales and Marketing Aspects are most relevant to them and select from the available books accordingly.

7. **Alignment with Job Roles**—The Aspects included in the *SMstudy® Guide* are organized to align with the most common or typical job roles or career fields of Sales and Marketing.
8. **Continuous Improvement**—Concepts related to Sales and Marketing continue to evolve; therefore, the *SMstudy® Guide* will be continuously reviewed and updated to ensure that it remains relevant.

1.3 A Brief History of Digital Marketing

1.3.1 Early Models of Sales and Marketing

Sales and Marketing has evolved significantly over time, starting over 1000 years ago with the simple barter system and spanning several centuries, adapting to changes in consumer behavior, modes of communication, and advancements in technology, in order to become the multifaceted, multimedia discipline that it is today. It is important to take a look at the interesting history of sales and marketing in order to gain an understanding and appreciation for the systems and concepts that are used today to promote goods and services to consumers.

This section focuses on those Sales and Marketing concepts that have played a significant role in the birth of Digital Marketing. Figure 1-2 depicts the timeline for the evolution of Sales and Marketing. A history of Sales and Marketing is provided in Appendix A.1.

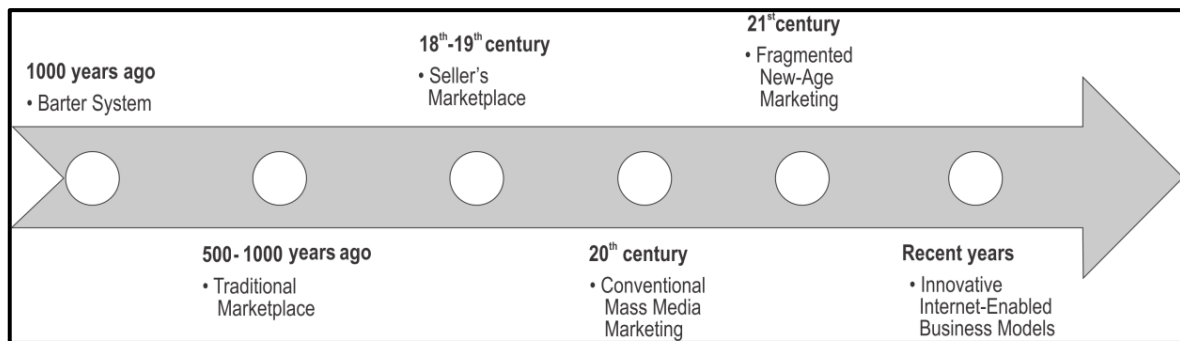


Figure 1-2: Evolution of Sales and Marketing Timeline

Marketing began many centuries ago with the barter system whereby various goods and services were exchanged for other goods and services. This concept of exchange is the foundation of sales and marketing. While the barter system is less common today, the dawn of the Internet in the 1990s made this simple form of transaction even more convenient by offering a means for non-local individuals to match their needs with the offerings of others, both locally and across the globe. Several websites in fact enable consumers to take advantage of the reach of the Internet in order to facilitate such an exchange, enabling the continued use of this simple means of Sales and Marketing.

While the barter system introduced consumers to the concept of exchange, the introduction of various forms of currency several centuries later, made the concept of exchange a simpler proposition. No longer was a match of 'needs' required—goods and services could be exchanged for money—and the "Traditional Marketplace" was born. Over the years, the concept of mass production as well as supply chain and distribution channels were introduced giving way to the "Seller's Marketplace." The twentieth century and the inception of mass media marketing brought consumers unprecedented choice and with that choice came the need for businesses to differentiate their goods and services and promote them to a much larger audience through various means, including radio, television, and print advertising. Conventional mass media

marketing gave consumers many options to learn about different products and services and provided businesses with multiple channels to get their messages out. Finally, the 1990s brought the launch of the Internet offering businesses yet another channel to market their goods and services and an opportunity to reach a global audience—Digital Marketing was born.

1.3.2 Fragmented New-Age Marketing

Today, consumers have multiple ways of searching, learning about, and purchasing various products and services, and e-commerce technology has offered the convenience of secure and instant transactions. At the same time, however, consumers are bombarded with messages from many sources, making it sometimes difficult to sift through the volume of marketing information. Consumers can receive messages from any of the several hundred television and radio channels, a variety of print media, including newspapers, magazines, and trade publications; and, online, it is difficult to check e-mail without various banner ads popping up. The messages are constant. For businesses, in this age where consumers are continuously provided with choice, the challenge is finding ways to stand out.

Technology, however, offers businesses many options to reach a global audience using digital marketing channels such as website, mobile, and social media. With all of these options, many marketers find it beneficial to use an integrated approach to marketing by leveraging the strengths of various types of media. Companies must evaluate all media in terms of who the target audience is and what media resonates with them best. In many cases, assumptions will need to be made and incorporated into the media-testing framework (e.g., for each planning period a company might allocate a certain amount of its marketing budget to test new methods).

Some characteristics of fragmented new-age marketing are as follows:

- It is a fact that people now spend more time on the Internet using smartphones, tablets, or computers than they spend through conventional mass media, such as television, radio, or newspapers. This is especially true for the thirty-year-old and younger market segment. Since Sales and Marketing is most successful when it meets the demands of consumers, this change in consumer preferences is significantly altering the Sales and Marketing landscape for established companies. Businesses are discovering that conventional mass media marketing has limited effectiveness and some customer segments are not even reachable using these traditional media forms.
- Fragmented new-age marketing generally supports new, small brands with much smaller budgets targeted directly to customers in a global marketplace. This represents a significant distinction from conventional mass media marketing, where achieving a global reach for a small company may have been prohibitively expensive.

- While mass media marketing is less targeted and primarily focused on affecting emotional attitudes about the brand, new-age marketing is data-driven and more focused on driving specific calls to action. Also, while mass media marketing typically involves interruption (e.g., people watching a television program which is “interrupted” by an advertisement), new-age marketing is about engagement (e.g., offering relevant content that is of value to people).
- Unlike older media options where Sales and Marketing communications were primarily uni-directional (i.e., from producers to end-consumers), communications have increasingly become multi-directional (i.e., from producers to consumers, consumers to producers, and consumers to consumers). For example, there are multiple rating websites available where customers can provide independent ratings of a company’s products or services, and others, including the company itself, can respond or elaborate on these ratings. Although generally a benefit to both producers and consumers, this trend can make brand management challenging for companies if actual or potential customers perceive that a product does not reflect the brand message intended by marketing efforts.
- Due to the nature of new-age marketing, consisting of multiple media forms and the ability to generate significant information, huge amounts of data (commonly referred to as “big data”) are now available to companies. The ability to process this data through proper marketing analytics, and assimilate such data to generate valuable insights, can become a significant differentiator for ensuring that companies engage in “smart marketing” (i.e., to generate greater revenues with relatively smaller marketing budgets).

Examples of Fragmented New-Age Marketing:

- Social media (e.g., Facebook, Google+, YouTube) and company websites allow small companies to showcase their products at a low cost or at times, even for free. Companies can share engaging content, which can go viral, thus promoting their brand and reaching a global audience. Brands can also produce informative, instructional content via blog posts, forums, and so forth.
- Online paid advertising (e.g., Google AdWords, LinkedIn Sponsored Updates, Facebook Ads) allows companies to market their products or services to their target audiences at smaller budgets compared to conventional mass media marketing. For many companies, online paid advertising is replacing conventional mass media marketing. It may be important to note that unlike mass media, which is a one-way broadcast from brand to consumer, new-age marketing involves a two-way interaction between brand and consumer. For example, in the case of Google AdWords, the consumer clicks on an ad that takes him to the landing page of the brand's website. At that point, the brand will likely ask that the consumer do something (i.e., a specific call to action to download material or place an order). If the consumer accepts the call to action, the company provides additional information on the product itself. Thus, the transaction is usually a back-and-forth engagement between the company and its potential customers.
- Multi-directional communication is facilitated using fragmented new-age marketing. Customers can provide their own feedback or research what others have to say about particular products through blogs, Twitter feeds, Google reviews, and so on. TripAdvisor provides a forum for travel enthusiasts to share feedback about their experiences staying in particular hotels. Such feedback can significantly impact the buying behavior of future travelers who read customer reviews before deciding their travel options.

1.3.3 Innovative Internet-Enabled Business Models

The growing popularity of the Internet, smartphones, and digital media provides opportunities for a company to not only use fragmented new-age marketing effectively to promote existing products, but also to come up with innovative business models where product demo, customer acquisition, and order fulfillment can also take place online.

Innovative business models may include the following:

- **Online Marketplaces**—Several e-commerce companies have created global online marketplaces for selling books, consumer goods, and other products. In such business models, customer acquisition is usually initiated through the company's website. The company coordinates with its multiple suppliers to source products; samples, demos, and product reviews are provided on the website; customers make their purchases online; and items are shipped directly to customers.

Examples of Online Marketplaces:

- Book publishing and retail businesses, which historically gained much success using traditional business models, have been significantly affected by the advent of online marketplaces such as Amazon, eBay, Alibaba, and Flipkart.
- Online payment processors such as PayPal, Stripe, Braintree, and Google Wallet have simplified the way in which payments can be processed by businesses, and have enabled even small start-up companies to sell their products globally through online marketplaces.

- **Online Services**—Online services have significantly impacted many traditional product and service industries by transforming existing business models and creating new ways to conduct business.

Examples of Online Services:

- Global Positioning Systems (GPS) and online maps have made physical maps redundant.
- Online learning tools have gained popularity and, at times, can complement or even replace physical classroom training.
- The gaming industry has transformed predominantly to the online community with options for participants to play against opponents from various locations.
- Many travel bookings are now made through online travel portals rather than through traditional travel agencies.

- **Online Networking**—The Internet has made the world a smaller place. People can now access their networks at all times. These changes have significantly impacted the way in which people communicate with each other and, in turn, have created new possibilities for innovative business models.

Examples of Online Networking:

- Social media channels such as LinkedIn, Twitter, WhatsApp, Facebook, and Google+, have significantly changed the way in which people communicate with each other.
- Online search engines such as Google, Yahoo, and Bing make it easy to find information and locate businesses globally.
- Internet calling, messaging, and conferencing applications such as Skype, WhatsApp, Viber, and WebEx have made communicating across almost any location much easier and more economical than before.

- **Business Models Using Smartphones**—Smartphones are Internet-enabled mobile phones that also allow people to have an ongoing connection to the Internet. Since individuals usually carry their smartphones with them, mobile apps are becoming increasingly popular. Innovative business models based on the use of smartphones can disrupt several existing business models—more so in industries that rely on other forms of communications and networking.

Examples of Business Models Using Smartphones:

- Several airlines and travel portals have mobile apps to facilitate the ability to book flight tickets using smartphones.
- Social media channels such as Instagram, Twitter, Facebook, and LinkedIn provide mobile apps that enable users to easily share photos and updates, or chat with friends.
- Some mobile apps allow users to locate nearby restaurants, read reviews, and also post reviews based on their own experience.
- Banking mobile apps allow customers to view their bank account balances, transfer funds, pay bills, and complete other common banking activities.
- Smartphones can be used to scan QR codes used for various marketing purposes.

1.3.4 Sales and Marketing as a Continuum

It is important for us to note that the fact that we are in the twenty-first century does not make all the earlier avenues of Sales and Marketing obsolete. Some companies marketing consumer goods continue to spend a significant proportion of their marketing budget on conventional mass media marketing. In some cases a seller's marketplace continues to be the reality for certain commodities that have a limited number of producers, or where the production is highly regulated by the government or controlled by monopolies or duopolies. Similarly, in some regions or countries, traditional marketplaces continue to flourish.

Rather than viewing the changes as completely replacing the earlier practices, Sales and Marketing approaches should be viewed as a continuum where recent innovations can co-exist with earlier practices. It is the responsibility of a company's Sales and Marketing teams to make the strategic decisions that will work best to achieve the desired outcomes, given the reality of the markets and particular consumer preferences.

Sales and Marketing students, who read material on the subject, often find it confusing because authors offer varied perspectives that may be difficult to assimilate and comprehend in the present day. Each author's perspective can also vary depending on when the material was written (i.e., where he or she was on the Sales and Marketing timeline), his or her individual or industry preferences and experiences, and other factors. Conversely, the concepts covered in the *SMstudy® Guide series* are not limited to the perspective of any particular author or industry. The *SMstudy® Guide* was developed by VMEdU, Inc., a professional education provider which has educated over 400,000 students world-wide in more than 3,500 companies.

The fifty plus authors, advisors, and reviewers of this book have worked in multiple marketing environments and geographic regions across an eclectic variety of industries. Thus, the insights provided in this book provide a comprehensive detail of the principles and concepts related to Sales and Marketing and specifically to Digital Marketing. It also articulates an action-oriented process approach that can be used by Sales and Marketing practitioners to gain a better understanding of the subject, and then construct a comprehensive and effective Digital Marketing Strategy that supports both the marketing objectives as set out in the Marketing Strategy and the business goals as established in the Corporate Strategy.

1.4 Corporate Strategy Overview

Corporate Strategy is the overall direction of the company (as defined by senior management) that takes into consideration an assessment of the existing capabilities of the company and external opportunities and threats. Corporate Strategy usually coincides with the immediate future fiscal period or it could be developed with a longer-term view (e.g., a three-year plan). It is important to understand the overall Corporate Strategy and its relationship to all areas of the business in order to ensure that activities at all levels are aligned and aimed at achieving overall corporate goals. Digital Marketing forms just one component of the overall Marketing Strategy, and the Marketing Strategy is established using direction provided by the overall Corporate Strategy of the company. Without a clear understanding of where the company plans to be in the near and far future, it is difficult for the Digital Marketing efforts to be crafted to contribute to the marketing objectives or the overall goals of the business.

Corporate Strategy is a combination of the following:

1. **Senior Management Direction and Insights**—This is provided by the company's senior management, based on their experience and insights related to the business.
2. **Corporate Product Strategy**—This strategy defines the products or services the company offer, and the research and development (R&D) efforts required to create them.
3. **Corporate Marketing Strategy**—This strategy defines how the company plans to target, position, market, and sell the planned products. It also defines the metrics, targets, and budgets for all marketing activities.
4. **Corporate Operations Strategy**—This strategy defines how the company will manage its operational activities, manufacture its products (or provide services), and provide the corresponding customer support and warranty.
5. **Corporate Finance Strategy**—This strategy defines how the company will manage its finances, attain funding, and financially sustain its operations. The Finance Strategy should include forecasts and projections and summarize costs, income, and investments.
6. **Corporate Human Resource Strategy**—This strategy describes the human resource capabilities of the company and considers talent management and acquisition needs to sustain growth.

Typically, companies have existing documentation regarding their Corporate Product Strategy, Corporate Marketing Strategy, Corporate Operations Strategy, Corporate Finance Strategy, and Corporate Human Resource Strategy; these must be considered in an integrated manner to define a coherent Corporate Strategy. The level and complexity of documentation for these strategies may vary depending on the size of the company and the breadth of its product portfolio and geographic reach. If formal documentation of these strategies is not available (e.g., as with a start-up company), the teams involved in strategic planning should consider the various strategies using the *SMstudy® Guide* framework and decide on an overall Corporate

Strategy, which can then become a benchmark to execute future plans. Figure 1-3 shows the components of Corporate Strategy.

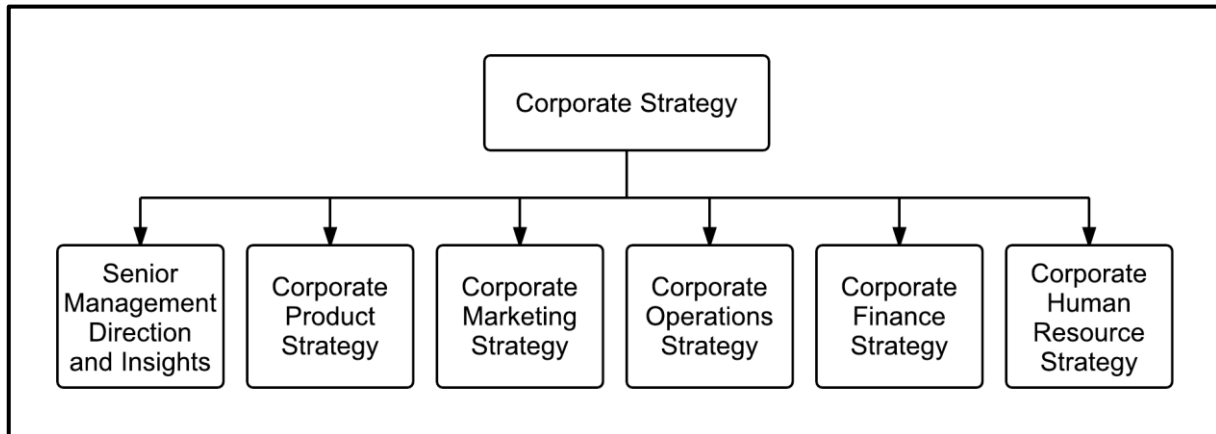


Figure 1-3: Components of Corporate Strategy

Corporate Strategy can be further divided into lower level strategies depending on the complexity of the organization. For example, the Corporate Strategy for an entire company can be divided into strategies for each business unit or geographic region (e.g., country, state, or city), and then subdivided further into a Product or Brand Strategy for each product or brand in a business unit or geographic region. The Product or Brand Strategy is the lowest level in this hierarchy.

Figure 1-4 illustrates the relationship between Corporate Strategy, Business Unit/Geographic Strategy, and Product/Brand Strategy.

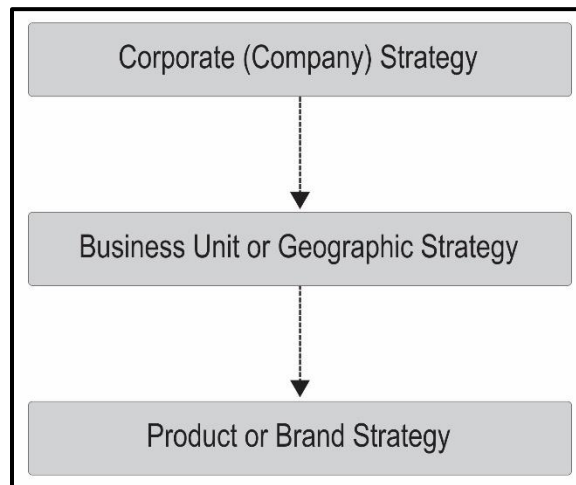


Figure 1-4: Levels of Strategy

While each of the various strategies established in an organization has its own goals and expectations, it is important to note that all activities must align in order to ensure that teams are focused on achieving targets that will contribute to the overall business goals. In the Digital Marketing Strategy, which is the focus of this

book, specific targets are set that will enable the team to measure its own success. However, when goals and objectives are aligned across brands, functional areas, and business units, successful execution of the Digital Marketing Strategy also contributes to the attainment of marketing objectives and ultimately assists the business in the successful execution of the Corporate Strategy and, therefore, the achievement of the corporate goals.

Additional information about Corporate Strategy is available in Appendix A of the book on Marketing Strategy.

1.5 Aspects of Sales and Marketing

The *SMstudy® Guide* describes six Aspects of Sales and Marketing as follows:

1. Marketing Strategy (MS)
2. Marketing Research (MR)
3. Digital Marketing (DM)
4. Corporate Sales (CS)
5. Branding and Advertising (BA)
6. Retail Marketing (RM)

Since the *SMstudy® Guide* is geared towards Sales and Marketing professionals or those who desire to work in this field, the six Aspects are based on the six most common and often distinct career fields related to Sales and Marketing. Figure 1-5 illustrates the six Aspects of Sales and Marketing and how they interact with each other.

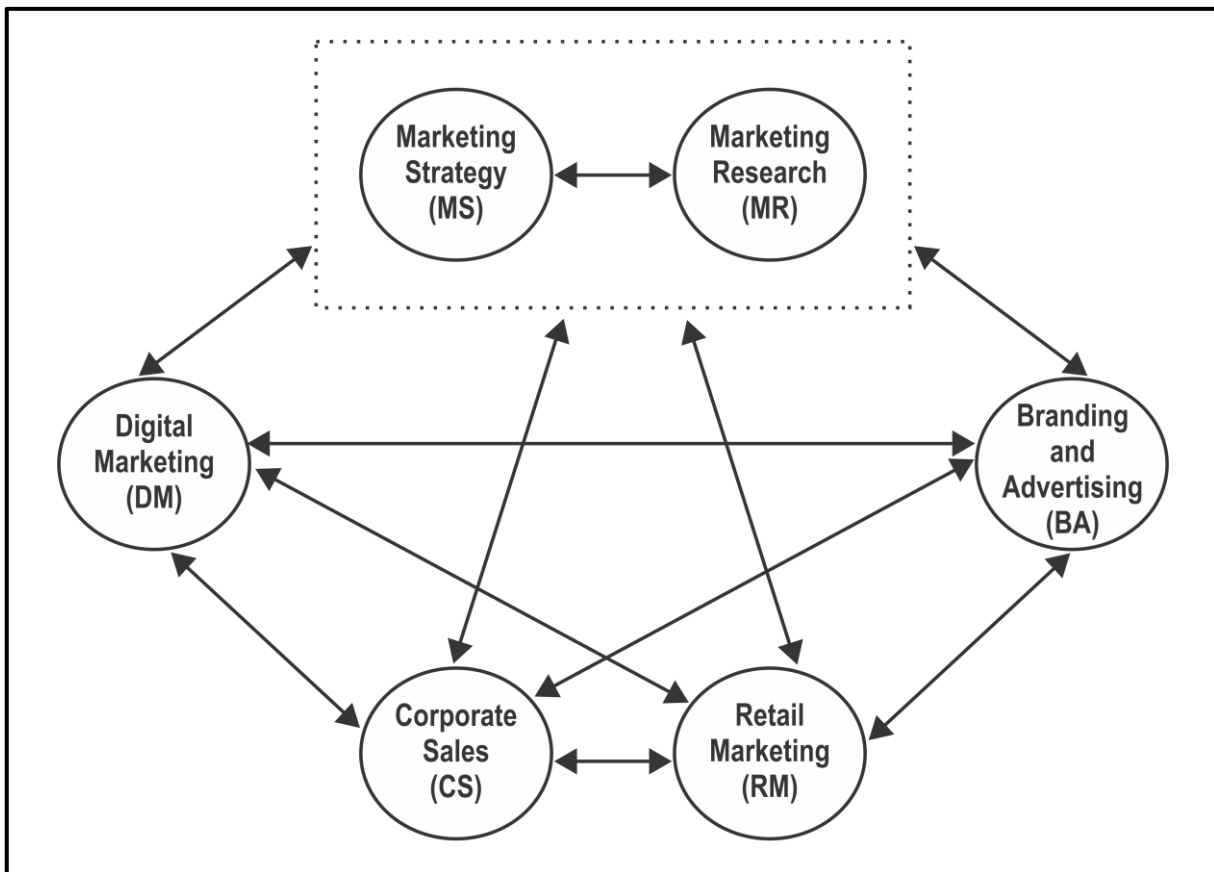


Figure 1-5: Aspects of Sales and Marketing

The two marketing Aspects that are shown in dotted lines at the top of Figure 1-5 (i.e., Marketing Strategy and Marketing Research) are referred to as “Essential Marketing Aspects.” Both of these Aspects are mandatory and should be used to define, measure, and provide direction for the overall marketing efforts of a company.

The four remaining Aspects (i.e., Digital Marketing, Corporate Sales, Branding and Advertising, and Retail Marketing) are referred to as “Optional Marketing Aspects” because one or more of them could be used by a company to reach its marketing goals and, in some instances, not all are applicable. For example, a small company creating phone apps or online games may decide to solely use Digital Marketing; another company manufacturing heavy equipment may use only Corporate Sales; and a large consumer goods company or global fashion chain may decide to use all four Optional Marketing Aspects to reach its marketing goals.

1. **Marketing Strategy (MS)** describes how the Aspect of Marketing Strategy aligns with a company’s overall Corporate Strategy and acts as a unifying framework to define and analyze the other Aspects of Sales and Marketing. It also supports the alignment of all marketing resources among all Aspects. Marketing Strategy includes determining internal organizational strengths and weaknesses, as well as external opportunities and threats; identifying and segregating prospective buyers into market segments based on common needs; defining competitive positioning to satisfy specific customer needs; creating pricing and distribution strategies; and defining the metrics, objectives, and corresponding budgets for implementation, evaluation, and improvement of all marketing activities.
2. **Marketing Research (MR)** explains the concepts of Marketing Research and provides a framework to conduct marketing research and to analyze sales and marketing data. It also demonstrates how marketing research findings can help the marketing team conceptualize and finalize product features and other components of a company’s Marketing Strategy. In addition, Marketing Research discusses assessment tools that can be used to measure factors that can help drive better corporate decision making, and in turn more decisive marketing actions. Marketing Research can be conducted for any other Aspect of Sales and Marketing. It is commonly used to test multiple marketing hypotheses in order to better understand customers and consumer behavior, finalize product features, define metrics for measuring marketing efforts, and track and improve marketing activities.
3. **Digital Marketing (DM)**, which is the focus of this book, includes all marketing activities that use electronic devices connected to the Internet to engage with customers (e.g., computers, tablets, smartphones). These include activities related to creating and managing effective websites and mobile apps as well as promoting a company’s products and brand through various online channels that help meet marketing objectives. Some of the tools pertaining to Digital Marketing include Search Engine Optimization, Search Engine Marketing, Mobile Device Marketing, Social Media Marketing, and E-mail Marketing. This Aspect also demonstrates how an effective Digital Marketing Strategy can be a force multiplier for the other Sales and Marketing Aspects.
4. **Corporate Sales (CS)** outlines the best practices and processes to be followed for effective business-to-business (B2B) sales. It provides guidance on activities related to building strong business

relationships; successfully working with other businesses to help them see the value in the company's products and services; understanding procurement management; conducting effective negotiations with other organizations; and ensuring leads generation, qualification, follow-up, and other related activities. It also emphasizes how corporate sales should interface with the other Sales and Marketing Aspects.

5. **Branding and Advertising (BA)** includes concepts of product branding, consumer behavior, marketing communications, and public relations. Branding is the process of creating a distinct image of a product or range of products in the customer's mind. This image communicates the promise of value the customer will receive from the product or products. Branding should remain consistent across all channels of communications with the customer. Advertising is defined in the *SMstudy*® Guide as any paid form of non-personal communications to existing and potential customers that promote the company's products through all types of media—such as radio, television, and print.
6. **Retail Marketing (RM)** presents concepts of all marketing activities related to persuading the end customer to purchase a company's products at a physical retail outlet or store, and efficiently managing the supply chain and distribution channels to improve the reach and sales for a company's products. This Aspect also discusses how Retail Marketing interfaces with the other Sales and Marketing Aspects.

1.6 Levels of Sales and Marketing Strategy

The Corporate Marketing Strategy, which is a component of the overall Corporate Strategy, is further divided into various Business Unit or Geographic Strategies, which in turn is further divided into particular Product or Brand Strategies for each product or brand. Figure 1-6 illustrates the relationship between Corporate Marketing Strategy, Business Unit/Geographic Marketing Strategy, and Product/Brand Marketing Strategy.

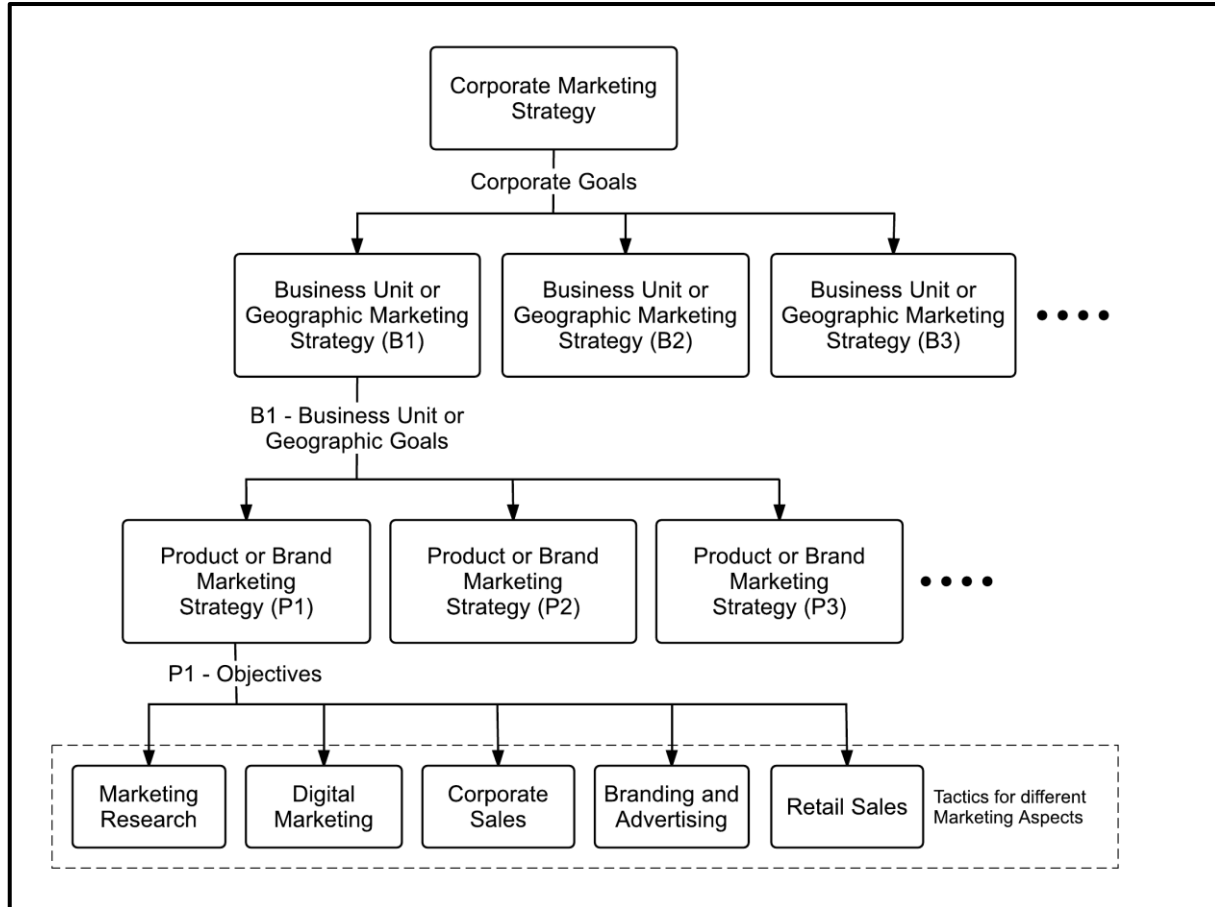


Figure 1-6: Relationship between Different Levels of Sales and Marketing Strategy

The Corporate Marketing Strategy is defined at a corporate level. It defines the overall marketing goals for the company. These general marketing goals drive more specific marketing strategies for each of the company's business units or geographies. Each business unit or geography in turn defines its own goals, which are relevant inputs for each area's particular Product or Brand Marketing Strategies. Each Product or Brand Marketing Strategy (also referred to as 'Marketing Strategy' in the *SMstudy® Guide*) defines Sales and Marketing objectives for each product or brand, which drive specific tactics that align with and often rely on other Marketing Aspects. Digital Marketing is one of six Aspects of Marketing defined in the *SMstudy® Guide*, and is the focus of this book. The marketing activities across all Aspects of Marketing are designed with the marketing objectives in mind. Within the strategy for each Aspect, including Digital Marketing, various activities are designed to meet specific targets that the team establishes will provide a measure of

success and enable the team to contribute to the overall marketing objectives and, ultimately, to the business goals.

Example of Levels of Marketing Strategy:

Land Development Company

- **Corporate Level:** A land development company wants to grow to be among the top three land development companies in its state.
- **Business Unit/Geographic Level:** The land development company operates two business units: Residential and Retail. A goal of the Residential Business Unit is to grow that unit by twelve percent within one year; a goal of the Retail Business Unit is to grow that unit by ten percent within the same time period.
- **Product/Brand Level:** Within the Residential Business Unit, the company sells three products: Condominiums, Townhomes, and Singles. The Singles Product Marketing Strategy identifies an objective to grow the sale of single units by fifteen percent. To achieve this objective, the teams responsible for building strategy within the various Aspects of Marketing establish specific objectives that are designed to support the overall product objectives and to align with one another.
- **Marketing Aspect Level:** The company's greatest strength is the fact that it is an award-winning leader in 'green' sustainable development. Therefore, the Branding and Advertising team plans specific tactics that incorporate an increase in reach of its messaging around sustainable development. One specific tactic is to leverage billboard and newspaper advertising with the objective of increasing reach of 'green' messaging by thirty percent. The Digital Marketing team incorporates tactics to support the objective of increasing the "green" sustainable development messaging, stressing the importance of this trend, and positioning the company as a leader in the industry, through the use of various social media channels. One specific tactic is to leverage blogs and online public relations with the objective of increasing the company's rankings in online searches related to keywords, such as "sustainable development." The tactics of each Marketing Aspect are aimed at achieving their own specific objectives; however, both support the overall Singles Product Strategy objective of achieving a fifteen percent growth in sales for this product line.

*Example of Levels of Marketing Strategy:***Global Automobile Company**

- **Corporate Level:** A global automobile company specializing in manufacturing luxury automobiles has a corporate goal to grow the company by eight percent in the upcoming year by launching new models of cars in its existing locations and entering new market segments.
- **Business Unit/Geographic Level:** The automobile company has been organized into multiple business units based on geographies where it conducts business. Each business unit has business unit goals that contribute to the company's overall corporate goals. The business unit goals for next year are five percent growth in the United States, ten percent growth in China, four percent growth in the United Kingdom, twelve percent growth in India, and 6 percent growth in Germany.
- **Product/Brand Level:** To meet the ten percent growth target in China, the marketing team in China plans strategies for the three existing brands in the market (i.e., 'Ceres,' 'Pallas,' and 'Vesta') and also plans to launch a new brand, 'Juno.' Each brand targets a different customer segment. Ceres is an entry-level sedan, targeted at working professionals who aspire to have a luxury car; Pallas is a minivan, primarily targeted at families with children; Vesta is a four-wheel drive sport-utility vehicle for individuals who want both on- and off-road capability and to still be able to go on long drives; the new brand, Juno is a convertible that the Chinese business unit plans to target at young persons who want a stylish and fun car.

Each brand team creates a Marketing Strategy for its brand. When creating the Marketing Strategy, the team considers the strengths, weaknesses, opportunities, and threats for the brand; defines the market and identifies the different market segments; identifies the brand's competition; finalizes the target market segment for the brand; analyzes the target market to create a differentiated positioning for the brand; and then finalizes the pricing and distribution strategies. Each team then determines the appropriate metrics and objectives that will help reach the team's growth target, and finally a budget is allocated to each Marketing Aspect. Juno's key metric is sales and its main objective is to sell 25,000 cars in the Chinese market the year after the vehicle is released. The Marketing Strategy team for Juno decides to use Digital Marketing, Branding and Advertising, and Retail Marketing to reach out to its target market segment. Juno's product strategy team sets a budget of \$1 million for Digital Marketing to sell 3,000 cars, \$10 million for Branding and Advertising to sell 10,000 cars, and \$15 million for Retail Marketing to sell 12,000 cars.

- **Marketing Aspect Level:** The metrics, objectives, and budgets allocated to each of the Marketing Aspects become inputs for those Aspects. For example, the Digital Marketing team may decide to create a high-quality website with their budget of \$1 million and an objective of selling 3,000 cars.

1.6.1 Focus on Product or Brand Level Marketing Strategy

Although Corporate Marketing Strategy is discussed briefly here and in detail in Appendix A of the Marketing Strategy book, subsequent chapters of this book primarily discuss Digital Marketing as a contributor to the Marketing Strategy at the product or brand level. The objective of this approach is to focus on learning these concepts and developing strategies at the most granular level. The concepts, however, can be extrapolated and the knowledge applied to develop strategies at higher levels (i.e., Business Unit/Geographic or Corporate levels).

1.7 Marketing Strategy Overview

All successful products or brands need well-planned marketing strategies in place to ensure that they satisfy the goals set by the corresponding Business Unit or Geographic location, and in turn the overall Corporate Marketing Strategy. Marketing Strategy is therefore one of the most crucial Aspects of Sales and Marketing. It defines a product or brand's unique value proposition, target markets, and the specific strategies to be used to connect with defined audiences. It also specifies the pricing and distribution strategies for a product or brand, and outlines the specific metrics, objectives, and budgets for all its marketing activities. Among the outputs of the Marketing Strategy are the specific Aspects that will be used to achieve the marketing objectives for a product or brand.

The Digital Marketing Strategy is often a key contributor to the execution of a successful Marketing Strategy given the speed of messages, its reach, and its convenience for both businesses and consumers. It is important to note, however, that Digital Marketing is just one element of a variety of Aspects of Marketing that companies use to grow their businesses and achieve their corporate goals. For an overview of Marketing Strategy and its various components, see Appendix A.2. For a comprehensive understanding of how to build and execute a Marketing Strategy that aligns all Aspects of Marketing toward achieving both the marketing objectives and the business goals, consult the Marketing Strategy (MS) book of the *SMstudy® Guide* series.

1.8 Digital Marketing Overview

Digital Marketing is one of several Aspects of Marketing discussed in the *SMstudy® Guide* series. Other Aspects discussed in this series include Marketing Research (MR), Corporate Sales (CS), Branding and Advertising (BA), and Retail Marketing (RM). The strategies for each of the Aspects of Marketing are derived from the outputs of the Marketing Strategy (MS), which are described in the *SMstudy® Guide* series on Marketing Strategy.

It is important to note that all Aspects of Marketing must be aligned and work together in order to achieve the overall marketing objectives. Therefore, setting the strategy for Digital Marketing requires constant and continuous collaboration and communication with other departments, functional areas, and business units, as well as other stakeholders including senior management and partners.

The processes associated with establishing a Digital Marketing Strategy include gaining an understanding of the specific targets that this Aspect of Marketing must achieve in order to contribute to the successful attainment of overall marketing objectives; recognizing and evaluating the various digital marketing channels and options that digital media offers; building or acquiring the needed expertise and establishing a strong digital presence; optimizing each of these channels to ensure maximum reach; building good customer relationships; and establishing and protecting a strong reputation in the chosen markets.

1.8.1 Understand and Evaluate Digital Marketing (DM) Channels

Chapter 2 of this book focuses on gaining an understanding of the available DM channels that marketers can use to achieve the digital marketing targets that have been derived from the marketing objectives for a product or brand. Given the nature of the online world, which is constantly evolving and expanding—new channels are developing with greater frequency, and audiences are continuously exploring new sources of online content—digital marketers must regularly assess and reassess digital marketing channels for their effectiveness and applicability in helping achieve the company's overall organizational goals and objectives. Once the Digital Marketing Strategy has been established, it must continuously be monitored and evaluated to ensure its relevance to the target audiences and adjusted to address frequently changing consumer needs, preferences, and online trends as well as to ensure the targets that the Marketing Strategy has outlined for the digital marketing team are being met.

There are two processes that help a company explore the digital marketing options available. In the first process, the business gains an understanding of the available channels including the company's main website as well as its product websites; the website and apps for mobile devices, such as phones and tablets, among others; and finally the various platforms of social media. The second process involves evaluating each channel as a means of achieving the digital marketing targets, contributing to the marketing objectives for a product or brand, and supporting the corporate goals.

Figure 1-7 provides an overview of the processes discussed in chapter 2, Understand and Evaluate Digital Marketing Channels.

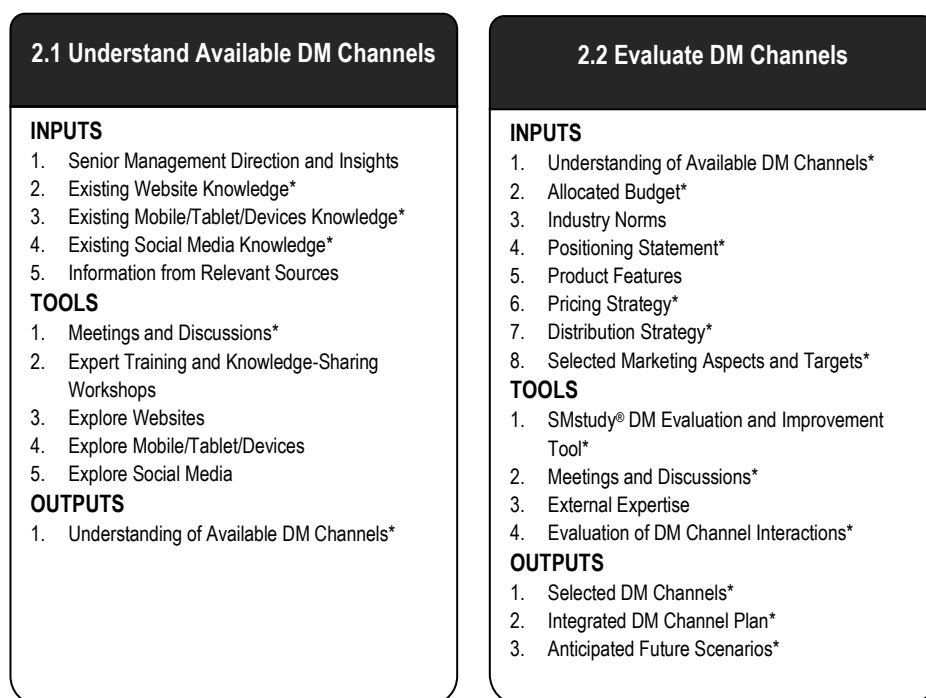


Figure 1-7: Understand and Evaluate Digital Marketing (DM) Channels Overview

Note: An asterisk () denotes a highly recommended input, tool, or output for the corresponding process.*

1.8.2 Plan and Develop DM Channels

The third chapter of this book discusses the processes associated with developing DM channels and includes the specific steps required to build a presence within digital channels—namely websites, mobile apps and sites, and social media sites. Organizations develop their digital marketing channels based on market research, expert feedback, and case studies that provide insights into the successes and failures of competitors in addressing the same target segments. Because the online marketplace is evolving and new channels are developing with great frequency, businesses must constantly stay in touch with their audiences' needs and ensure that they adapt to stay relevant to these needs. Another factor that organizations must keep in mind when interacting with consumers through digital media is maintaining consistent brand messaging and positioning across all channels and through various marketing activities.

Three processes are described in this chapter. Each is aimed at planning and developing the three primary digital marketing channels: the company website, the mobile channel, and social media.

Figure 1-8 provides an overview of the processes discussed in chapter 3, Plan and Develop DM Channels.

3.1 Plan and Develop Website Channel	3.2 Plan and Develop Mobile Channel	3.3 Plan and Develop Social Media Channel
INPUTS <ol style="list-style-type: none"> 1. Integrated DM Channel Plan 2. Website Metrics, Targets, and Budgets* 3. Selected Target Segments* 4. Allocated Budget* 5. Details of Competitive Products 6. Marketing Research Reports 7. Positioning Statement* 8. Existing Branding 9. Outputs of Marketing Strategy TOOLS <ol style="list-style-type: none"> 1. Branding and Advertising 2. Marketing Research 3. Website Design Skills* 4. Emerging Technology Assessment 5. SEO Skills* 6. Competitor Website Analysis 7. Website Architecture Design* 8. Website Creation Tools 9. Mock-ups 10. Meetings and Discussions* 11. Expert Insights OUTPUTS <ol style="list-style-type: none"> 1. Created Website* 2. Refined Metrics and Targets for Website 	INPUTS <ol style="list-style-type: none"> 1. Integrated DM Channel Plan 2. Mobile Metrics, Targets, and Budgets* 3. Selected Target Segments* 4. Allocated Budget* 5. Details of Competitive Products 6. Marketing Research Reports 7. Positioning Statement* 8. Existing Branding 9. Outputs of Marketing Strategy TOOLS <ol style="list-style-type: none"> 1. Branding and Advertising 2. Competitor Mobile Site/App Analysis 3. Marketing Research 4. User Personas and Use Cases* 5. Mobile Website Development Methods* 6. Mobile App Development Skills* 7. Emerging Technology Assessment 8. Mobile App Development Methods* 9. Meetings and Discussions* 10. Expert Insights OUTPUTS <ol style="list-style-type: none"> 1. Created Mobile Site* 2. Created Mobile App* 3. Refined Metrics and Targets for Mobile Website 4. Refined Metrics and Targets for Mobile App 	INPUTS <ol style="list-style-type: none"> 1. Integrated DM Channel Plan 2. Social Media Metrics, Targets, and Budgets* 3. Selected Target Segments* 4. Allocated Budget* 5. Details of Competitive Products 6. Marketing Research Reports 7. Positioning Statement* 8. Existing Branding 9. Outputs of Marketing Strategy TOOLS <ol style="list-style-type: none"> 1. Branding and Advertising 2. Meetings and Discussions* 3. Competitor Social Media Activity Analysis 4. Marketing Research 5. Emerging Technology Assessment 6. User Personas and Use Cases* 7. Social Media Elements Selection* 8. Expert Insights OUTPUTS <ol style="list-style-type: none"> 1. Content Creation and Distribution Plan* 2. Created Social Media Presence* 3. Refined Metrics and Targets for Social Media Elements

Figure 1-8: Plan and Develop DM Channels Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

1.8.3 Optimize Website

Chapter 4 of this book takes a close look at the first of three DM channels: the company website. Once the website has been established, it is critical to implement measures to ensure that it is optimized to achieve maximum reach, to build strong relationships with customers and potential customers, and to support the company's reputation. Optimization for reach involves using specific tools such as search engine optimization (SEO), search engine marketing (SEM), and search engine advertising (SEA), as well as leveraging strategic alliances and public relations to ensure the business is reaching the required number of current and potential customers through this channel. Once the company has developed the capability to reach out to the maximum number of customers in its target segments, it must monitor and improve its relationships with current and potential customers by using various promotions and offers, providing valuable content, and incorporating various feedback mechanisms. Finally the site must be optimized to ensure that it is supporting or strengthening the reputation of the company. Several tools are discussed in this section including leveraging public relations and using web analytics to gauge consumer perception.

This chapter discusses three processes aimed at optimizing the company website for reach, relationship, and reputation. These are shown in Figure 1-9.

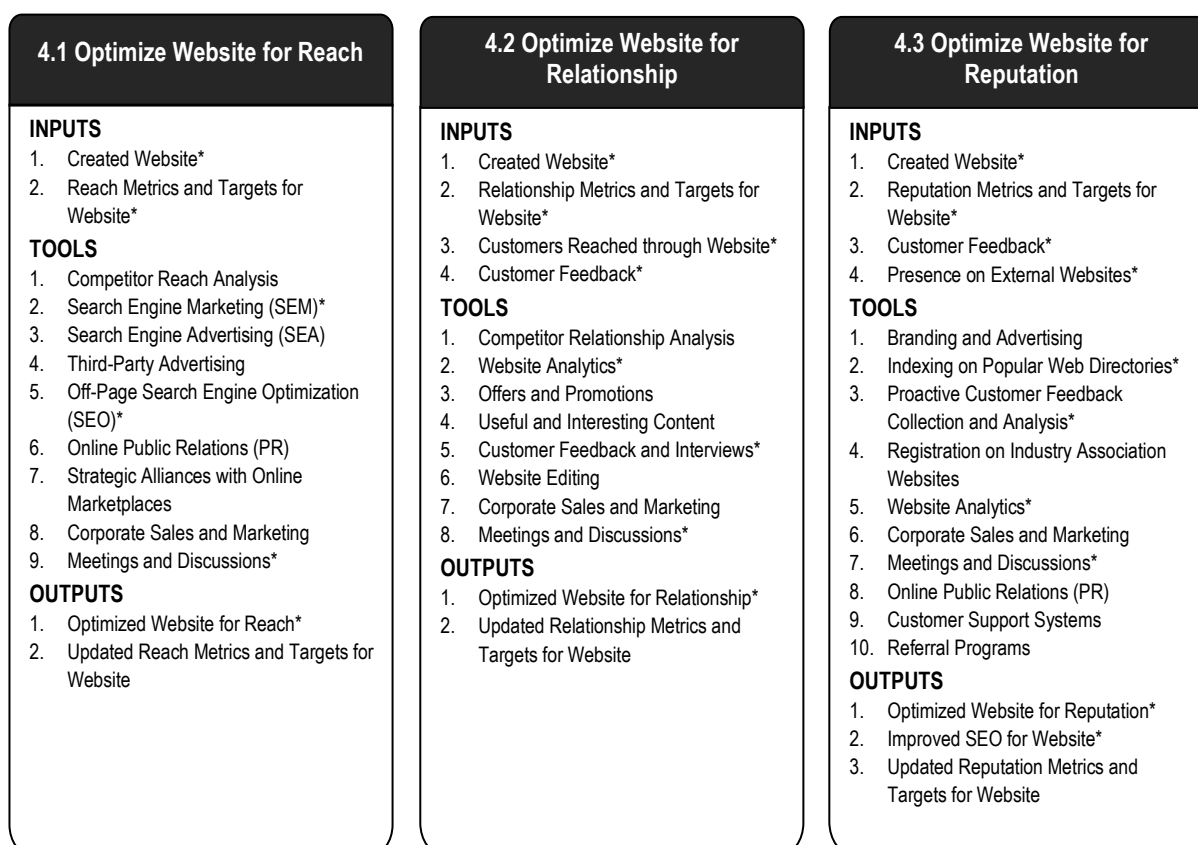


Figure 1-9: Optimize Website Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

1.8.4 Optimize Mobile/Tablet/Devices

Optimize Mobile/Tablet/Devices is the fifth chapter of Digital Marketing. The mobile channel, which includes both the mobile website and mobile app, is discussed in detail in this chapter with a specific focus on optimizing this channel to achieve maximum reach, to build and enhance relationships with customers, and to support the company's reputation. The ever-changing landscape of mobile devices makes it important for the digital marketing team to understand this channel. The team must actively monitor any changes in technology and the inception of new tools to ensure that technology is being leveraged effectively. Also consistency of brand messaging across all devices, as well as customer engagement, feedback, and support are discussed in this chapter.

Three processes aimed at optimizing the mobile channel for reach, relationship, and reputation are discussed in this chapter. These are shown in Figure 1-10.

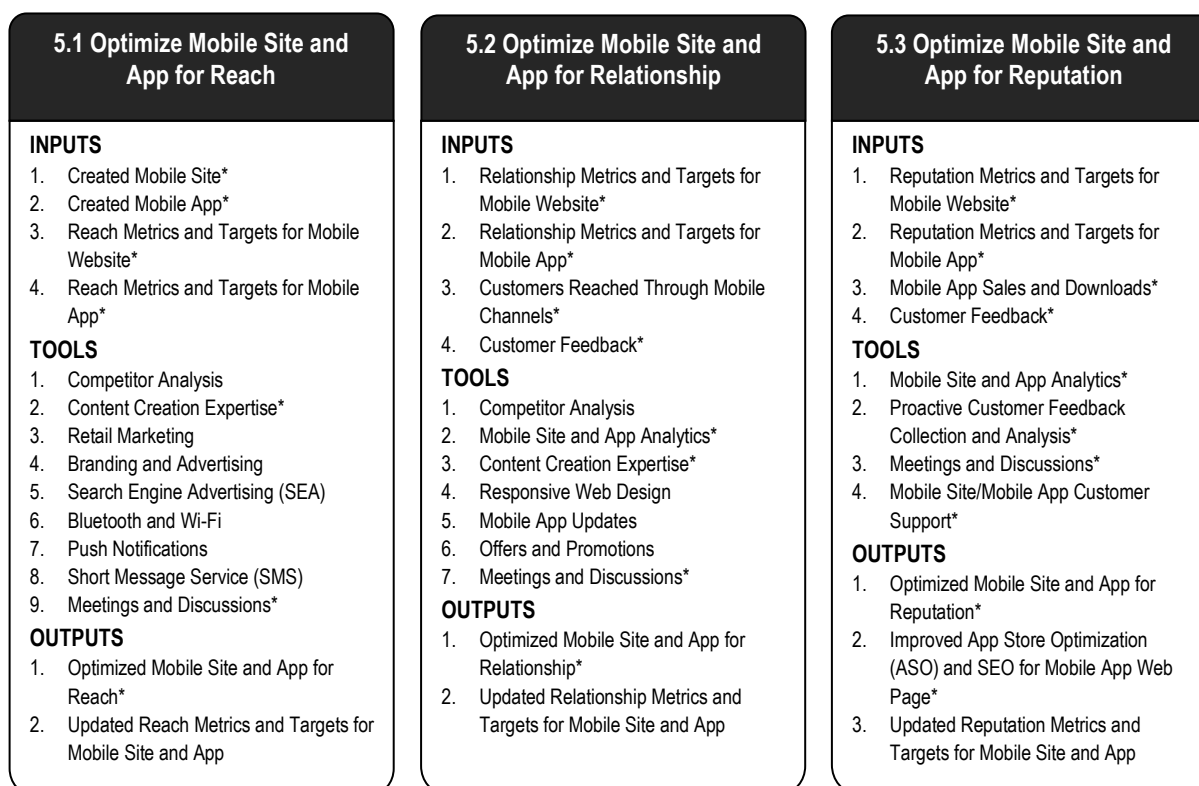


Figure 1-10: Optimize Mobile/Tablet/Devices Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

1.8.5 Optimize Social Media

Chapter 6 of this book describes the steps required to optimize the company's social media activities. A variety of tools and techniques can be used to maximize reach, relationship, and reputation in the social media space. This chapter discusses various activities that can be undertaken to establish a strong social media presence and create a positive customer experience, including creating high-quality content, encouraging others to share content, and expanding the professional and personal networks of those aligned and associated with the business. Customer engagement is a key component of a strong social media presence as satisfied customers can provide an effective means of spreading positive messages about the business, thus expanding the company's reach. The chapter also focuses on building strong relationships through compelling content, customer support, and managing consumer perception of the business and its brands.

This chapter discusses three processes aimed at maximizing reach, relationship, and reputation in the social media space. These are shown in Figure 1-11.

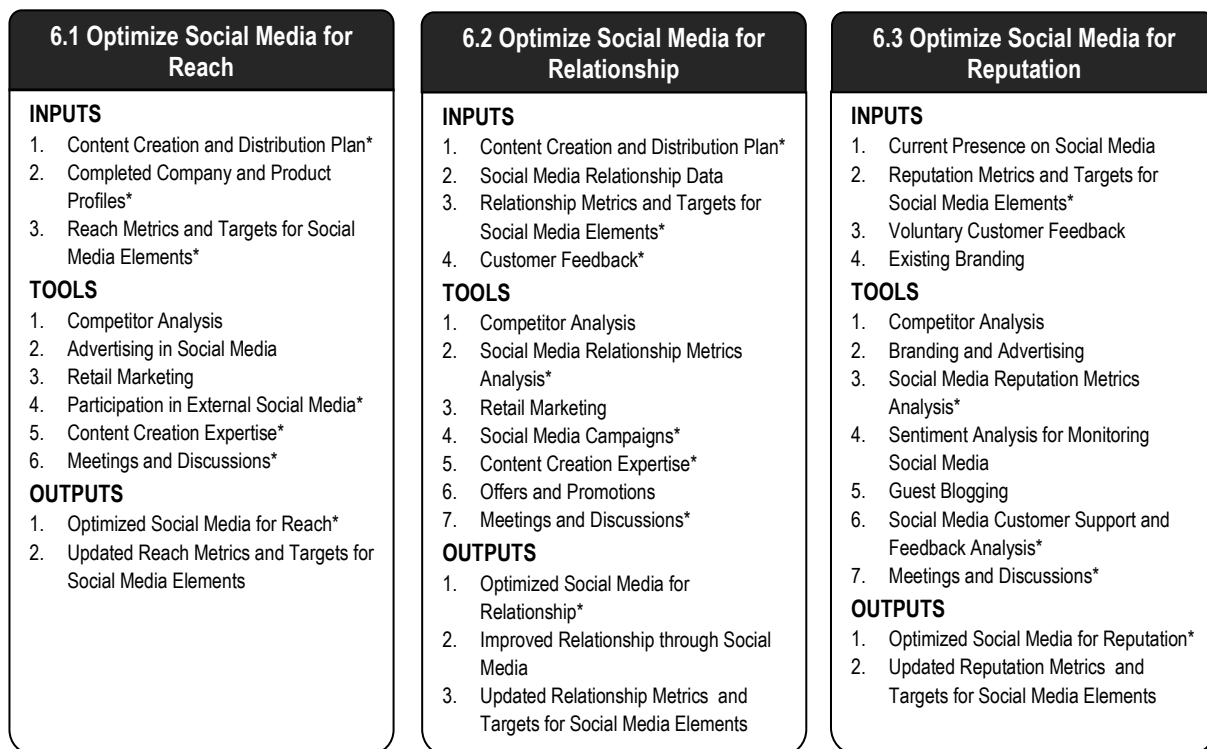


Figure 1-11: Optimize Social Media Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

1.8.6 Other Important Elements of DM Channels

The last chapter of this book, titled Other Important Elements of DM Channels, discusses additional digital marketing activities that should be considered when creating a comprehensive Digital Marketing Strategy. Digital Marketing is a vast and constantly changing marketing channel. The challenge for most digital marketers is to not only stay abreast of what their competitors are doing in the market, but to also remain aware of advancements in technology and of changes in consumer use of technology. As new technology is introduced and old technology becomes obsolete, marketers must adapt to changing trends and consumer behavior. This chapter provides specific details on some concepts that are mentioned in other areas of this digital marketing book that warrant further clarification and a more thorough discussion. Specifically this chapter discusses the following digital marketing concepts:

- E-mail Marketing
- Web Analytics
- Search Marketing
- Popular Social Media Platforms
- Affiliate Marketing
- Search Engine Optimization

Each of these elements can play a significant role in a company's Digital Marketing Strategy.

2. UNDERSTAND AND EVALUATE DIGITAL MARKETING (DM) CHANNELS

2

When creating an online presence, one of the initial steps is to determine the targets as defined by the Marketing Strategy and then explore the various digital marketing channels available to achieve those targets. Companies typically market their products or services to targeted audiences that differ in demographics such as age, geography, and income. Implementing digital marketing tactics allows a company to target very specific audiences and measure each tactic effectively.

Given the nature of the online world, which is constantly evolving and expanding—new channels are developing with greater frequency, and audiences are continuously exploring new sources of online content—digital marketers must regularly assess and reassess digital marketing channels for their effectiveness. To identify the most effective marketing channels for an organization's products or services, marketers spend a considerable amount of time and effort identifying and understanding the dynamics of all available digital marketing channels and evaluating these channels relative to their company's overall organizational goals and objectives. Once the Digital Marketing Strategy has been established, it must be continuously monitored and evaluated to ensure its relevance to the target audiences and adjusted to address frequently changing consumer needs, preferences, and online trends and to ensure the targets that the Marketing Strategy has established for the digital marketing team are being met.

Figure 2-1 provides an overview of the following two processes in this chapter.

2.1 Understand Available DM Channels—This process explores various digital marketing channels that an organization may use to meet its Sales and Marketing objectives and, in turn its corporate goals.

2.2 Evaluate DM Channels—This process evaluates various digital marketing channels to determine their relevance and effectiveness in achieving previously determined performance targets for Digital Marketing.

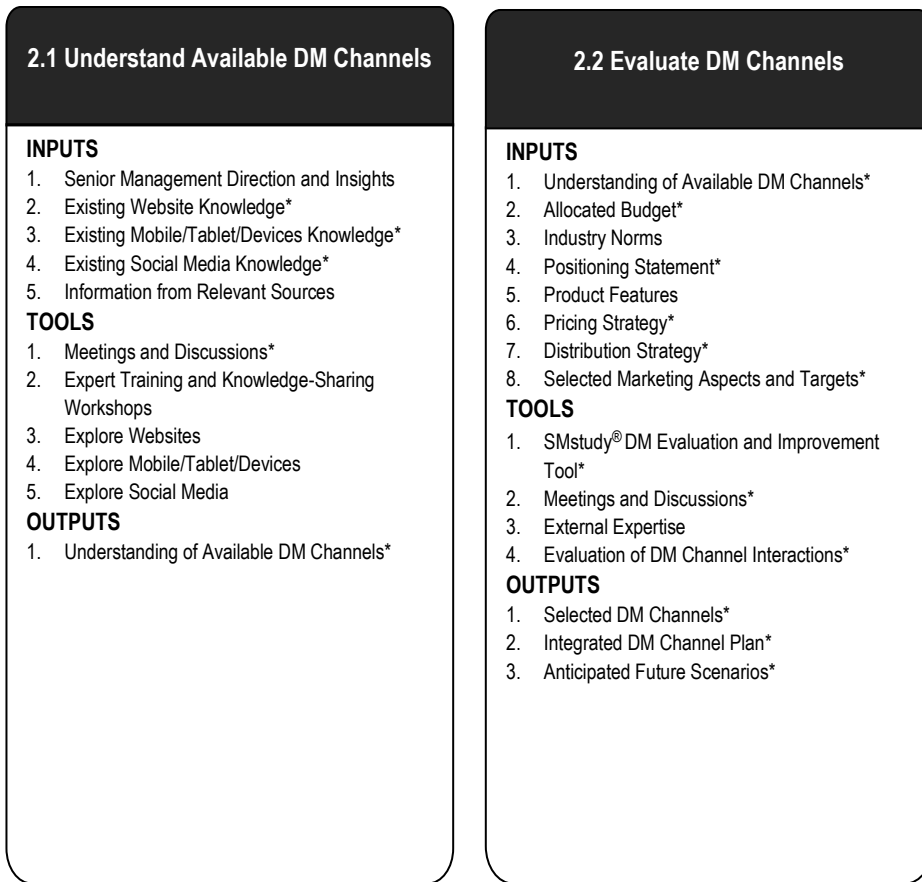


Figure 2-1: Understand and Evaluate Digital Marketing (DM) Channels Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

2.1 Understand Available DM Channels

This process involves exploring the various digital marketing channels that an organization can use to stay in touch with customers and potential customers in an effort to achieve the marketing objectives for a product or brand. The digital marketing team analyzes the Internet behavior patterns of its target audience and identifies all possible online media that are used by those consumers being targeted. It observes macro trends that might impact the way in which the organization markets and sells a product or service to consumers. As a result of this process, the organization gains a better understanding of the digital landscape and learns how it can develop and implement its marketing strategies to be effective. The output of this process is a comprehensive understanding of the various digital marketing channels the company can use to reach out to prospective customers.

Figure 2-2 shows the inputs, tools, and outputs for the *Understand Available DM Channels* process.

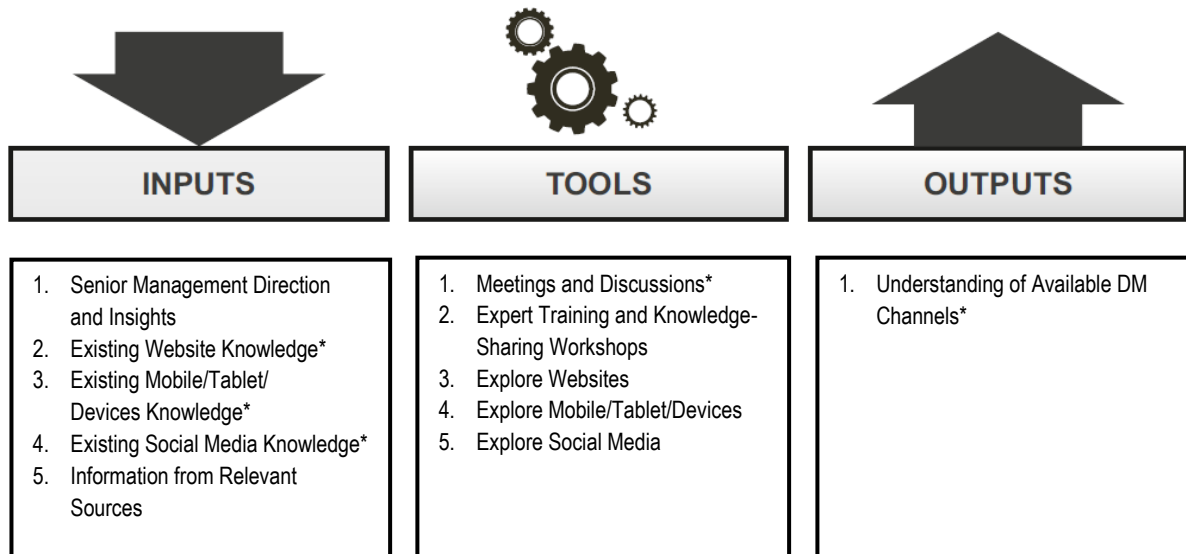


Figure 2-2: Understand Available DM Channels—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

2.1.1 Inputs

2.1.1.1 Senior Management Direction and Insights

The overall Marketing Strategy of the organization plays a key role in defining the targets that the Digital Marketing Strategy must achieve. Seeking senior management guidance when defining the Digital Marketing Strategy is important to initiate digital marketing efforts and achieve the desired strategic objectives.

For the successful implementation of a Digital Marketing Strategy, the organization must have a clear understanding of three foundational components:

- the digital marketing targets as established by the Marketing Strategy
- the target segments the organization has decided to focus on
- the consumer needs and values the organization aims to address through digital marketing efforts

Senior management plays a critical role in providing clarity on these three components. Using direction from senior management, the digital marketing team can identify the digital marketing channels that will best enable the business to reach out to current customers and acquire new customers. Without senior management insights, the team may not be clear on senior management's vision with respect to Digital Marketing, nor will the team have a comprehensive understanding of the marketing objectives and how Digital Marketing can be best used to support these objectives. As a result, the digital marketing team may not be able to establish a Digital Marketing Strategy that aligns with the objectives of the Marketing Strategy and the overall corporate goals.

2.1.1.2 Existing Website Knowledge*

The team creating the Digital Marketing Strategy for a product or brand needs to have detailed knowledge about the organization's existing website, as well as a complete understanding of the product, brand, or service that the company aims to market and sell through the website. It is also important for the team to review and understand relevant statistics related to the company's website, such as the number of visitors, the average time spent on the site, the profiles of the audience, any existing customer feedback, the conversion rate of consumers, and so on. This data can serve as a benchmark for the digital marketing team to measure the effectiveness of future strategies and targets. The digital marketing team can also compare existing company website information with that of competitors (e.g., using industry statistics or independent tools to benchmark the website's performance and determine which areas of the website could be enhanced to create a better consumer experience and eventually increase sales.

Examples of Existing Website Knowledge:

- Tools such as Google Analytics provide detailed statistics about website performance including visitor traffic, audience geographic profile, and visitor flow to different website pages. Conversion tracking and real-time data provide insights into specific actions performed by users on the website.
- Companies use several website ranking tools such as Alexa, Compete, and Quantcast to compare their website traffic with that of their competitors. These tools provide comparative reports on the percentage of visitors from different traffic sources, engagement metrics (such as average time on a website), and ranking by country.

2.1.1.3 Existing Mobile/Tablet/Devices Knowledge*

Mobile, tablet, and other Internet-enabled devices (such as smartwatches) are personal devices that often form a large part of a company's Digital Marketing Strategy. A company can use these platforms for one-to-one communication with its audience. With an increasing percentage of consumers using the Internet on-the-go, having a mobile version of a website helps a business reach out to consumers across all devices connected to the Internet. To ensure that customers and potential customers instantly land on the mobile version of the site when they are using their mobile devices, businesses must ensure their sites are mobile friendly. Having a mobile website also helps in the search engine optimization (SEO) of sites; as multiple pages index to the main website, the main website's organic ranking improves, which is advantageous for a business to build an online presence. In order to obtain this level of optimization on mobile sites, the team must understand the features and constraints of smartphones, tablets, and other similar devices, and design and develop their websites accordingly.

Mobile technology has been advancing at a very fast pace. Smartphones have become mainstream and many consumers use their mobile phones or other mobile devices to view product reviews, make price comparisons, or find other information about products while they are shopping in-store. With consumers increasingly using technology on-the-go, a company's Digital Marketing Strategy must be designed to take full advantage of this consumer trend.

For some businesses, it also makes sense to have a localized application for specific devices such as Internet-enabled health monitoring devices and smartwatches. This technology helps businesses communicate with their users based on individual preferences, which helps to build brand loyalty.

Examples of Existing Mobile/Tablet/Devices Knowledge:

- A commercial bank gathers insight from its own data and from industry research and realizes that customers want ways to bank in a more efficient way. The bank subsequently launches a mobile app for banking on-the-go. This helps the bank align its business to the changing needs of its customers and also helps it compete with other banks that were earlier adopters of mobile apps.
- An online retail company prompts its visitors to its website to install its mobile app to receive attractive offers. Once users install the app, the company can track specific user behavior. Based on past purchases and search patterns, the company can use pop-up advertising to suggest attractive deals and incentivize users to purchase specific products.
- A gaming application company provides a free smartwatch app to players that provide them with useful information regarding the company's current games. The company uses the app to show advertisements to players during downtimes in order to monetize its gaming apps.

2.1.1.4 Existing Social Media Knowledge*

“Social media” is an umbrella term that includes web-based software and services that bring users together online and allow them to exchange ideas, discuss issues, communicate with one another, and participate in many other forms of social interaction. With the proliferation of different forms of social media, such as blogs, forums, audio-visual sharing sites, personal networking sites, and professional networking sites, consumers are constantly bombarded with many marketing messages.

Social media is important to every business that has a web presence because it can help drive traffic to the company's website and ultimately increase sales leads and conversions. Additionally, different social media platforms are more likely to reach certain target audience segments, and messaging can be customized for each platform. The features and functionality of social media platforms are constantly evolving as lesser-used functionality is removed and replaced by new functionality. It is critical for the digital marketing team to be up-to-date on the latest trends in social media and to understand how other organizations use social media to their advantage.

Marketers also need to be aware of paid opportunities within social media marketing such as sponsored updates and ads, as well as earned opportunities to disseminate marketing messages by organically building followers. Often, a combination of paid and earned campaigns yield the best results.

Examples of Existing Social Media Knowledge:

- Among the popular audio-visual sharing sites are SlideShare, Pinterest, Instagram and YouTube; personal networking sites include WhatsApp, Twitter, Facebook, and MySpace; and examples of content discovery sites are Wikipedia and Quora.
- The ever-changing landscape of social media demands that marketers stay updated in order to use the full potential of this channel. Since the launch of Yelp in 2004, social media has come a long way. Giants such as Facebook, Twitter, LinkedIn, and Pinterest continually add new features while more niche networks come and go with greater frequency. For example, LinkedIn removed the lesser-used LinkedIn Answers functionality and replaced it with a new functionality which allowed users to publish blog posts on LinkedIn. Companies must be aware of the new networks and their specific features as well as the changing trends in existing networks.
- A fashion jewelry company may want to run a social media campaign to promote its newest line of bracelets to its target market of 18- to 34-year-old women in urban cities. The company's research tells them that ninety percent of Instagram users are younger than 35, and that most Instagram users are from urban areas. They want a platform that is highly visual, making Instagram an excellent platform choice for this campaign.

2.1.1.5 Information from Relevant Sources

There are many information sources that can be used to gather relevant data regarding various digital marketing channels. A digital marketer needs to be aware of all possible digital marketing channels that can help reach target customers. In this digital age, it is extremely important to understand the latest online communication trends, emerging digital marketing channels, data on consumer spending, and overall consumer behavior.

The digital marketing team should take the time to evaluate the best mix among the available digital marketing tools and initiatives in order to determine the most valid and suitable tactics for the target audience. Such considerations include e-mail marketing campaigns, purchasing digital mailing lists, launching social media initiatives, adding videos, enhancing web pages, and implementing mobile initiatives across various devices. Staying abreast of the newest trends in consumer behavior in the digital environment can be a challenge given the fact that trends change rapidly; however, the digital marketing team can gain significant insights from various information sources such as industry reports, expert discussions and articles, market research reports, digital marketing news sources and blogs, trade journals, and other publications.

Example of Information from Relevant Sources:

- Federal government agencies that oversee the collection and publication of economic data are a good source for information on consumer Internet spending. For example, government publications can provide statistics on consumer trends and patterns, the number and value of Internet orders, and Internet spending by market segment, geographic area, or product category. Such data can offer significant insights into how to optimally use Digital Marketing in a particular market segment or product category in order to achieve marketing objectives.

2.1.2 Tools

2.1.2.1 Meetings and Discussions*

The digital marketing team meets to identify who its target audience is, where they spend their time online, and what their needs and requirements are, as well as to decide on the best possible channels to reach out to that audience. Companies increasingly make use of social interaction sites to monitor brand perception in the minds of consumers and to interact with consumers to understand their needs and requirements. Meetings and discussions provide a forum to discuss brand perception knowledge and consumer trends, and to collaborate on tactics that the team can implement in order to build on strengths and address any concerns. The team also meets with experts and conducts competitor analysis to identify the most effective channels to reach target consumers. If the company has an existing online presence, then historical data can also be important to consider when selecting the appropriate marketing channels for the product or brand.

2.1.2.2 Expert Training and Knowledge-Sharing Workshops

To implement a good Digital Strategy, a team needs to be assembled, resources need to be allocated, and investments need to be made. An organization must understand and keep up with technology and the marketing opportunities that enhanced technology provides. Understanding the technology platforms available and the best practices for creating an engaging user experience across a variety of devices is also important. Digital Marketing changes happen at a fast pace and establishing a culture that fosters growth and innovation, knowledge of technology infrastructure, and a customer-centric focus will help ensure long-term success.

Because Digital Marketing is such a dynamic field, participation in conferences and other knowledge-sharing events is beneficial to ensuring that the team stays up-to-date on the latest digital platforms, technology, and initiatives.

Example of Expert Training and Knowledge Sharing Workshops:

- When a new website is created, it should be search engine optimized so that it is easily found when potential customers search online for products or services the organization sells. Regardless of the organization's Digital Marketing Strategy or focus, every website needs to maintain some basic SEO hygiene. A knowledge-sharing session conducted by an SEO expert can help the marketing and product teams to collaborate efficiently with the web design and technical teams.

2.1.2.3 Explore Websites

An effective website is a critical component of a company's overall online success. The company's website serves as the central hub and foundation for its online activity. With a plethora of available website designs, the digital marketing team must determine the appropriate and optimal design and message. The brand messaging on the website has to be in-line with the overall brand message and must stay relevant to the target audience. Besides having a basic understanding of the technology on the website, the digital marketing team must also consider the following facets of creating a website:

Consumer Perspective

- **Relevance**—Age, cultural nuances, geography, and other demographic factors of the target audience will influence the type of content on the website.
- **Usability and Design**—The digital marketing team must take into consideration how technically savvy its target customer is. If the target customer does not generally have the appropriate comfort level with technology, the team should design a simple, text-based layout with easy navigation and basic features. If the target customer is comfortable and familiar with the Internet and computer use, a more intricate, interactive, and information-rich website can be implemented. The design of the site should depend on the expectations of both the users and the company. In some cases, the development might focus on consumer engagement, while in other cases, the design might be oriented toward supporting task-oriented behavior such as the ability to make changes to one's account, purchase a product or service, and so on.

Site Development Perspective

- **Purpose**—Companies maintain a web presence for a variety of reasons. While some companies use websites as their main method of selling their products, other companies have an online presence just to support their business, message, and brand position. There are companies that use websites as a public relations (PR) tool, to enhance brand value in the minds of their customers, or to evaluate product feedback from customers that may help in understanding customer needs, general communications, product updates, and sales. The digital marketing team

is responsible for ensuring that the website is designed to meet the overall strategic objectives outlined in the Marketing Strategy.

- **Planning**—The digital marketing team must work with the website development team to plan the execution of the website, beginning with creating a storyboard for the website; listing functional requirements; building the database structure; developing wireframes; and determining hypermedia linkages, search engine key words, graphical design components, user interface designs, audio/video sources, animation, and text requirements and formats.
- **Performance**—The digital marketing team also must consider the logical design of a good website, compare the performance of competitor websites to identify best practices, check for effective performance across browsers and operating systems, and perform usability testing of the website to ensure that it is easy to use.
- **Maintenance**—Websites create an online presence for a brand, so the digital marketing team must ensure that the website is maintained and tested regularly. Downtime on a website may adversely affect the direct online sales of products and may also taint brand reputation in the minds of consumers. For example, if an e-commerce company has an issue with its payment mechanism for even a few hours, the business could lose sales and may even lose some of its loyal customers. It is therefore important to consider factors such as the platform on which the website will be hosted and whether the site will have a content management system (CMS) on the back end to enable changes and updates to be made easily without having to adjust any web code.

Examples of Explore Websites:

- Websites of small businesses, such as auto repair service companies and home maintenance contractors, usually provide basic information to enable the customer to make a purchase decisions. This information generally includes the history of the business, products and services offered, contact information, working hours, and testimonials from customers.
- E-commerce websites are designed to sell products online. Information about the products is organized into multiple categories that make navigation easy for those consumers who are looking for a specific product. Website features such as product descriptions, user reviews and ratings, and a shopping cart allow consumers to choose and pay electronically for their selected products using a variety of secure online payment methods.
- If consumers come to a company's website for educational purposes, the team may decide to deliver the content mostly through videos and online simulations while maintaining a clean layout with few distractions.

2.1.2.4 Explore Mobile/Tablet/Devices

With an increase in the number of individuals using smartphones (also referred to as “mobiles”), tablets, and other Internet-enabled devices, organizations must spend significant time understanding the capability and usability of these devices. This is important since mobiles, tablets, and other Internet-enabled devices allow companies to stay connected to consumers through the relevant channels. The digital marketing team should identify appropriate marketing channels where the target customers are present and develop strategies to engage consumers. The rapid rise in mobiles, tablets, and Internet-enabled wearables and devices has led to a shift in web design approaches, with web development focused on these devices becoming a much higher priority than it has been in the past.

Usability and Design—Organizations with established large scale websites have recognized the growing need for compatible tablet and mobile-accessible content and have implemented updates to their websites to reduce content and website size in order to be more suitable for mobile-accessible devices. It is important to note, however, that this approach works for websites that merely offer information to customers. The strengths of such updated websites may fade as more customers seek interaction through mobile devices and tablets.

Companies must now consider browsing habits that include longer (or shorter) sessions than computer users and create content that is in line with the swipe-and-tap mechanics of a tablet or smartphone over the point-and-click mechanics of traditional computers.

Performance—The advent of these devices has also provided companies with an opportunity to gather more personal data from their users and push relevant, context-driven content. Such mobile-optimized content must load quickly on mobile devices to ensure that performance expectations of consumers are met.

Examples of Explore Mobile/Tablet/Devices:

- An established coffee shop franchisor with an online presence may encourage consumers to download the mobile app from its corporate website to give customers the opportunity to learn about new promotions and campaigns and the ability to find the closest franchise to their current location. The app offers customers the convenience of finding a coffee shop quickly and effortlessly and enables the customer to take advantage of promotions from wherever they are at any given moment as soon as they are made aware of them. The franchisor has the added benefit of providing significant promotional support to franchisees, thus increasing the sales of the local franchisee while growing the business as a whole.
- A fitness products company sells a smart wrist band to help track physical activities and achieve set fitness goals. Based on this specific user data collected, the company sends customized offers to its users through various channels.

2.1.2.5 Explore Social Media

Social media refers to all channels where people and customers are able to interact with each other via digital media that are public or accessible to multiple users. There are a number of social media websites, each of which has created its own model for enabling people to communicate with each other. Social media sites use content in various forms to build digital communities in which ideas and content are shared and discussion and comments are encouraged.

When planning a Social Media Marketing Strategy, it is important to keep in mind that consumers will not always react positively to a company's updates and content on social platforms. Negative comments about a brand and its products are inevitable even on the company's own social media platforms. Some companies will choose to exert control over comments on their own platforms and delete those that they feel reflect poorly on the brand. Other companies may choose to allow the negative comments to remain and respond in an empathetic way by offering an apology and/or a solution to issues. Leaving negative comments online, along with the company's responses shows that the company is open, honest, and transparent. This also provides an opportunity to turn disgruntled customers into loyal brand users.

It is also important to understand the distinction between "earned" and "paid" opportunities for "sharing." For example, building "followers" or "shares" through the development and posting of valuable content is "earned." Alternatively, several social platforms provide "paid" opportunities for advertising and promoted posts in order to share information. Earned and paid strategies on social media are not mutually exclusive and often the most effective social media strategies employ a combination of both.

The various models of social media-enabled sharing are of the following content types:

1. **Blogs**—Blogs are content created by individuals, groups, or companies to express their opinions or to provide information or insights on specific topics of their choice. The most popular blogs choose topics that are of interest to a large community. However, niche blogs catering to a certain targeted audience can be successful if they dominate the "share of voice" in that particular subject area. Successful blogs have something interesting, useful, or creative to share, and do that sharing with an engaging style. Blogs may contain images, infographics, or videos in addition to text. In most cases, they are also open to comments from readers. These comments are generally directed to the author. Sometimes readers discuss a blog post among themselves, resulting in a discussion forum. Blogs are typically part of an overall content Marketing Strategy, which is about providing informative, helpful content to potential customers rather than overtly selling.

From a company's perspective, a blog or Rich Site Summary (RSS) feed is an effective means for updating actual or prospective customers of happenings related to the company or the company's products. RSS feeds use standard web feed formats to publish blog posts and syndicate data automatically. RSS feeds are a convenient way for users to receive timely updates from their favorite websites or aggregate data from many sites without constantly checking websites for new content. When users subscribe to an RSS feed their browser monitors the site and informs the user of any updates. The browser can also be set so that new data is automatically downloaded for the user.

Frequent updates also keep content fresh, enable curating of content, and facilitate the sharing of relevant content created by others, while contributing to a website's ranking in search engines. Contributions from established, well-known bloggers are generally considered credible and influential.

2. **Discussion Forums**—These are websites used for discussing issues related to a specific topic. Participants in such forums may be asked to register. They are encouraged to ask each other questions, answer questions, and share information. Many forums allow participants to rate each other's contributions, enabling contributors to build their reputations over time. Some discussion forums may be hosted and moderated by the company, in which case, the company would have some influence on the content of the discussion. In other cases, discussion forums are independent of a company; however, companies should be aware of popular discussion forums in which their products may be discussed and make an effort to respond to customers within those forums. Companies can also participate in such forums actively to engage with participants and build a positive identity for themselves and their products and brands. Social media monitoring tools can scan social platforms such as discussion forums for mentions of the company or the company's products or brands. If trusted contributors mention a company's product or brand or provide a link to its web page, then the company's website may witness a significant improvement in search engine rankings and increased visitors to the website.
3. **Professional Networking Sites**—These sites relate to people, groups, or companies sharing professional updates, content, and discussions generally related to an organization, a company, a product, or a profession. These sites are used to build an individual's personal brand as well as to raise awareness of businesses' brands and their products or services within the online community. Companies share such professional updates for various purposes, such as sharing product launch information, communicating offers and discounts, announcing changes in policies, and sharing media coverage. Relevant and engaging updates can help companies build and retain a loyal base of customers.

Example of Explore Social Media—Professional Networking Sites:

- A large American multinational banking and financial services corporations realized that its brand was not as powerful among female professionals as their male counterparts. In response, the company created a group on LinkedIn in which female professionals could engage in conversations about their working lives. The company anticipated that such a group would bridge the gap in brand perception between men and women. Within a few months, the group reached 30,000 members and continued to expand at a rapid pace each year. It eventually emerged as one of the more popular groups on the network.

4. **Social Networking Sites**—These are sites that allow people or groups to share personal updates about themselves or about a topic. These updates are generally shared with friends, relatives, or

acquaintances, but they may also be shared with the general public. A company needs to create content or share updates that are relevant, interesting, or entertaining enough for people to share with their personal network, and the content shared should also align with the marketing objectives for a product or brand. Therefore, businesses should focus their social networking site updates on useful and interesting information on subjects related to the company's product or brand. This channel provides the opportunity for companies to share their brand personality and advertise company events, sales, and discount coupons. The focus of these updates should be on fun and engaging shareable content. Also, companies that have a high level of brand loyalty and where customers relate to the brand strongly may find customers voluntarily creating content or experiences related to the brand, or sharing the brand's updates.

Examples of Explore Social Media—Social Networking Sites:

- A popular US airline designed a campaign that used Twitter to both increase sales and gather charitable donations. The company used promoted tweets to announce low fares, part of which would be donated to a well-known charity. The campaign generated tremendous response as the company received over 10,000 hashtag mentions, while raising significant funds for the charity. The airline also recorded one of its top sales days.
- A popular cookie brand ran an exceptionally successful campaign using Facebook to celebrate its one hundredth birthday. For one hundred days, the brand produced one hundred Facebook posts using cookies in creative photos to showcase trending stories. The campaign was extremely popular achieving over 200 million interactions with viewers across over 2,000 articles. The company's reach through Facebook grew to over a million fans, user engagement improved, and their share rate also grew significantly.

5. **Video Sharing Sites**—These sites allow users to share videos, audio, infographics, or images with other people. Such content can be shared with any person or group. In most social media channels that are focused on sharing such content, people can vote on or rank audio-visual content or add their comments. Thus, these channels integrate the discussion forum element into audio-visual sharing. On a social media channel for sharing videos, users can “like” or “dislike” a video, comment on the video, and reply to each other's comments. At times, such posts from users may be misused by competitors or by people with ulterior motives, resulting in hate speech, insults, swearing, and general unpleasantness. Given the fact that these sites are vulnerable to such consumer misbehavior, forums may require moderators or restricted access protocols to ensure that discussions and feedback stay relevant, socially appropriate, and unbiased.

Companies can use such channels very effectively as videos, images, and audio can have a much larger impact on the target market than text updates. Many companies invest in creating engaging and interesting videos about their products, which sometimes become extremely popular and drastically

increase brand visibility. Some also create melodies around their product, which can become as popular as songs in their own right or as ringtones for mobile phones.

Example of Explore Social Media—Video Sharing Sites:

- A successful YouTube marketing campaign increased sales for a small travel bookshop in Switzerland. To combat an increase in online travel research, the bookshop highlighted the limits of the Internet with a video showing a crashed Google Streetview car. The video went viral, and was covered by some of Switzerland's biggest news publications. A Flickr account also posted photos of bookshop employees next to the car, wearing branded T-shirts. The video linked back to the store's website, and traffic increased, resulting in a significant increase in sales.

6. **Others**—Several other types of social media content exist; however, their usage across different social media channels is limited, and they are mostly used as stand-alone elements. Two such elements are collaborative websites and content discovery sites.

Collaborative Websites—These websites are created by groups of people working together to build content on a particular topic. Some might provide the raw content, some might review it, and some might format the content.

Example of Collaborative Websites:

- Wikis are collaborative websites where people collaborate on specific topics of interest to them and, once a page on a particular topic is created, they continue to review it in order to make it better over time. The most popular example of a wiki is Wikipedia. Because the most popular wikis are continuously peer reviewed and trusted by a large audience, a company's mention on such pages can bring a large amount of online traffic to its website. It is essential to have third-party media coverage and links to third-party documentation that support legitimacy of the company in order to create a page on Wikipedia.

Content Discovery Sites—These are sites where people share content they find interesting or useful so that others can also access the same content. Because the focus is on content discovery, the homepages of such websites generally contain content shared by others. Users who subscribe to or register on such sites can customize the type of content that appears on their homepage. Companies that create interesting, engaging, and useful content stand a good chance of having their content shared on such sites, which in turn drives additional traffic to their own websites.

Example of Content Discovery Sites:

- Reddit and StumbleUpon are popular content discovery sites.

E-mail Marketing—This is often used as an alternative to traditional off-line direct mail initiatives and can be a significant contributor to the Digital Marketing Strategy. E-mail campaigns are designed not only to connect with customers and potential customers on news items, product releases, promotions, and announcements, but such campaigns are also often used to drive traffic to the company's other digital channels. Businesses can communicate with existing customers using internal lists in order to optimize and support relationships with customers. As well, in many cases, businesses purchase digital mail lists for various e-mail campaigns in order to expand their reach in the digital space. When exploring e-mail as a digital marketing tool, businesses should pay considerable attention to the ways that e-mail marketing can be aligned with other digital marketing channels to expand reach, support customer relationships, and support the team in achieving the digital marketing targets.

2.1.3 Outputs

2.1.3.1 Understanding of Available DM Channels*

As an output of this process, the digital marketing team is expected to gather a comprehensive understanding of the various digital marketing channels it can utilize to reach prospective customers. The understanding of the channels should be documented as it will provide valuable insights while creating the digital marketing roadmap for the company. As part of this process, the team identifies target customers in the digital space, their likes and dislikes, their perceptions of the company's brand, their digital needs related to the brand, and how the brand may fulfill these needs. All of this information, along with an understanding of current trends in the digital marketing space, should be recorded for future reference.

Web analytics is used to evaluate and better understand the value and impact of available digital channels and digital marketing activities. Web analytics involves the collection, measurement, analysis, and reporting of web data for the purposes of understanding and optimizing web usage. Analyzing such data helps a company to assess and improve the effectiveness of its website. This information also helps the digital marketing team better understand consumer behavior and identify the strengths and weakness of the company's current online offerings. Specific outputs of web analytics might include the number of people visiting a website, the pages that are most popular, that paths that are most popular, where people are coming from, where they exit the site, how long they stay, and other useful facts. Such data can provide the digital marketing team with a comprehensive understanding of the effectiveness of current digital marketing initiatives and enable the team to identify possible new channels and digital marketing opportunities.

Examples of Understanding of Available DM Channels:

- Minutes taken during discussions and meetings with senior management and experts while understanding their expectations regarding digital marketing channels provide a good learning resource for the digital marketing team. The lessons and opinions recorded in these meetings provide valuable insights to consider while evaluating various digital marketing channels.
- A business with a strong Internet presence that recognizes a decline in its website traffic should explore possible sources of the decline. Based on the web analytics data, the company may explore several options, including revising the current website in order to keep it fresh and relevant to its target market or making adjustments to site navigation to improve usability. Other DM channels, such as mobile devices or social media might also be explored as potential aids in improving reach and strengthening relationships with existing customers.

2.2 Evaluate DM Channels

This process involves evaluating various digital marketing channels to determine their relevance to and effectiveness for achieving the performance targets for Digital Marketing. Given the wide variety and large number of options available to a company to utilize Digital Marketing it is not an easy process to determine the best options. The SMstudy® Digital Marketing Evaluation and Improvement Tool, described in detail in this process, helps companies overcome this difficulty. It provides a structured way for companies to consider their digital marketing processes and then helps them to quantitatively and qualitatively evaluate digital marketing channels. In addition, it acts as a guide for improving each element of a company's Digital Marketing Strategy and describes how to measure improvements. The outputs of this process are the selected digital marketing channels with their allocated budgets and targets, the integrated digital marketing channel plan as well as an understanding of potential future scenarios that may impact a product or brand's performance.

Figure 2-3 shows the inputs, tools, and outputs for the *Evaluate DM Channels* process

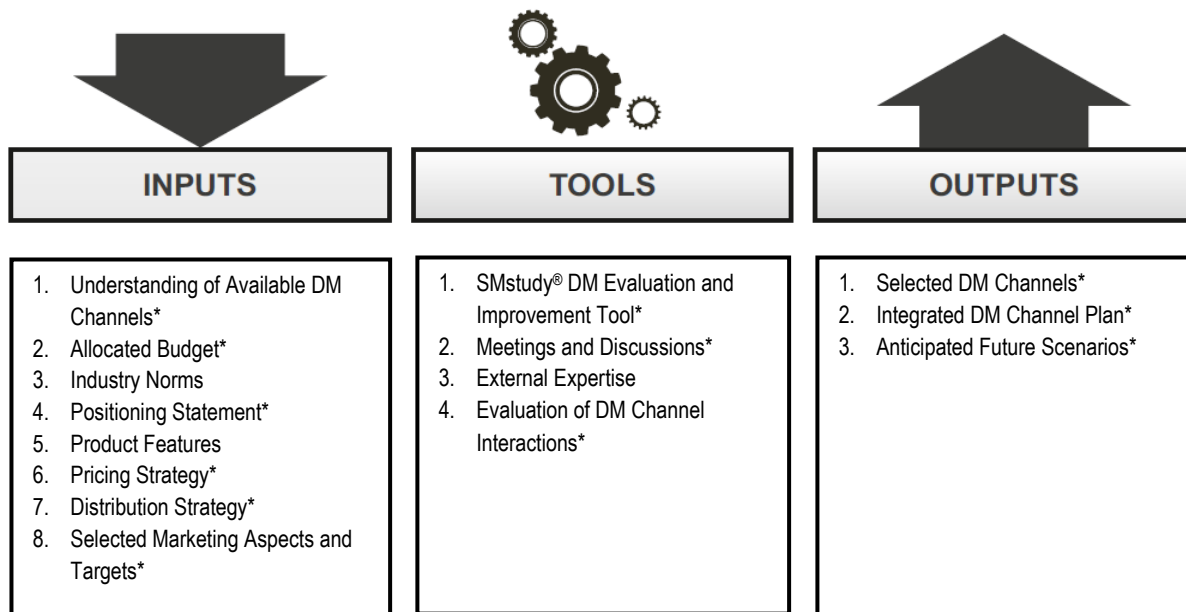


Figure 2-3: Evaluate DM Channels—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

2.2.1 Inputs

2.2.1.1 Understanding of Available DM Channels*

This is an output of the *Understand Available DM Channels* process (section 2.1). Having an in-depth understanding of the various digital marketing channels is essential to evaluate how effective each of them may be in promoting a company's product, brand, or service. A company must understand the limitations and capabilities of each channel as well as the situations in which a channel is most effective or ineffective. For example, social media channels focused on sharing personal updates may not be the best channels to sell products such as industrial machinery.

In addition to examining the relevance of a particular channel for promoting a particular product, the costs associated with using each of the channels needs to be fully understood along with how the channels are used by consumers. A channel may be highly relevant for a product, but it might also be expensive. For example, creating videos that could go viral may be highly relevant for consumer goods targeted at youth, but they may also be very expensive to produce.

When marketers have a thorough understanding of the various channels and the elements of Digital Marketing, they are able to better evaluate whether or not a particular channel should be used on particular occasions.

Example of Understanding of Available DM Channels:

- When a company wants to promote a discount or an important achievement, the use of social media forums is a good option because of the possibility of a viral effect and mass exposure, which may raise awareness of the company. When promoting a discount offer, the use of e-mail marketing is beneficial because of the fast results it can bring. On the other hand, if the company wants to inform customers about an expected stoppage of service (e.g., due to a scheduled routine maintenance), it is usually enough for the company to use e-mail or their website to notify customers, rather than initiating a social media update. Negative comments often spread faster in social media leading to loss of brand value and image. Therefore, understanding different channels is important in order to evaluate their usefulness.

2.2.1.2 Allocated Budget*

This is an output of the *Decide Marketing Aspects and Allocate Budget* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 5.3), which contains details on the budget allocated to the various marketing Aspects—including Digital Marketing—toward the achievement of their respective targets. The following items should be considered with regards to the budget allocated to Digital Marketing:

- **Amount of Budget Allocated**—This represents the financial resources that Digital Marketing has been allocated by the Marketing Strategy team to use in order to achieve specific Digital Marketing targets. It is usually a specific figure, but sometimes tolerances may be defined to account for anticipated needs and changes. With the allocated budget, the marketing team has considered such things as who the customers are, how they do business and interact with the company, the creativity and costs associated with executing campaigns, and the current consumer perception of the company or brand.
- **Rationale for Budget Allocation**—This involves specifying and documenting the reasons for the budget allocated, which reduces the possibility of irrelevant factors such as personal preferences or politics playing a role in the allocation process. Articulating and documenting the rationale for a particular resource can also save time when new employees join the team or existing team members question certain initiatives.
- **Availability of Allocated Budget**—The manner in which the allocated budget will be made available to the Digital Marketing activities is also defined. Information such as the process for accessing funds, the approvals needed, and the increments in which the budget will be made available during a time period are specified.

The overall budget allocated to Digital Marketing sets an upper limit on how much can be spent for promoting a product, brand, or service through digital media. Therefore, it is an important input for determining which Digital Marketing channels should be used and how much should be spent on each of the selected channels to achieve their respective targets.

Example of Allocated Budget:

- When a company has a minimal budget for Digital Marketing, it may decide to focus more on encouraging customers to visit its website through Search Engine Optimization (SEO) rather than spending money on paid advertising. Likewise, it may focus on engaging with customers through different social media platforms, blogs, and forums and growing its contact list for e-mail marketing rather than allocating funds to purchase lists. For more information about website optimization, refer to chapter 4.

2.2.1.3 Industry Norms

The prevailing norms in the industry regarding the use of various digital marketing channels for promoting competing products serve as a good reference for a company when evaluating digital marketing channels. A company can obtain these norms through observing the websites, social media presence, and mobile apps of competitors. It may also access industry norms through industry publications and prior research conducted. Industry norms are especially useful for companies that are entering a new product category or a new market and those that do not have any past data on similar products in their product portfolio to serve as benchmarks for comparison.

Example of Industry Norms:

- With the growing popularity of mobile devices, the majority of Internet searches are initiated using mobile devices, rather than traditional websites. Given the nature and convenience of mobile use and to convert mobile searches to purchases, many restaurants have introduced mobile apps to cater to consumers who often find restaurants or book hotels on-the-go.

2.2.1.4 Positioning Statement*

A positioning statement is the main output of the *Create Differentiated Positioning* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.3). It is generally a short sentence or phrase that captures the essence of the value a company's product offers to its target customers. The positioning statement should create an image of the product in the customer's mind highlighting the most important benefits that differentiate the product from competitor products and that offer the most value to customers. A well-defined positioning statement should convey the following:

- the product category in which a company's product is to be positioned
- the target segment(s) for which the product is positioned
- the specific benefits that a product is offering to the target segment(s) as compared to competitive offerings
- any guarantees or warranties that a company offers to support the product's quality

The positioning statement is a key factor in determining the relative importance of various digital marketing channels and elements. For example, if a company's product positioning targets individuals who use smartphones extensively, then it may be necessary for the company to focus on developing mobile apps and allocate resources accordingly. Similarly, if a company's product positioning targets business customers, then the company may use the professional updates sharing element of social media extensively.

Example of Positioning Statement:

- Web maps and satellite navigation devices have transformed online navigation product positioning from traditional websites and devices to smartphone apps. This is mainly due to the evolution of smartphones and utility apps, which bring a lot of value to customers. The smartphone app allows customers to use maps and navigate to a particular location without having to carry a printed map, expensive navigation devices, or a laptop while driving.

2.2.1.5 Product Features

Product Features is an output of the *Create Differentiated Positioning* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.3). The product features include those that are most desired by the target customers. These features are revealed during the creation of perceptual maps and while selecting points of parity and differentiation. Perceptual maps show the combination of key parameters that a product must have to appeal to a specific target segment. Points of parity and differentiation show the features that a product must have to be identified as part of a product category, and those that it must possess to differentiate itself from the competition. These features are the most important considerations when designing the final product.

Considering product features helps in determining the importance and relevance of each of the digital marketing channels in promoting a product. Also, the same product may be promoted in different ways through different social media channels. For example, a company may highlight how to use a product through demonstration videos using the video sharing element of social media, while detailed technical specifications of the same product are provided on the company website. Similarly, a company selling consumer electronics may initiate discussions on its latest product in discussion forums on social media, while the ability to buy the product is offered only on its website.

Examples of Product Features:

- Product features and policies such as money-back guarantees and free shipping are emphasized by companies selling online products as part of their digital marketing activities. Promoting customer friendly policies and popular product features help in viral marketing.
- Online ticketing companies for events, movies, travel, and so on use various digital marketing channels to cater to their customers' needs. Online sales are also combined with various promotions such as discounts or loyalty points to make the product features attractive to the target market.

2.2.1.6 Pricing Strategy*

The Pricing Strategy is an output of the *Determine Pricing Strategy* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 4.1). The Pricing Strategy for a product or service is focused on creating a sustainable brand perception and sustainable profitability for the product or brand, while growing and maintaining a healthy market share. The Pricing Strategy should include the following information:

- the recommended pricing for the product or service over a period of time in the various target market segments and the rationale for the price points used for the product
- an indication of how the Pricing Strategy aligns with the product's positioning statement and the company's overall Corporate Strategy
- the number of units that must be sold to break even, the projected units the company anticipates it will sell, and the expected profitability of the product
- the strategy to deal with possible changes in the environment, such as changes in the pricing of competing products, currency fluctuations, increases in production costs, and so on
- the strategy for any discounts, special offers, or rebates and the costs associated with these
- the Total Cost of Ownership including cost of warranties and after-purchase servicing

The Pricing Strategy plays a key role in evaluating the effectiveness of digital marketing channels in terms of how they can contribute to achieving the financial targets for a product or brand. Since the Pricing Strategy includes promotional activities and discounts, it is important that digital marketers identify the channels that are best suited to the particular promotions. An advantage of digital channels is that companies can immediately change pricing based on consumer demand, for example, by timing special promotions by season or time of day. The digital space also allows companies to test a variety of pricing models and get quick access to the results to make long-term decisions.

Pricing of a product or brand also influences the amount of budget that should be spent for online advertising. Thus, when budgets are minimal, the digital marketing channels with the highest Return on Investment (ROI) in advertising are selected.

Examples of Pricing Strategy:

- Based on the Pricing Strategy of the product, companies target online customers with promotional offers and discounts by creating new landing pages on their websites. They also optimize the website to drive traffic to these web pages through different digital marketing channels. E-commerce websites provide attractive discounts and cheaper pricing for electronic and home appliance products since they are able to save on expensive overhead costs that exist with physical stores. These low prices attract more customers to online purchases.
- If the Pricing Strategy for an entertainment magazine includes a discount for new customer subscriptions and the objective is to maximize subscriptions, then the magazine may find promoting this discount through social media sites focused on the sharing of personal updates to be the most effective channel.

2.2.1.7 Distribution Strategy*

The Distribution Strategy is an output of the *Determine Distribution Strategy* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 4.2). The Distribution Strategy for a company's product or service focuses on ensuring that the product or service is delivered to customers on time, in the best possible manner, and with costs that are aligned with the Pricing Strategy. The Distribution Strategy should contain the following information:

- the specific distribution model to be used—whether it will be intensive, exclusive, or selective
 - **Intensive Distribution**—occurs when a company uses many delivery channels and distributes a large volume of products
 - **Exclusive Distribution**—occurs when a company uses only one distribution partner to sell its products in a specific market
 - **Selective Distribution**—occurs when a company uses a few delivery channels to distribute a moderate volume of products
- the levels of intermediaries that will exist between the company and each of the target markets
- the specific distribution channels that will be used for each of the target market segments
- the stages in the distribution channel where any external channel members will be used
- the entities in the value network that have the most impact on the Distribution Strategy and the measures that need to be taken to minimize any negative impacts and maximize any positive impacts that result from the use of those entities

When evaluating the best way to distribute a product, it is important to match the end-user needs to a Distribution Strategy. If the analysis finds that the buying process is fairly straightforward and the target customer is online, a company can sell direct via a website.

It is possible for a product to be distributed only through online channels and, if that is the case, the entire Distribution Strategy is closely linked to the Digital Marketing Strategy. The importance of various digital marketing channels will depend on the specific Distribution Strategy. If there are strategic alliances with other online partners, then those channels will also need to be considered.

Examples of Distribution Strategy:

- Banking institutions integrate multiple online delivery channels including website, mobile, and social media to improve their customers' experiences and reduce customer acquisition costs as well as operational costs. This online Distribution Strategy helps the business gain a competitive advantage.
- Software companies that provide antivirus software or tools for photograph editing, have enabled the installation of software or software upgrades through direct downloads. Some of these companies have also introduced mobile apps to enhance the user experience. This has helped such companies reduce the costs of creating and shipping CDs.
- A hotel looking to increase its distribution reach may consider partnering with an online travel portal so it can use the portal's website and the portal's mobile app to reach more consumers.
- A company may want to engage with external channel members through its website and may in turn create a separate online portal for its members to carry out regular distribution activities.

2.2.1.8 Selected Marketing Aspects and Targets*

Selected Marketing Aspects and Targets is an output of the *Decide Marketing Aspects and Allocate Budget* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 5.3). Sales and Marketing Aspects that are considered most relevant and effective for achieving the objectives defined for a product or brand are determined by the marketing team and outlined in the Marketing Strategy. The list will include the respective rationale and targets for each selected Aspect, such as Digital Marketing:

- **Rationale for Selection**—Each of the selected Aspects is supported by proper rationale for its selection. The team should evaluate the target market and understand the dynamics and trends of the audience. In addition, the team should understand the preferences of the audience and the opportunities to reach current and potential customers utilizing various Aspects. Careful consideration of each Aspect ensures that there is sound justification for the use of each particular Aspect to help the marketing team achieve its performance objectives. The rationale for the use of the Digital Marketing Aspect is particularly important for evaluating the Digital Marketing channels.
- **Targets**—After the overall objectives are defined for a product or brand's Marketing Strategy, targets are assigned to each of the selected Aspects so that they are in alignment with the desired objectives. When considering targets, the company should be looking at a variety of digital areas

that can be evaluated including overall reach, cost-per-click, number of impressions, number of leads or conversions, and so on.

Since this input contains the overall targets for Digital Marketing (in addition to targets for any other chosen Aspects), it details the cumulative targets that digital marketing channels together need to achieve. Knowledge of other selected Marketing Aspects and any areas of overlap between them and Digital Marketing helps the digital marketing team to effectively coordinate with other Aspects. For example, if Corporate Sales is a selected Aspect that depends on Digital Marketing to generate corporate leads through the company's website, then the digital marketing team can design the website accordingly and put in place metrics to track conversions and other metrics for corporate leads.

Examples of Selected Marketing Aspects and Targets:

- If a company selects Corporate Sales and Digital Marketing as the Aspects to help the company achieve a target of \$1 million in sales, then it also needs to set specific sales targets for both Corporate Sales and Digital Marketing and account for any overlap between them. For example, if the company has a corporate inquiry form on its website through which Corporate Sales generates ten percent of its revenues, then the company needs to account for this overlap of revenues between Digital Marketing and Corporate Sales. Neglecting to define specific targets for the selected Aspects and any overlap may result in confusion and lack of focus.
- Companies with B2B customers use social media channels such as blogs, discussion forums, and personal and professional updates to generate interest and increase participation in their offline events and gatherings. Effective digital marketing activities help to generate leads for corporate sales.

2.2.2 Tools

2.2.2.1 SMstudy® DM Evaluation and Improvement Tool*

The SMstudy® Digital Marketing Evaluation and Improvement Tool is used to evaluate the suitability and effectiveness of various digital marketing channels for achieving the overall performance targets as defined in the Marketing Strategy for a product or brand. The tool is used for identifying conversion hierarchies for the different channels, estimating Return on Investment (ROI) for each channel, and then allocating the Digital Marketing budget among those channels based on ROI and the number of projected customers from each channel. The tool further helps in identifying improvement opportunities and defines metrics to measure improvement activities. Each of these steps is explained in detail below.

1. Identify Conversion Hierarchies

This step starts with defining the primary metric on which a product's performance in Digital Marketing is to be measured. Examples of primary metrics are:

- leads (inquiries)
- sales
- new subscriptions
- catalog downloads
- number of clicks and/or impressions

It is important to assign a financial benefit value to each primary metric to enable ROI calculations. For sales, the financial benefit is straightforward—revenues. For other metrics, a company must estimate the financial benefit. For example, if the primary metric is new subscriptions, and it is estimated that only one in twenty subscriptions leads to a sale, and the average sale value is \$200, then the financial benefit of one subscription is calculated as follows:

$$(1 / 20) \times \$200 = \$10$$

It is also important that estimations used for arriving at the financial benefit for metrics (for example, the estimates for the conversion rate of subscriptions in the previous example) are as accurate as possible. Past data on similar products can provide reliable estimates or, if such data is not available, then using industry norms or expert insights can prove valuable in arriving at estimates.

After identifying the primary metric, the company must work backward to identify key conversion stages for each digital marketing channel. An illustration is shown in Figure 2-4.

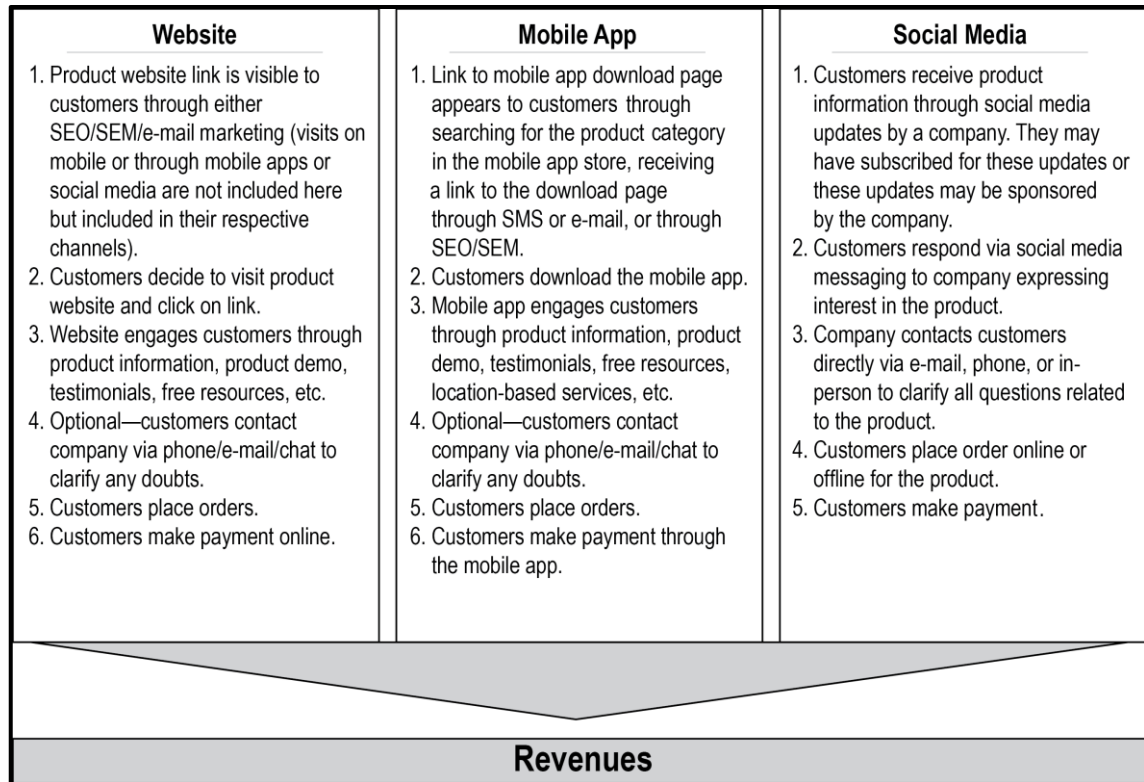


Figure 2-4: Conversion Hierarchies for Digital Marketing Channels

In Figure 2-4, the primary metric is sales and there are three digital marketing channels that can be used to achieve targets related to sales—website, mobile app, and social media. For each channel, the figure shows the steps in converting interested prospects. A company needs to ensure that each step in the conversion hierarchy is oriented toward moving as many customers as possible from one step to the next. This movement ensures that the company maximizes the number of customers who eventually purchase the product or service.

There may be overlaps in conversion hierarchies across the various channels. For example, customers may receive product updates through social media that have links to the product website. They then visit the website and follow the same conversion hierarchy as that of the website channel. Or customers may see a promotional message on the product's web page asking them to download the mobile app and purchase the product using the app. An increasing number of online retail websites promote such behavior. In both of these cases, conversions happen as a result of interactions between channels. Therefore, it is very important for a company to have consistent information and promotional messages across all channels.

Also, note that it is not essential that all of the steps occur online. For example, customers may call a company after visiting the website if they have any questions. Payment for a product may also be made offline through different modes such as paying at a physical outlet or through bank transfer.

2. Evaluate Return on Investment (ROI) for Each Channel

This step involves deciding how much return can be expected from each channel and the corresponding investment that needs to be made. Some channels involve a significant investment of resources to provide a proportionately larger number of conversions. Other channels may involve minimal resources to provide a significant amount of conversions. Generally, both types need to be explored. The objective for the digital marketing team should be to achieve its target with minimal resources.

To evaluate the ROI for each channel, the team must clearly articulate how conversions for a channel vary with investment. The data for this schedule can be garnered through experimentation, through data for similar products, or through industry norms. Once the schedule for each of the channels is charted, then the digital marketing team can decide which of the channels should be used for promotions and the amount that should be spent on each. An example is shown in Table 2-1, and a related graph is shown in Figure 2-5.

Table 2-1 shows the change in conversions with a change in investment for channel A.

Investment	Conversions	Ratio: Conversions/Investment
\$10,000	50	0.50%
\$20,000	100	0.50%
\$30,000	130	0.43%
\$40,000	150	0.38%
\$50,000	155	0.31%

Table 2-1: ROI Evaluation for Channel A

Figure 2-5 shows the change in ratio of conversions to investment with a change in investment for channel A.

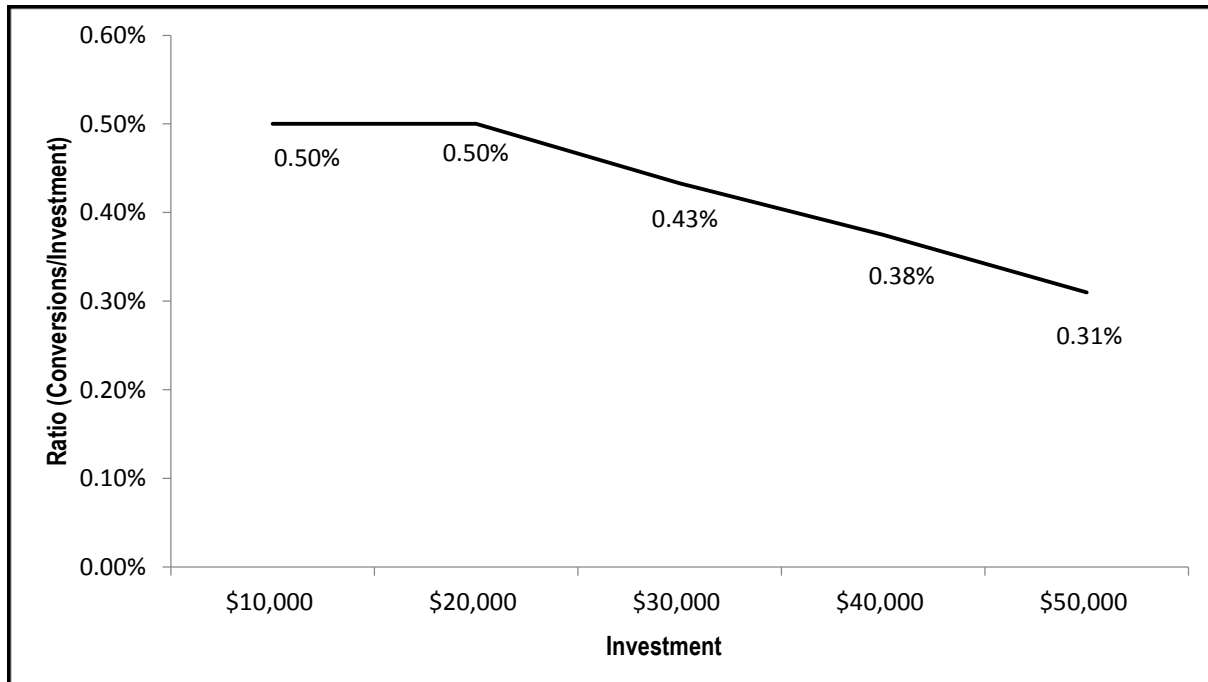


Figure 2-5: Ratio (Conversions/Investment) versus Investment for Channel A

From the graph in Figure 2-5, it is clear that conversions do not increase at the same rate as the investment after an investment level of \$30,000. It may therefore not make sense to continue investing, as the corresponding incremental conversions are very low.

The schedules for two other channels are shown in Table 2-2 and Table 2-3.

Investment	Conversions	Ratio: Conversions/Investment
\$2,000	15	0.75%
\$4,000	30	0.75%
\$6,000	45	0.75%
\$8,000	55	0.69%
\$10,000	60	0.60%

Table 2-2: ROI Evaluation for Channel B

Investment	Conversions	Ratio: Conversions/Investment
\$1,000	9	0.90%
\$2,000	18	0.90%
\$3,000	36	1.20%
\$4,000	44	1.10%
\$5,000	53	1.06%

Table 2-3: ROI Evaluation for Channel C

If a company's target is to achieve 200 conversions, then it is clear that one channel alone will not be sufficient to achieve this target and that other channels will be required. There are multiple combinations of investments in the three channels through which a company can achieve the desired 200 conversions. The following are two of the best combinations.

Combination 1

Channel A: \$20,000 investment, 100 conversions

Channel B: \$6000 investment, 45 conversions

Channel C: \$5000 investment, 53 conversions

Total investment is \$31,000; total conversions are 198.

Combination 2

Channel A: \$20,000 investment, 100 conversions

Channel B: \$8000 investment, 55 conversions

Channel C: \$4000 investment, 44 conversions

Total investment is \$32,000; total conversions are 199.

Given that there is not much difference between the two options, a company may need to look at other factors to make the final decision. This is where having a meeting or discussion can be useful. For example, the team may decide on the combination of channels with which the company has more experience and confidence. The end objective of this step is to identify which channels should be used, the target each channel needs to achieve, and the corresponding investment needed for each channel.

3. Identify Limitations and How to Improve Each Stage of the Conversion Hierarchy

Ideally, a company would want every customer in stage 1 of the conversion hierarchy to purchase its product. However, the reality in most cases is that some customers may not continue to the last step to purchase a product. The company must understand these and other limitations while deciding how to improve conversions. Other examples of limitations that a company may have to keep in mind are:

- The company may not have the human resource capacity to manage incoming calls from customers. In such a situation, the company may need to utilize e-mail communication or record voicemails and then call customers back.
- The company's product may not be suitable for ordering online. This is especially true for products that need to be customized on-site. In such cases, a company needs to ensure that its offline channels are capable of managing the volume of sales inquiries that come through its online channels.

Once the company understands its limitations, it then needs to determine how to improve each step of the conversion hierarchy to convert more customers. There are two main activities involved in this process:

- **Increase the number of customers in stage 1 of the conversion hierarchy**—This is the starting point of the hierarchy. The higher the number of customers in this step, the greater the number of final conversions. Increasing this number can be achieved primarily through two methods:
 - Paid activities, which include advertising on various digital marketing channels such as search engines, other websites, other mobile apps, social media, and paid news releases
 - Non-paid activities, which include increasing a company's website rank on search engines through search engine optimization (SEO), increasing a company's mobile app rank on searches within mobile app stores, and creating interesting and useful content that is shared willingly by the target market and featured in news outlets
- **Reduce the number of customers dropping out of subsequent steps**—This increases the conversion rate and can be achieved by analyzing the flow of website visitors. There are a number of analytical tools that can help a company examine its website traffic in multiple ways and answer a number of questions such as the following:
 - Which pages have the highest drops?
 - Are customers able to easily access the most relevant pages (e.g., pages on testimonials and product features)?
 - Are there any technical errors on the website that are resulting in customer drops?
 - Are visitors spending adequate time on the website?

- Do key pages contain clear calls to action?

The conversion hierarchy can also be visualized as a “leaky funnel” that has a number of holes at different levels. The Leaky Funnel diagram is shown in Figure 2-6.

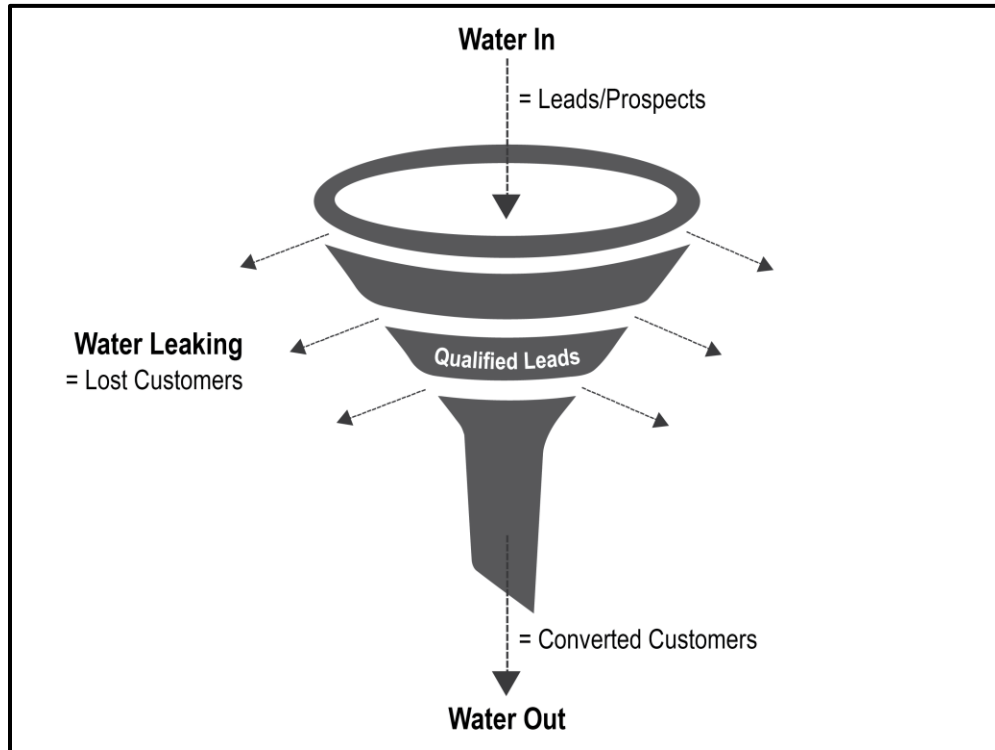


Figure 2-6: Leaky Conversion Funnel

The idea behind the funnel is that many prospective customers enter into the sales cycle at the top but some opt out along the way. Digital media reaches out broadly and acquires potential customers using a variety of online tactics. Marketers then capture information about those potential customers and begin to target them more effectively with marketing messages and other digital marketing initiatives, and many become qualified prospects or leads. Eventually some of the qualified leads buy the product, thus becoming customers. However, the leaky funnel shows that some prospective customers naturally opt out at certain points in the sales cycle. In the leaky funnel analogy, the water being poured from the top represents prospective customers and the water exiting from the bottom represents converted customers. Water leaking out from holes at different levels represents prospective customers dropping out at each step of the conversion hierarchy. A company can label each of the holes with a factor that is resulting in customer drops and then work on each of those factors to “plug” the holes in the funnel.

A company also needs to analyze its competitors’ websites to see if they have some features, benefits, or other elements which improve the customer experience and which are missing from the company’s

website. It can then take action to ensure that the customer experience on its website is better than that of its competitors.

4. Set Up Metrics and Targets to Measure Improvements in Each Step

Once improvement opportunities are identified, a company should be able to measure the effectiveness of actions undertaken to implement those improvements. For this, it is important to set up metrics and targets for each action. It is only when the actual results are compared against the targets that the digital marketing team will know how effective each particular action is. Some examples of how metrics and targets can be set in different situations are the following:

- If the digital marketing team observes that visitors are exiting from a particular web page more than other similar pages, it should ideally look at improving that web page. A key metric for measuring the effectiveness of changes aimed at improving the web page would be the exit rate. The exit rate for a page is defined as the ratio of the number of visitors who exited a website from a page to the number of visitors who visited that page, expressed as a percentage. The target exit rate should be the exit rate of similar pages.
- If the digital marketing team observes that a particular online advertisement is resulting in fewer conversions than other online advertisements, and they have determined that the reason behind the gap is a mismatch between the advertisement and the page to which it links, then the company should either modify the ad or the web page. A key metric for measuring the effectiveness of these modifications would be the bounce rate for the page from that advertisement.

Bounce rate is defined as the percentage of visitors who leave the first page of a website they encounter without clicking to other pages on the website. A lower bounce rate from a modified advertisement would indicate that customers were leaving the page less often, possibly because they were finding the page relevant to the advertisement. The target bounce rate should be the bounce rate of pages linked to similar advertisements that the company has used successfully.

2.2.2.2 Meetings and Discussions*

Digital marketing channels need to be evaluated not just for ROI but also for other factors such as available resources, company experience in using certain channels, knowledge of how competitors benefit from different channels, and future changes expected in each channel. These factors are best discussed at regular intervals and their impact evaluated through meetings and discussions. Meetings and discussions are also important for assessing the impact of the Positioning Statement, Product Features, Pricing Strategy, Distribution Strategy, and other selected Marketing Aspects on the evaluation of digital marketing channels. Furthermore, discussions are sometimes necessary to determine the ROI for different channels because the digital marketing team may receive conflicting data from different sources regarding the investment required for a certain level of conversions.

2.2.2.3 External Expertise

Digital Marketing as a field is extremely dynamic, and the landscape may change in a matter of months. A company may find it challenging to keep up with all the developments and potential changes in the various digital marketing channels and their potential impact on the company's products or services. Therefore, the use of external consultants who are specialists in Digital Marketing to evaluate digital marketing channels from the company's point of view can be highly valuable. External experts can contribute by giving advice on best practices and the latest developments in their specialist areas of Digital Marketing. Their expertise, opinions, and smart insights can be beneficial, especially in driving awareness, leads, and sales (e.g., SEO, PPC, social media, e-mail marketing, site design, and analytics).

2.2.2.4 Evaluation of DM Channel Interactions*

While the company's website, mobile channel, and social media presence are all contributors to a successful Digital Marketing Strategy, these three channels interact, overlap, and must align with one another. Evaluating the interaction of digital marketing channels involves identifying ways in which the various channels can complement one another in order to work cohesively toward achieving the overall digital marketing targets. An icon link to a company's social media page, for example, links customers on the website with the social media channel. It is important for the marketing and website development teams to ensure that in the process of evaluating the website, mobile channel, and social media channels, they are also recognizing the benefits that can be gained through the interaction of these channels.

2.2.3 Outputs

2.2.3.1 Selected DM Channels*

Channels that are evaluated as most effective for achieving the overall targets for Digital Marketing are clearly identified. The following needs to be outlined for each of the determined channels:

1. **Targets**—The SMstudy® Digital Marketing Evaluation and Improvement Tool helps in determining the targets that each channel should strive to achieve. The sum of the specific targets should contribute to the overall digital marketing targets as defined in the Marketing Strategy. If there are any overlaps among the digital marketing channels, then these should be clearly identified and accounted for.
2. **Budget**—The SMstudy® Digital Marketing Evaluation and Improvement Tool helps in determining the projected investment in each channel based on its ROI and contribution to the overall targets for Digital Marketing.

3. **Usage**—This should cover how each channel will be used to promote the product, service, or brand. It need not be detailed but should include how the allocated budget will be used and how the company will use the channel to reach customers. For example, for a social media channel, the usage information should indicate whether the budget will be spent on social media ads or on creating high-quality, shareable content that can spread organically.

2.2.3.2 Integrated DM Channel Plan*

It is important to understand that Digital Marketing is often used effectively in conjunction with other forms of marketing such as direct mail campaigns and mass media advertising. As well, when developing a Digital Marketing Strategy, multiple tactics should be considered and most often a combination of web, mobile, social, and other similar digital channels will integrate and work together to form a complete campaign that drives sales conversions more effectively.

2.2.3.3 Anticipated Future Scenarios*

Because changes in digital marketing channels occur at a rapid pace, it is important for a company to be prepared for the most likely future scenarios in the digital marketing landscape. This output should contain details of the following for each channel:

1. **Most Likely Changes**—These are changes that are most likely to take place in the future. The information regarding anticipated changes may be based on expert inputs from external consultants and information exchanged during meetings and discussions. The digital marketing team should also analyze actual changes and trends from the past to help predict changes that may occur in the future.
2. **Impact of Changes**—The potential impact of anticipated changes on various areas of the business, such as expected revenue, resource needs, operations, and the company's products, must also be determined. The impact of the likely changes may be positive or negative.
3. **Actions to Be Taken**—Actions that will be taken to mitigate or avoid the impact of harmful changes and exploit positive changes should be described.

3. PLAN AND DEVELOP DM CHANNELS

In the previous chapter, the initial steps required to create an online presence were discussed. These include examining the digital marketing targets as established in the Marketing Strategy and understanding the various marketing and sales channels available online that can enable the digital marketing team to meet these targets. Once these steps are completed, the organization must plan the strategy for each of the various digital marketing channels.

Throughout this chapter, we will look at how organizations go about building their presence on digital channels—namely websites, mobile apps and sites, and social media sites. Organizations develop their digital marketing channels based on market research, expert feedback, and case studies that provide insights into the successes and failures of competitors in addressing the same target segments. Because the online marketplace is evolving and new channels are developing with greater frequency, businesses must constantly stay in touch with their audiences' needs and ensure that they adapt to stay relevant to these needs. Another factor organizations must keep in mind when interacting with consumers through digital media is the importance of maintaining consistent brand messaging and positioning across all channels and through various marketing activities.

Figure 3-1 provides an overview of the three processes in this chapter. These are as follows:

3.1 Plan and Develop Website Channel—In this process, a website design is planned based on exhaustive research, and the organization's website, including the brand's web pages, are created. As part of this process, the metrics that will provide an indication of the performance of the website are also identified and, once established, are constantly monitored to gauge the success of the website.

3.2 Plan and Develop Mobile Channel—In this process, the factors influencing the success or failure of mobile apps and mobile sites in helping the organization reach its corporate goals are analyzed. Best practices are identified for the design of the organization's mobile apps and sites, and the development is carried out. Metrics are also identified to gauge the performance of the apps and sites.

3.3 Plan and Develop Social Media Channel—In this process, the organization identifies the relevant social media platforms for its target segments and plans its communication strategies with potential customers using these platforms. The Content Creation and Distribution Plan is created and metrics are identified to gauge the success of the social media channel.

3.1 Plan and Develop Website Channel	3.2 Plan and Develop Mobile Channel	3.3 Plan and Develop Social Media Channel
INPUTS <ol style="list-style-type: none"> 1. Integrated DM Channel Plan 2. Website Metrics, Targets, and Budgets* 3. Selected Target Segments* 4. Allocated Budget* 5. Details of Competitive Products 6. Marketing Research Reports 7. Positioning Statement* 8. Existing Branding 9. Outputs of Marketing Strategy TOOLS <ol style="list-style-type: none"> 1. Branding and Advertising 2. Marketing Research 3. Website Design Skills* 4. Emerging Technology Assessment 5. SEO Skills* 6. Competitor Website Analysis 7. Website Architecture Design* 8. Website Creation Tools 9. Mock-ups 10. Meetings and Discussions* 11. Expert Insights OUTPUTS <ol style="list-style-type: none"> 1. Created Website* 2. Refined Metrics and Targets for Website 	INPUTS <ol style="list-style-type: none"> 1. Integrated DM Channel Plan 2. Mobile Metrics, Targets, and Budgets* 3. Selected Target Segments* 4. Allocated Budget* 5. Details of Competitive Products 6. Marketing Research Reports 7. Positioning Statement* 8. Existing Branding 9. Outputs of Marketing Strategy TOOLS <ol style="list-style-type: none"> 1. Branding and Advertising 2. Competitor Mobile Site/App Analysis 3. Marketing Research 4. User Personas and Use Cases* 5. Mobile Website Development* 6. Mobile App Development Skills* 7. Emerging Technology Assessment 8. Mobile App Development Methods* 9. Meetings and Discussions* 10. Expert Insights OUTPUTS <ol style="list-style-type: none"> 1. Created Mobile Site* 2. Created Mobile App* 3. Refined Metrics and Targets for Mobile Website 4. Refined Metrics and Targets for Mobile App 	INPUTS <ol style="list-style-type: none"> 1. Integrated DM Channel Plan 2. Social Media Metrics, Targets, and Budgets* 3. Selected Target Segments* 4. Allocated Budget* 5. Details of Competitive Products 6. Marketing Research Reports 7. Positioning Statement* 8. Existing Branding 9. Outputs of Marketing Strategy TOOLS <ol style="list-style-type: none"> 1. Branding and Advertising 2. Meetings and Discussions* 3. Competitor Social Media Activity Analysis 4. Marketing Research 5. Emerging Technology Assessment 6. User Personas and Use Cases* 7. Social Media Elements Selection* 8. Expert Insights OUTPUTS <ol style="list-style-type: none"> 1. Content Creation and Distribution Plan* 2. Created Social Media Presence* 3. Refined Metrics and Targets for Social Media Elements

Figure 3-1: Plan and Develop DM Channels Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

3.1 Plan and Develop Website Channel

The initial step in developing an online presence for a business is to set up a website. The company website is the online face of the company and reflects the company's brand messaging and positioning; it is used as a means of informing the target segments about the company, new updates, and offers that the company is running. For publicly traded companies, the website is a medium to provide investors with information on the financial performance of the company and other relevant data.

As part of the discussion of the *Plan and Develop Website Channel* process, best practices in website creation are explored and a competitor analysis is done to identify where the competition is targeting the company's intended audience and the messaging used by competitors on their websites. Through this process, the basics of website design and architecture, as well as search engine optimization (SEO), are reviewed to help the digital marketing team make an informed decision on appropriate and achievable metrics, which are then monitored to analyze website performance.

Figure 3-2 shows the inputs, tools, and outputs for the *Plan and Develop Website Channel* process.



Figure 3-2: Plan and Develop Website Channel—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

3.1.1 Inputs

3.1.1.1 Integrated DM Channel Plan

While the processes of planning and developing a website, planning and developing a mobile channel, and establishing a social media presence are all individual contributors to a successful Digital Marketing Strategy, these three channels interact, overlap, and must align with one another. The Integrated Digital Marketing (DM) Channel Plan provides guidance on the level of cross-channel interaction. It is important for the marketing and website development teams to ensure that throughout the process of developing the website plan, those areas of the mobile and social media channel plans that work in concert with the website plan are considered and continuously revisited to ensure established digital marketing targets are being achieved.

Examples of Integrated DM Channel Plan:

- A company that plans to use Facebook to interact with customers will display an icon link to its Facebook page on its website.
- A baby food company, which establishes a website showcasing its product catalog and providing information on the latest trends in baby food nutrition, may want to invite consumers to contribute to periodic discussions or share videos and photos on nutrition, feeding habits, and other experiential topics via their mobile devices and social media in order to build a community of users and an awareness of the company's brand.

3.1.1.2 Website Metrics, Targets, and Budgets*

Metrics, targets, and budgets for developing and monitoring the effectiveness of the website channel are included in the Selected DM Channels output in process 2.2—*Evaluate DM Channels*. In order to ensure that website planning and development is carried out effectively, the digital marketing team must understand the business objectives and targets with respect to the online business. The digital marketing team, along with senior management, establishes the desired metrics and targets; these metrics and targets then serve as an input to how the website should be designed and developed. As previously mentioned, companies may have varied needs for creating an online presence, and the digital marketing metrics and targets are a reflection of all these needs. Another constraint that needs consideration while developing the website is the budget allocation for these activities. The website should be able to meet the desired business objectives and targets within the allocated budget.

Examples of Website Metrics, Targets, and Budgets:

- A company in the energy sector decides to create an online presence for PR purposes in order to ensure that consumers (including those who may not be direct customers) searching for the company online are aware of the company and its operations. In this case, the website metrics would measure how well the website creates customer awareness about the brand and ensures that brand perception is positive. However, for a company developing an online business with the purpose of establishing an online sales channel, the metrics would likely measure such factors as the cost of customer acquisition, daily customer visits, and the rate of conversion.
- A utility provider wants its website to convey a positive, forward thinking, brand perception. It decides to incorporate a pop-up window survey to measure user reaction to the site. The scores generated from the survey can be used to determine if the site is effectively reaching the targeted success criteria.

3.1.1.3 Selected Target Segments*

Selected Target Segments is an output of the *Select Target Segments* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.2). Based on the established objectives for the product or brand, the marketing team identifies the target segments for the company's online presence. These target segments may at times be the same as the target segments for the organization's offline marketing efforts. When determining the target segments for the Digital Marketing Strategy, organizations must identify those consumers most likely to visit the website and build a strategy that addresses the needs of those particular consumers. As part of the website development process, a wireframe, which is derived from user stories, is established. The user stories are based on the identified target segments for the website. It is therefore important to understand the characteristics of the selected target segments before commencing development of the website. Without identifying the target segments, the Digital Marketing Strategy will lack focus and may not be effective in addressing the optimal audience and, therefore, may fail to support the Marketing Strategy for the product or brand, and in turn the corporate objectives.

3.1.1.4 Allocated Budget*

In all businesses, the marketing team is given a budget that must be allocated among specific Aspects and in turn their related marketing activities, such as television advertising, newspaper advertising, sponsorships, online advertising, and events. The marketing team determines the effectiveness of these advertising channels in enabling the team to reach its target audience and the available budget is divided among these channels accordingly. In the case of website design, the available budget is a constraint that dictates the amount of resources that can be assigned for the development of the website. The digital marketing team, along with the subject matter experts, creates the website design in a manner that appeals to the target audience and provides the necessary details to ensure that marketing objectives for the product or brand are

being met, while also ensuring that the cost incurred in the design and development of the website is within the allocated budget.

3.1.1.5 Details of Competitive Products

Details of Competitive Products are an output of the *Identify Competition* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.1). It is useful, when developing a Digital Marketing Strategy, to consider the approach taken by companies with competing products. To obtain this information, the marketing team identifies competitive products that have an effective online presence and compiles information on the successes and failures of competitor companies in executing their Digital Marketing Strategies. Since competitors are targeting a similar audience, an understanding of the approaches that work and those that do not provides the organization with insights into how to design a website in accordance with the likes and dislikes of the target audience.

3.1.1.6 Marketing Research Reports

While the details of competitive products help the digital marketing team analyze the best practices in website design for the target segments, the team also procures marketing research reports that describe the online behavior of the target segments. Businesses must understand where their target audiences spend most of their time online, so they can effectively target these audiences with designs that appeal to them. For example, if a company is in the business of providing a platform for online gaming and notices that its target audience spends much of their time on informal social sites, it can increase its ad spending and create groups or communities on such sites to connect with this target audience thus driving traffic to its website. The company may also decide to include social plugins on the company website to ensure that its audience stays in touch, thereby increasing the time individuals stay connected to the brand and consume the brand's content. Research reports not only help companies plan the optimal website design for their audiences, they also provide a critical input to the Digital Marketing Strategy for the organization, as they help organizations determine where they should be spending their online marketing budgets and efforts.

Example of Marketing Research Reports:

- The digital marketing team at a pinball gaming company, which focuses on refurbishing stand-up pinball machines, enlisted the help of a web research company to provide relevant statistics on its target market. It found that a surprising number of people searching for vintage style pinball games also searched for vintage comics and vinyl albums. This knowledge of the target market assisted them in deciding to contribute articles about superhero and rock star themed pinball machines to comic and music discussion forums. These articles helped drive the target market to the pinball company's site.

3.1.1.7 Positioning Statement*

The positioning statement is the main output of the *Create Differentiated Positioning* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.3). It is generally a short sentence or phrase that captures the essence of the value proposition that a company's product offers to its target customers. It is intended to create an image of the product in the customer's mind that highlights the most important benefits differentiating the product from competing products and offers the most value to the customers in the chosen target segments. A well-defined positioning statement contains the following:

- the product category in which a company's product should be positioned
- the target segment(s) for which the product is positioned
- the specific benefits that the product is offering to the target segment(s) as compared to competitive offerings
- any guarantees or warranties that the company offers to customers to validate the product's quality

Since the company website should reflect the offline brand positioning and brand messaging of the business, differentiators, guarantees, and warranties mentioned in the positioning statement should also be reflected on the company's website.

Examples of Positioning Statement:

- As part of its positioning, a popular American taxi company that provides on-demand rides promises to offer reliability, customer support, style, comfort, and no frustration. The company's website home page mentions the key features such as one-tap ride, reliable pickup, simple pricing, cashless payment, convenience, and attention to feedback. The website clearly lists and delineates these characteristics of the positioning offered by the company.
- An electronics company promises a one-year warranty on its LED televisions when customers make purchases at retail locations. To ensure that all the elements of the positioning statement are reflected in the website offerings as well, this warranty is also offered to customers purchasing products through the company's website.

3.1.1.8 Existing Branding

Branding is a key component of the overall Corporate Strategy of the company and of all marketing activities associated with the business. Branding is discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A company's brand represents—in a logo or mark, a message, a service, a product, an ad, or an event—what customers can expect from the company. Brand touches all facets of the business, and it is important to maintain consistency of brand across the company's products and services and throughout all marketing channels. The website development team must therefore ensure that the website effectively supports and is aligned with the overall brand and sub-brands of the company and aligns well with other

marketing efforts that support the brand. Without the consideration of existing branding, the website may confuse consumers or dilute or weaken the brand.

3.1.1.9 Outputs of Marketing Strategy

The processes associated with establishing the Marketing Strategy for a product or brand are described in the SMstudy® Guide-Book 1, Marketing Strategy. Among the outputs of Marketing Strategy are the marketing objectives and the selected Aspects of Sales and Marketing that will help the company successfully reach its corporate goals. Digital Marketing forms just one of the several Aspects that the company can use to achieve its marketing objectives as defined in the Marketing Strategy. The Digital Marketing Strategy, therefore, must align with and support all other Aspects in the Marketing Strategy. The company website provides one channel that the business can utilize to contribute to achieving the marketing objectives for a product or brand and in turn the corporate goals. Establishing a Marketing Strategy also requires the evaluation and selection of target market segments, a clear understanding of the competitive landscape, a better understanding of the company's product and product features, and the product's positioning relative to that of its competitors. These elements of Marketing Strategy all inform decisions related to the planning and development of the company's website. Without considering the outputs of Marketing Strategy, the website development team may make false assumptions and may not focus its resources, budget, and time on the optimal target audiences, activities, and messaging to support the marketing objectives.

3.1.2 Tools

3.1.2.1 Branding and Advertising

Branding and advertising are discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A strong existing brand and effective offline advertising can provide essential support to the website, and when aligned, offline and digital activities should work together to build better awareness of the brand, generate revenue, provide customers with essential updates and information, and ultimately help the business achieve its marketing objectives.

Businesses typically provide a website address in all marketing materials in order to drive traffic to the company's website. The company website offers a dynamic medium where businesses can reinforce the brand, support offline marketing activities, and keep customers up-to-date. It is also a means for customers to quickly and conveniently gain access to content, products, or services.

The website development team should ensure that all activities associated with the website are aligned with offline activities to ensure optimal design, functionality, and consistency with the brand and sub-brands of the business.

3.1.2.2 Marketing Research

Marketers define their audience by segments. Marketing research helps marketers gain an understanding of these segments and identify the best way to appeal to them. Thus, understanding the target markets as types or clusters of potential customers based on various criteria, including interests, needs, age, roles, and geography, among others is important. It helps marketers plan how to target specific customer segments and how to build campaigns that will capture their attention with messages that will appeal to them through media in which they are most apt to respond. The company uses this data to build the optimal customer experience using digital media.

Companies must ensure that they deliver the right message to the right audience. Combining and analyzing data from the Internet, competitor data, and the business's online customer flow (if available) helps provide the right foundation for companies to understand consumers' needs and how the business can address those needs through digital media.

3.1.2.3 Website Design Skills*

Although businesses will have a defined and skilled team that is responsible for the technical aspects of designing the website, it is important for the digital marketing team to possess a basic understanding of the various website formats and their advantages or limitations. This knowledge helps the team make an informed choice on the kind of information that it would like to include on the website and whether the existing web design is capable of displaying the required information in the manner intended by the team.

Examples of Website Design Skills:

- A general understanding of the most frequently used web languages is recommended for marketing teams.

XHTML / HTML

Extensible Hypertext Markup Language (XHTML) is the basic language of the web. Developers can use this technology to build simple, text-based websites. A more advanced version of XHTML is known as Dynamic HTML. DHTML is used to create HTML pages that have a dynamic component at the user end. DHTML combines HTML with a scripting language, such as JavaScript along with a presentation definition language, such as CSS and the DOM (see below).

DHTML allows scripting languages to change variables in a web page's definition language, thus affecting the appearance and function of the HTML page, after the page has been loaded at the user end, and during the viewing process. The dynamic nature of DHTML refers to the way it functions while a page is viewed, changing an otherwise static page into one that provides greater interactivity and is often more appealing to users.

DOM

The Document Object Model (DOM) allows web developers to manipulate the contents of a web page. It is language-independent and thus interacts with objects developed using HTML, XHTML, and XML. When an HTML page is rendered in a browser, the browser downloads the HTML into local memory at the user end. The DOM parses the data and displays the page on screen. The DOM is also the way JavaScript transmits the state of the browser in HTML pages.

CSS

Cascading Style Sheets (CSS) is a style sheet language used for defining the appearance of a web page. CSS is designed to separate document content from those elements that define the presentation or appearance of the document, such as colors, fonts, and other layout elements. CSS has many benefits including improving content accessibility as well as flexibility and control in defining how information will be presented. It also enables multiple pages to share formatting, thus reducing repetition in the structural content of a web page.

JavaScript

JavaScript is a scripting language used in conjunction with HTML to access the DOM of a web page. JavaScript runs on the user's computer, controlling the browser and enabling the user to interact with the web page. Unlike scripts that run on the web server, it can respond quickly to user requests.

There are several advantages to using JavaScript, including the following:

- dynamically changing images when the user hovers over them
- user input on a form is validated
- a new window opens when a link or image is clicked

3.1.2.4 Emerging Technology Assessment

Website development is a dynamic field that is constantly changing with the addition of new technologies, tools, and ways of communicating. The digital marketing team needs to be aware of the latest developments in web design capabilities. The tools and features available to web developers are constantly being improved upon. Knowing the emerging methods for content delivery can greatly assist in creating engaging and successful websites.

3.1.2.5 SEO Skills*

Search Engine Optimization (SEO) involves a number of activities and initiatives that businesses can implement to achieve high search engine rankings. Such activities address factors that can impact a website's or web page's search engine rankings for specific search terms, resulting in a high placement in a search engine's organic (unpaid) search results. It is important to note that the position at which the company appears in search results is a result of both SEO activities and paid advertising.

Consumer perception is impacted by the position at which a company appears in the result of a search. A high rank in search results helps build trust in the minds of consumers as they generally associate a higher ranked website with being a strong, more established brand with greater reliability. This perception in turn leads to greater conversions on the company's website and supports the fulfillment of the objectives for the product or brand. Most consumers will not click beyond the search results on the first or second page and the potential diminishes the further into the list that the company appears. A website that is search engine optimized will appear higher in search results resulting in a greater number of visits to the site.

Search Engine Optimization is an Internet marketing tactic that takes into consideration how search engines function and "rank" websites, how people search for keywords, the keywords that are most frequently searched, and the type of searches (text search, image search, video search) that consumers are likely to use to learn more about a product, service, or business as a whole. Keywords are typically defined as either short tail (also known as head keywords) (e.g., women's clothing) or long tail (e.g., best store to buy women's clothing). Short tail, or head, keywords usually consist of two words, while long tail keywords usually consist of three to five words. While short tail keywords are generally more popular, long tail keywords are more targeted to specific searches and come with less competition. Less competition is particularly important when developing a pay-per-click campaign as less competition generally means the company does not have to bid as much money for a particular keyword or phrase.

Typically when a business adds a page to its site, the various search engines send a spider, or web crawler, that stores the page on the search engine's server and then indexes the page (i.e., gathers relevant information on the contents of the web page and the links that it contains) for fast and accurate information retrieval when an online consumer registers a search query on the engine.

Optimizing a website for online searches involves editing the site content and tagging or coding pages to increase the relevance of the website content relative to specific keywords that are key to the business. The objective is to ensure that the site appears in search engine results for the keywords that are most relevant to the business. SEO also involves removing any barriers that would prevent search engines from indexing the site, as well as promoting the site to increase the number of backlinks, or inbound links.

SEO uses the following practices:

1. On-Page Search Engine Optimization

Web developers should construct each page of the website to be appealing to both search engines and consumers. Website content should accurately reflect the core components of the business, using relevant keywords in the URL, titles, heading and image tags, and other content of the website. Using

relevant keywords across all elements of the site will contribute to search engine rankings thus resulting in an optimal position in search results.

At the same time, companies must ensure that they do not include too many marginally relevant keywords (a practice known as keyword stuffing) as this practice may in fact harm the website's rank, and such pages may be excluded from search results by search engine crawlers.

2. Mobile SEO

As previously mentioned, mobile devices and tablets are being used increasingly by consumers to access the Internet. Therefore, it is important for organizations to ensure that their websites are also optimized for mobile devices. Also, since many consumers use voice search features, websites and keywords must also be optimized to account for this changing trend among mobile users.

When companies optimize their websites for mobile devices, they should ensure that the website is responsive to mobile devices and tablets; maintain a separate mobile site since mobile users prefer websites in which content can be consumed on a smaller screen and on-the-go; provide only relevant content; and maintain a light mobile site to ensure faster loading of the mobile site.

3. Building Site Links

Building relevant links to the website is a key contributor to optimizing the site for organic searches. Links are an important factor for major search engine algorithms as they ensure that the current site contains relevant content that may be useful for a consumer conducting a keyword search.

Some best practices to keep in mind when working on an inbound link-building strategy include the following:

- Focus on the quality of the links rather than the quantity of links. High-quality links, which are links that are considered highly relevant, often used, and often referred by other sites, are given a greater weightage by search engines and help improve the organic rank of the site.
- Focus on creating content that provides value to the target audience and inspires the audience to share the content on other blogs or websites. High-quality content builds brand loyalty, and is, in the long run, much more important than SEO and referred links.

Examples of SEO Skills:

- A garden center decides to publish advice on multiple gardening special interest sites in order to increase the number of inbound links driving traffic to its site. The quality and popularity of the sites on which the garden center publishes its gardening advice should improve its search engine ranking.
- A car dealership in Phoenix, Arizona wants to drive local traffic to its website and identifies a list of long tail keywords such as “best place to buy new and used vehicles in Phoenix.” Once the keywords have been identified, the dealership ensures that the keywords are included in the website’s content and in the site’s meta tags.

3.1.2.6 Competitor Website Analysis

Analyzing competitors’ websites can serve as a useful means of assessing a company’s own digital marketing channel efforts. For companies that are launching their online channels, it is important to understand what works and what does not in their industry when it comes to setting up a company website. Since competitors are selling similar products and services to the same target audience, an important part of the planning process before creating a website design is to analyze competitors’ websites.

The digital marketing team can use search engines and keywords to identify significant online competitors to examine. The top-ranking companies on search engines for relevant keywords are the company’s online competitors. After identifying the competitors, the digital marketing team can make use of publicly available software to identify additional keywords used by the competing businesses.

The following factors need to be considered when analyzing competitor websites:

1. Keyword Performance on Search Engines

Companies that depend on online channels to sell their products and services make use of search engines to advertise while developing the organic ranking of their websites using relevant keywords. The digital marketing team should identify the ranking of competitors who are appearing in listings, whether paid or organic, for the keywords that are essential for the business. Generally, search engines consider a number of factors when calculating the ranking of online ads. Besides keyword bid amount, these search engines also consider the relevance of the ad, the relevance of the targeted page, and the conversion rate.

2. Link Popularity

A site with more links from external websites will typically obtain a higher rank on search engines than a site with few links. A newly launched website, for example, will obtain a lower rank than an established competitor’s website and, in order to enhance a website’s organic rankings, the digital marketing team should work on increasing the number and quality of links to and from the website. The greater the number of quality links on a site, the higher it will rank in search engine rankings. To analyze the links of

competitors' websites, the digital marketing team should determine the number of links available on the competitors' websites and also assess the quality of these links. There are numerous online consulting businesses that offer this type of service. This information can also provide a benchmark against which the company can assess its own site links and work to increase the quality and quantity of the links to and from its site as necessary.

3. Traffic and Visitor Activity

Third-party businesses enable companies to monitor the traffic activity on competitor sites. Such information helps the digital marketing team identify the amount of traffic competitors' websites experience, the time spent by consumers on competitors' sites, the bounce rates, the ratio of paid to organic visits, and the specific demographics of visitors. Not only does such data help companies to set up their website flow and analytics, but it also helps them to constantly benchmark their performance against the top competitors in the industry.

3.1.2.7 Website Architecture Design*

One of the first considerations when building a website is the site's structure. A well-planned structure is fundamental to the success of the website and can prevent issues in later stages of the site development. Website architecture design involves planning the layout and design of the website, identifying the pages to be included, determining how consumers will navigate the site, and planning how these pages will link together. Based on the learning from marketing research and competitor website analysis, the digital marketing team—along with subject matter experts, such as website developers—is responsible for ensuring an optimal website architecture design.

A key factor that must be considered when planning the website architecture is click-depth. Click-depth or crawl-depth refers to the minimum number of clicks required of a website visitor in order to get from the "root" web page to a desired web page. The root web page is the page that displays when only the domain is in the URL (i.e., no path information is included). The objective is to enable visitors to find what they are looking for with ease. Companies must ensure that the click-depth is kept as low as possible, so that users and search engines can reach any point on the site within a minimum number of clicks.

The digital marketing team analyzes how each page will be linked internally and externally, creating categories and subcategories within the site. While creating the website, search-friendly URLs should be used to increase the relevance of the links and help the organic ranking for the website. Additionally, duplicate meta tags, meta descriptions, and titles should be avoided to prevent confusing web crawlers.

In short, the website architecture design should assure visitors they are on the right page; ensure visitors can easily find what they are looking for by providing a clear navigation path and search feature; properly link together the various pages; and ensure that the website is easy to navigate not only for users, but also for web crawlers so that the site content can be detected by search engines.

A critical component of website architecture is scalability. Website designers must ensure that websites are designed in a way that navigation is not compromised when new functionality, product lines, or business units are added. Consumers have a low tolerance for long wait-times or high click depth pages and will quickly leave a site that does not provide optimal usability. For example, a business may start with a simple website to build awareness of the brand, and provide details of the product offerings; however, if the company chooses to add an e-commerce component at a later date, the e-commerce capability should be aligned with the existing product catalog so that customers can continue to navigate the site with ease and purchase products quickly and securely. A well-thought-out architecture at the planning stage will enable this new functionality without overhauling the existing site.

Example of Website Architecture Design:

- When designing the initial structure of its new website, a home improvements company took into account the long-term corporate goal of product line expansion. The company designed a root page that focused on family and home. Their line of kitchen products was prominently displayed, appearing only one click from the root. By setting the structure up in this manner, the company left the potential to add bathroom and bedroom product lines, without restructuring the architecture of the site or losing the broad base of consumers the initial site was targeting.

3.1.2.8 Website Creation Tools

Website creation tools are web-based tools that allows creation of webpages web pages using a variety of templates. These tools are user friendly and allow businesses to create web pages simply by dragging and dropping various page elements.

Many providers of website creation tools also offer digital storage solutions. Working with a service provider that can both offer website creation tools and host the site can provide a convenient solution for small-scale businesses that are launching an online presence. This approach reduces the investment costs associated with purchasing a dedicated server and avoids the need to search for multiple service providers to facilitate website development.

Example of Website Creation Tools:

- An auto body shop decides that a functional website showing the basic contact information and services available is all that it requires for an online presence. The company does not have the in-house expertise to write the code for a website and it does not want the expense of hiring a professional web developer. It decides to take advantage of the hosting services available that provide easily populated templates for web development. These services also handle the registration of the URL, and provide a minimal level of search engine optimization.

3.1.2.9 Mock-ups

A wireframe is a type of mock-up that marketers use to visually map out the proposed structure, content, and functionality of a website. A wireframe separates the content components of the website from the functional components of the website, thus allowing the digital marketing and website development teams to visualize, understand, and explain how users will interact with the website. A typical wireframe includes the following:

- key pages and their locations
- page layout including placement of side bars, main content, and navigation bars
- navigation links, page titles, and content labels
- place holders, content text, and images

A wireframe enables the website development team to ensure the proposed website layout is clear and consistent across the various pages and also allows the team to identify potential issues with the website, such as inconsistencies or usability concerns. A wireframe uses boxes to show the various parts of the proposed web page in order to help the development team visualize where various components of the site, including text, images, navigation bars, and advertising, among others, will be located. While developing the website, the team uses the website wireframe to sketch ideas, estimate development time and costs, test navigation, verify usability, and ensure consistency across the site and with branding and other marketing activities.

3.1.2.10 Meetings and Discussions*

Meetings and discussions are an essential part of developing and managing a company's website and measuring its performance. They provide a forum for the digital marketing team to ensure that the website development team's efforts are aligned with the activities of other digital marketing channels and that the website supports the marketing objectives as established in the Marketing Strategy.

Consumers often rely on a company's website for the most up-to-date information about a company's products, services, and promotions. Thus, content on the website should be reflective of all areas of the business and must be consistent with all other marketing initiatives, both digital and offline.

Meetings and discussions also enable members from outside the digital marketing team to provide insights on current trends, competition, and potential opportunities and threats that may impact the success of the website. Furthermore, without ongoing meetings and discussions, the website development team may engage in activities that do not align with other marketing initiatives and may run the risk of missing key opportunities or sending consumers inconsistent messages, which may in turn impact the goals and objectives of the Marketing Strategy.

3.1.2.11 Expert Insights

The digital marketing team is primarily focused on ensuring that the Digital Marketing Strategy is aligned with the marketing objectives and in turn the corporate goals, and that it reflects a good understanding of both the company's business and the target audience. Additionally, in order to ensure maximum effectiveness of the website, the team must develop an understanding of the best practices in website design and select the most appropriate website layout for the target segments. To ensure the effectiveness of their websites, most businesses enlist experts to help provide information on globally successful practices in website design, knowledge of features that appeal to the target segments, and insights on how to design the website to align with corporate goals. These experts also help businesses maintain consistency of brand messaging in both online and offline media. Without insights from subject matter experts, the digital marketing team may not be able to leverage the latest and most effective methods in designing the website and, thus, may reduce the success of the Digital Marketing Strategy in reaching corporate goals.

3.1.3 Outputs

3.1.3.1 Created Website*

The primary output of this process is the completed company website. To accomplish this task, the digital marketing team receives approval for the website conceptual design and mock-ups from senior management and works with the website development team to build the site according to the proposed design, taking into consideration marketing research, feedback from experts, and competitive information. Various website design and creation tools are used and search engine optimization is considered. Once the website development is complete, the website is presented to senior management and relevant stakeholders for final approval. After final approval, the website is continuously updated and optimized to ensure it provides customers and prospects with relevant and current information.

3.1.3.2 Refined Metrics and Targets for Website

Throughout the research and planning stages, the digital marketing team also identifies relevant metrics to measure the performance of the website once complete. These metrics are designed to measure the specific performance of the various activities associated with the website in order to achieve the digital marketing targets. The identified metrics are a reflection of the business objectives and vary depending on the primary purpose for the development of the website channel. For example, if the intent is to build the website to generate revenue, then the metrics may include information such as the cost of customer acquisition, the time spent by visitors on the site, the bounce rate, and the conversion rate. Alternatively, companies may develop an online channel to simply build awareness or promote their brands. In such cases, the metrics may include the number of engaged users and customer perception of the brand.

Example of Refined Metrics and Targets for Website:

- An office supplies retailer launches a new e-commerce site with the primary objective of increasing its online sales. The target for the digital marketing team is to reach \$5 million in online sales through the e-commerce site and to do so within a budget of \$200,000. Throughout the planning and development of the website strategy, the team refines the metrics and targets associated with the new e-commerce website initiative and establishes several metrics and targets that will help measure the performance of the new site. The refined targets include a five percent reduction in the cost of customer acquisition, an average revenue of \$25 per customer, a ten percent reduction in bounce rates within three months, an increase to 10,000 site viewers per day, and an improved customer conversion rate of five percent.

3.2 Plan and Develop Mobile Channel

The increasing usage of mobile devices across all geographies and customer segments; the variety of mobile devices, mobile platforms and operating systems; and the rapidly changing face of the mobile industry, all make planning and developing the mobile channel for a company a challenging task. The *Plan and Develop Mobile Channel* process helps companies to understand the options they have and the factors they need to consider in developing their mobile channel. Since the process must align with the objectives of the Marketing Strategy, the team working on the development of the mobile channel needs to understand the business' customers as well as the product or brand positioning so they can create a mobile app and mobile site that serve to achieve the digital marketing targets that support the business objectives.

Figure 3-3 shows the inputs, tools, and outputs for the *Plan and Develop Mobile Channel* process.

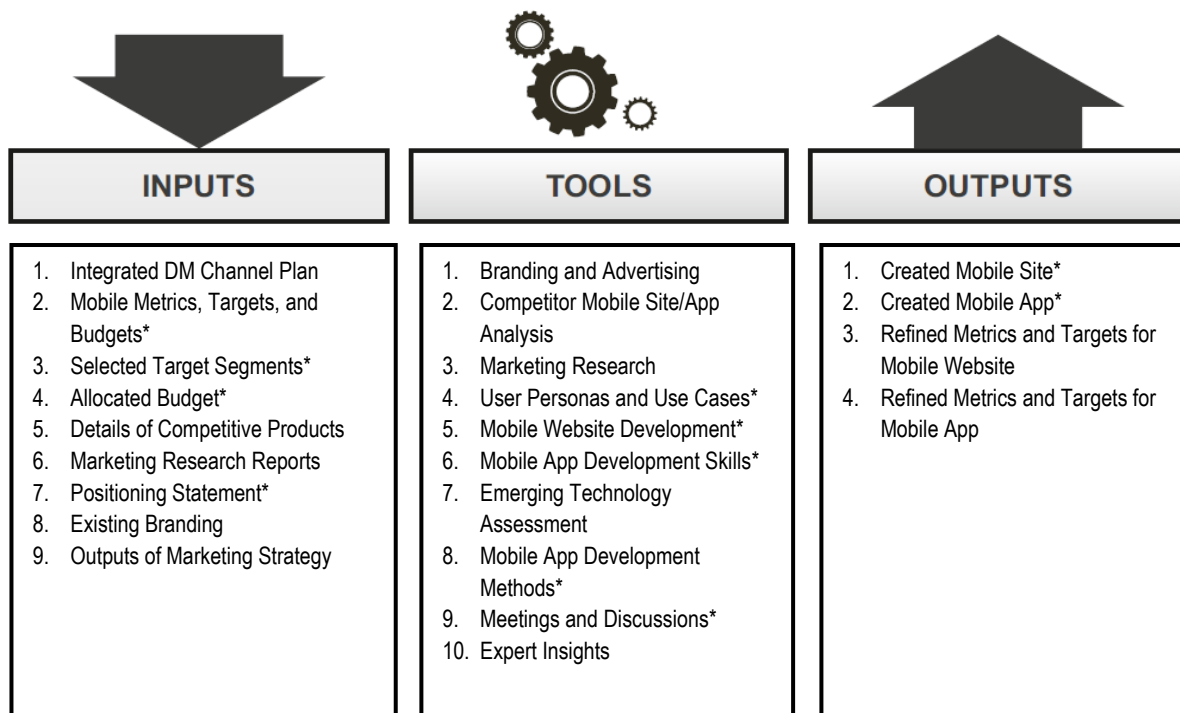


Figure 3-3: Plan and Develop Mobile Channel—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

3.2.1 Inputs

3.2.1.1 Integrated DM Channel Plan

The Integrated DM Channel Plan provides an indication of the level of cross channel interaction. If both website and mobile development are being considered, the order in which each platform is developed must also be considered. Websites can be developed, and then features downgraded to fit the smaller size and more limited capacity of a mobile, tablet, or other device. This “graceful degradation” is a commonly used technique in scaling down websites. Alternatively, mobile development can be done first. Features are then “progressively enhanced” for the full website. This method is useful in ensuring that the most relevant and useful content is available on the mobile site. Consideration of how the social media channel activities will complement and align with the website and mobile channel is also important, as all digital channels should work together in order to achieve the digital marketing targets.

Example of Integrated DM Channel Plan:

- An event ticket retailer might first develop its mobile site and associated app. The main functions of allowing for quick searches and easy ticket purchases are the focus of the mobile site. The full website is then developed with additional information regarding venues, parking, and the events themselves. Both the website and the app may include a link to Facebook encouraging customers to update friends on recent events, thus extending its reach via social media.

3.2.1.2 Mobile Metrics, Targets, and Budgets*

Metrics, targets, and budgets for developing and monitoring the effectiveness of the mobile channel are included in the Selected DM Channels output in process 2.2—*Evaluate DM Channels*. Mobile channel metrics and targets might include the number of customers that the mobile channel must attract and the actions those customers must undertake on the mobile channel. Determining the metrics, targets, and budgets for the mobile channel help shape the overall mobile development plan by ensuring that appropriate resources are allocated to the effort, thereby influencing the development of the mobile apps and services delivered through mobile devices. For example, if the customer acquisition target for the mobile channel is proportionately higher than that of the social media channel, then the company may consider developing a feature-packed mobile app across multiple mobile platforms and launch mobile specific offers on that app to attract a large number of customers and encourage them to make purchases using the mobile app.

Examples of Mobile Metrics, Targets, and Budgets:

- Online clothing stores leverage mobile channels, especially mobile websites, to support conversions through the customer's purchasing process. The mobile website is used as the destination for online marketing campaigns, and customers browse through the products before making any purchase.
- Media publishing companies usually provide a free mobile app to their users and use metrics such as the number of articles read or shared, followers gained, and screens viewed to measure the lifetime value of the user. This ensures that the value derived from the mobile app aligns with the overall mobile channel targets.

3.2.1.3 Selected Target Segments*

Selected Target Segments is an output of the *Select Target Segments* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.2). It contains the following:

- the specific needs of each target segment that a product or service satisfies
- all relevant characteristics of each target segment that differentiates the segment from other segments
- the market attractiveness attributes for each segment, such as size and growth rate
- the personas of typical customers in each target segment
- organizational strengths that may help the company compete successfully in each segment
- the products or services that are most suitable for the various target segments

Understanding a company's target customers is necessary for conducting market research to identify mobile usage patterns and preferences. This knowledge informs the development of mobile apps. As part of this process, user personas are created from among the target customers. These personas help in identifying the most important features to include in the company's mobile apps and mobile websites.

Examples of the Selected Target Segments:

- Some fitness and sport tech companies that create wearables, such as digital pedometers and GPS tools, provide mobile apps that clearly satisfy their target segment's needs and focus on customers interested in a particular sport such as cycling, running, or other athletics.
- Game manufacturers developing racing games create mobile apps that function as a demo of the main product to attract a niche audience based on the gender, age, and engagement of the gamer.

3.2.1.4 Allocated Budget*

The allocated budget is an output of the *Decide Marketing Aspects and Allocate Budget* process detailed in the SMstudy® Guide-Book 1, Marketing Strategy (section 5.3). In this process, budgets are allocated for each Marketing Aspect and then subsequently divided among the various channels in each Aspect. The budget allocated to mobile website and app development will depend on the priority of the channel relative to the other channels included in the Digital Marketing Strategy. The budget represents a constraint for the mobile development team that dictates the amount of resources to be used in executing the mobile website and app development efforts. The team must ensure that key targets and expectations are being met while ensuring that costs do not exceed the allocated budget for the mobile channel activities.

3.2.1.5 Details of Competitive Products

Details of Competitive Products is an output of the *Identify Competition* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.1). This includes information on the performance of competing products on selected key criteria, their target segments, their positioning statements, pricing, and estimated or actual sales volume. The products that are the closest to a company's products that need to be monitored continually are also considered.

This input is necessary for performing an analysis of mobile sites and apps promoting competing products. Such analysis helps a company to identify whether it needs to modify features or content in its own mobile apps and mobile websites. It also enables a company to observe promotions or offers by competitors in their mobile channel and allows the company to react accordingly.

Competitive analysis is also useful when a company does not have a mobile app or mobile site and is planning to build this channel in a short time frame. Since competitors are targeting a similar audience, an understanding of the approaches that work and those that do not provides the organization with insights into how to design apps and mobile sites in accordance with the likes and dislikes of the target audience.

3.2.1.6 Marketing Research Reports

To understand the mobile usage behavior, attitudes, and preferences of target customers, the digital marketing team may reference past reports on these topics commissioned by the company or procure reports through other research agencies. Companies should have an understanding of how their target audiences interact with mobile devices so they can then target the audiences more effectively.

In addition to research reports on mobile usage, a company should also understand the mobile development technologies available. To obtain this knowledge, various technical reports, magazines, and websites can be consulted.

Example of Marketing Research Reports:

- An international restaurant chain might develop an app that provides travelers with the restaurant location that is in closest proximity to a customer at any given time. A good understanding of how frequently consumers use these types of apps helps the restaurant chain in determining the need for the app and the desired features of the app, such as the specificity of the information gathered and provided (e.g., locations with free Wi-Fi, locations with a drive-thru option, and so on).

3

3.2.1.7 Positioning Statement*

The positioning statement is the main output of the *Create Differentiated Positioning* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.3). A positioning statement can influence development decisions with regard to the mobile app and mobile website. Differentiators, guarantees, and warranties mentioned in the positioning statement should be reflected in the company's mobile app and mobile site, if feasible. For example, if a company promises a hassle-free shopping experience in all of its other marketing channels, then the same should be reflected in its mobile app, which might include features like intuitive navigation and a quick payment process. Similarly, if a company provides additional benefits to some existing customers, then the mobile app should have a login feature that can identify different customers and change the content of the app accordingly.

Examples of Positioning Statement:

- A taxi service company's positioning statement references customer ability to conveniently book and pay for taxi rides using their mobile app. Therefore, the company's mobile app must provide the functionality to view available taxis, book a taxi, and pay using a credit card.
- Financial institutions create mobile apps or mobile websites to support their commitment to enable busy professionals to obtain continuous updates on stock prices, important tips on investing from industry experts, and functionality to manage their stock options via their mobile phone.
- A large grocery chain wants to promote locally grown offerings in each region as part of its effort to position itself as a big store that supports local producers. Its mobile app will display current specials and promotions based on the locality of the user at login.

3.2.1.8 Existing Branding

Branding is a key component to the overall Corporate Strategy of the company and all marketing activities associated with the business. Branding is discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A company's brand represents—in a logo or mark, a message, a service, a product, an ad, or an event—what customers can expect from the company. Brand touches all facets of the business, and it is important to maintain consistency of brand across the company's products and services and throughout all

marketing channels. The mobile channel development team must therefore ensure that the mobile website and app effectively support and are consistent with the overall brand and sub-brands of the company and align well with other marketing efforts that support the brand. Without the consideration of existing branding, the mobile channel may not provide a brand image that is consistent with other marketing channels, thus possibly confusing consumers or weakening the brand.

3.2.1.9 Outputs of Marketing Strategy

The SMstudy® Guide-Book 1, Marketing Strategy describes the processes associated with establishing a Marketing Strategy for a product or brand from which strategies for each of the various Aspects of Sales and Marketing can be derived. Among the outputs of Marketing Strategy are the marketing objectives and the selected Aspects of Marketing that will help the company successfully reach its overall corporate goals. Digital Marketing forms just one of the several Aspects that the company can use to achieve its marketing objectives as defined in the Marketing Strategy. The Digital Marketing Strategy, therefore, must align with and support all other Aspects in the Marketing Strategy. The mobile channel provides one means by which the business can support the Aspects of the Marketing Strategy and contribute to achieving the marketing objectives for the product or brand and, in turn the corporate goals. Establishing a Marketing Strategy requires the evaluation and selection of target market segments, a clear understanding of the competitive landscape, an understanding of the product's product and product features, and the product's positioning relative to that of its competitors. These elements of Marketing Strategy inform decisions related to the planning and development of the mobile channel. Without considering the outputs of Marketing Strategy, the mobile channel development team may lack the focus required to achieve the marketing objectives and their activities may not be optimally aligned with the other Aspects of Sales and Marketing.

3.2.2 Tools

3.2.2.1 Branding and Advertising

Branding and advertising are discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A strong existing brand and effective offline advertising can provide essential support to the company's mobile channel and, if aligned, offline and digital activities can work together to build better awareness of the brand, and ultimately generate more revenue, provide customers with essential updates and information, and help the business achieve its marketing objectives.

Particularly if a business has strong brand recognition, offline advertising provides an effective means of driving consumers to mobile content. For example businesses often use radio or television to advertise new gaming apps. The mobile website development team should develop a mobile strategy that aligns well with offline initiatives in order to ensure timely and successful delivery of mobile content.

3.2.2.2 Competitor Mobile Site/App Analysis

The list of competitive products is available from the Details of Competitive Products input. Using this list, the digital marketing team should analyze the mobile apps and mobile sites of competitors to determine if similar apps or sites could benefit the company, or if improvements need to be made to existing apps or mobile sites. The following are factors that should be analyzed when assessing the mobile channel effectiveness of competitors:

1. **Functionality**—This factor addresses the app's ability to meet the needs that it was intended to fulfill as well as provide the features that consumers use in order to fulfill those needs. Functionality also refers to whether the app is being used to purchase or deliver a product, or if it is intended to support a product or service. For example, a company offering personal transportation services may have an app that customers can use to book personal transportation. Thus, the app is being used to deliver the main service for the company. In contrast, movie production companies sometimes create mobile gaming apps to build awareness or generate additional interest in a particular movie. In this case, the mobile app is being used to support the main product, which is the movie.
2. **User Interface**—This factor refers to the quality of design, ease of navigation, and responsiveness of a competitor's app or mobile site. An app or mobile site might perform all the functions and have all the features that customers want. However, if the graphic quality is low, the navigation is not intuitive, or the app or mobile site is slow to respond, then the perception of the app or mobile site from a user's perspective is negatively impacted.
3. **Search Rank**—This indicates the position in which the competitor's mobile app is displayed in search results in a mobile app store. A high rank can indicate a high level of popularity, though it may also be an indication of a focused and extensive marketing effort. The higher the search rank, the more visible the app is to consumers and, generally the greater the number of downloads for that particular app.
4. **Number of Downloads**—The number of downloads depends on a number of factors including the search rank within the mobile app store; the promotion effort and marketing spend; the quality of the page that contains information about the app; and the accessibility, popularity, and quality of the site from which customers can download the app. A high number of downloads indicates a broad reach.
5. **Reviews**—These are reviews that a competitor's app has received in the mobile app store or on any other review site. The review may simply be a rating on a scale of one to five or it may be more detailed text descriptions. Good reviews from a high number of customers indicate an app that customers use and like. Studying the detailed reviews of a competitor's app can provide a company with excellent insights into the strengths and weaknesses of the app from the customer's perspective. This information can be helpful in developing a competing app that can capitalize on the strengths and avoid any potential pitfalls.

6. **Presence across Mobile Platforms**—If a competitor's app is accessible across multiple platforms, the app will likely have a wider customer base than if the app is accessible in only one platform. However, if the competitor is unable to manage multiple platforms well, the app may receive low search ranks on multiple platforms. A competing company can respond by focusing on a single platform and ensuring a high search rank, which will likely result in higher overall downloads than its competitor's app.
7. **Price**—Some apps are available free of charge while others demand a fee. Free apps are sometimes supported by ads that appear while the app is running on a mobile device. A company must understand the rationale behind the pricing strategy chosen by a competitor, and determine the benefits that the competitor is gaining as a result of the strategy before deciding on the price of its own apps.

Free apps are generally used by a company to generate interest and engage customers on a wide scale, or in instances where the app is used to sell the company's products. A mobile app for an e-commerce website, for example, is typically free because the app offers accessibility to products and generates sales of the company's products or services.

Some free apps are supported by ad revenue. Companies offering these apps may have the same objectives as those offering free apps without ad revenue; however, these companies risk receiving negative customer feedback or generating negative customer reviews because many customers get annoyed and frustrated by excessive ads.

Paid apps or apps that have paid sections are generally used if the app is providing a significant benefit to customers and the company has invested a great deal of resources in developing the app or in delivering content through the app. For example, full versions of mobile games from gaming companies are generally paid apps. Many software companies will provide limited versions of their product as free apps. A time-management software developer might provide a free version of its software, which only allows five entries per week. Customers would be required to purchase the full version if they want unlimited entries.

Knowing consumer perception of value for money is an integral part of app development. Because apps range in price from free to very expensive, it is important for companies to understand the perception of consumer value in their own apps. Customers will quickly migrate to a competitor if they can obtain what they perceive to be a similar quality app free of charge from another company.

8. **Integration with Other Marketing Channels**—A company should also analyze the extent to which a competitor's mobile app is promoted through the competitor's other marketing channels. An app can be promoted through any and all marketing channels, including traditional offline channels, as discussed in the Branding and Advertising (BA) book of the SMstudy® Guide series. For example, a printed two-dimensional barcode—a Quick Response Code (QR Code)—can be used to allow customers immediate access to a mobile app with a simple scan of the QR Code using their smartphones. Companies that have an integrated marketing plan offering several touchpoints with the customer will often promote mobile apps through multiple channels. The importance of a mobile app to a competitor can be gauged

by how extensively the mobile app is integrated with, and promoted through, the company's other marketing channels.

9. **Offers and Promotions**—A competitor may extend offers and promotions that are available on and sometimes valid only for its mobile app. A mobile app offers certain advantages over other marketing channels, such as the ability to inform customers about products anytime and anywhere as customers generally have access to their mobile phones at all times. Also, a mobile app may record the geographic location of customers, which can enable a company to offer targeted promotions based on customer location and provide customers with immediate and customized communications based on where they are at any point in time. A competitor may promote a mobile app in other marketing channels to prompt customers to download and use the app. Gaining an understanding of how competitors use offers and promotions to support their mobile apps helps companies identify ways that they too can enhance the customer experience using similar approaches.

3.2.2.3 Marketing Research

Marketing research must be carried out to understand the mobile usage patterns of intended users, to segment the target market and further identify different user personas, and to create use cases based on personas and their mobile usage patterns. Understanding mobile usage patterns includes analyzing many factors including the following:

- the location of mobile device usage—at work, at home, and while travelling
- the type of mobile Internet used—Wi-Fi (home, work, or public) or mobile data (2G, 3G, 4G/LTE etc.)
- the primary reasons for mobile device usage—checking e-mails, playing games, interacting on social media, browsing information, reading e-books, making purchases, and so on
- the mobile platform used and corresponding operating system version
- the mobile device used—tablet or smartphone
- the most frequently used apps
- the frequency and duration of usage
- interaction with other electronic devices—PCs, laptops, projectors, TVs, and so on

Marketing research may also be used for gauging user response to a prototype or final mobile app or site before it is launched. Marketing research can also help identify the most popular or most promising mobile app development technologies to help the digital marketing team decide on a particular development method.

Examples of Marketing Research:

- Online meeting, web conferencing, and video conferencing companies have now created mobile and tablet apps to add value and enhance user experience when attending meetings on-the-go. Effective market research on various factors including technology, mobile Internet requirements, operating system versions, and so forth, has helped these companies create apps that are well suited for this purpose. As a result, user experience as well as feedback on these apps is positive.
- The increase in the usage of mobile technology has forced newspapers and news channels to create mobile sites or apps to update consumers on the latest news items and provide up-to-date information on-the-go, such as changing weather forecasts, traffic updates, or current local events. Market research was carried out to identify different personas and to create use cases to understand customer mobile usage patterns. This research has helped these companies to adapt to this changing market trend using apps or sites to enhance the customer experience.

3.2.2.4 User Personas and Use Cases*

Utilizing user personas and use cases to design and develop a mobile app is a highly customer-focused approach. User personas depict typical customer profiles. A user persona may include age, gender, occupation, location, relationship status, type of mobile device owned, personality type, and any other features that are relevant for defining customers of mobile apps. It also helps to name user personas so that the team can think of a persona as a real person. Each persona should be based on market research that focuses on identifying specific types of customers who are most likely to use a company's mobile app. The number of different user personas created and referenced should be manageable. For apps that appeal to a narrow segment of customers, three to five user personas are generally sufficient.

Example of User Personas:

- Health tracking apps that monitor diet, calories, exercise patterns, and so forth are highly customer-focused. To best tailor such apps to specific segments, user personas are used to facilitate offering personalized recommendations for users, based on age, gender, weight, and specific patterns of behavior that impact diet and health.

After user personas are defined, developers create user stories for each of the personas. These stories contain an indication of how the personas would use the app, what the personas might seek to do with the app, and the specific features that will enable the personas to effectively perform the tasks that they seek to perform. The objective is to eventually define user requirements by collating all of the user stories.

Example of User Persona and User Story:

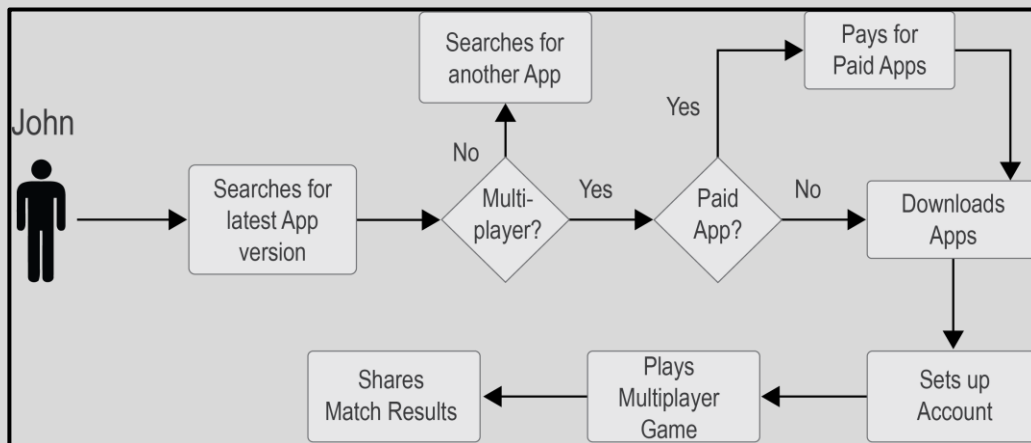
- A user persona for a car racing game might contain the following:
 - Name: John
 - Age: 18
 - Gender: Male
 - Mobile Device Owned: Tablet
 - Personality Type: Early adopter
- A user story for the above persona is as follows:

“John seeks out the latest versions of car racing games, pays for top-rated games, plays daily for an hour against other users, and likes to share his match results with his friends and other app users.”

Mobile content developers use user stories to derive a use case, which is a list of steps that define the interactions between the user and the mobile device.

Example of Use Case:

- Based on the user story, a use case for John is created as follows:



As depicted in this use case, John would require features, such as the ability to pay for the app, to set up an account, to play the game in multiplayer mode with other players, and to share match results with his friends and other users.

After use cases for all personas are drawn, all use cases are combined in a single diagram to determine the key features that are required in the app.

This method does not determine all features that should be included in an app but only those key features that have been identified as part of the persona and use case development process. There will be a number of features that support the key features and that can be defined during a more detailed planning step undertaken later in the planning process. For example, sharing match results may need the app to be integrated with apps that enable sharing, such as e-mail apps or social media apps. This integration is a supporting feature that can be identified at a later stage.

Utilizing personas and use cases ensures that no key features that are required by the target markets are missed and that such features form the core of the design.

3.2.2.5 Mobile Website Development Methods*

Mobile devices have a number of characteristics that make them very different from laptops and desktops. Their screens are smaller; their screen orientation changes from portrait to landscape depending on how the user holds the device; their inputs are mostly touch-based, making them different from keyboard and mouse-based inputs; and they have additional capabilities such as geo-location. Given these differences, and the fact that mobile traffic now forms a significant proportion of overall traffic to websites across industries, it has become important for companies to ensure that their websites display and perform well on mobile devices.

There are primarily two approaches companies can take when seeking to develop their websites for mobile devices. The options are as follows:

1. **Create a Separate Mobile Site**—This approach involves creating a separate site specifically designed for use on mobile devices. These sites generally have only the most important sections of the site displayed in such a manner that they are easy to read on the smaller screens of smartphones and tablets. If a user wants to access additional information that is not present on the mobile site, then links are provided to relevant pages on a full version of the website. Typically, a link is also provided for users to access the full version of the website.
2. **Implement Responsive Design**—This approach involves reprogramming and sometimes redesigning the existing website so that it adjusts its display and content automatically, depending on the screen size and orientation of the device on which the website is being viewed.

Deciding which option is the best for a company or a product will depend on a number of factors, the most important of which are as follows:

1. **Cost**—Generally, creating a separate mobile site costs less than implementing responsive design for an existing website. Implementing responsive design typically involves changing the code of an existing, live website. This approach may also involve changing the design or the architecture of an existing website. Therefore, a lot of planning, as well as testing is involved in making sure that the responsive design works at least as well as the existing website. To create a separate mobile site, a number of ready-to-use templates are available for free or at low prices.

2. **Time**—Because creating a separate mobile site is a simple and relatively easy process, and ready-made templates are available, less time is required to create a site than to implement responsive design where a lot of time is spent on planning and testing.
3. **SEO Benefits**—When a mobile site is a separate website, links to the mobile site will typically be considered separate from the full website, and vice versa. Thus, this design will split the SEO benefits of backlinks. In contrast, in responsive design, the website stays the same and only the back-end code changes. Therefore, the responsive design approach captures the full benefit of all SEO activities.
4. **Content Management**—If a company has a separate mobile site, it must ensure that any content updates are made to both the mobile site and the full website, resulting in more time and effort spent on updates. In responsive design, only one website exists for all devices, so all content updates need only to be made once. In many mobile sites, the variety and depth of information is less than that of the corresponding full website so the entire content can fit easily on smaller screens. Thus, deciding which content to keep, and which to ignore, is an additional task that needs to be completed when creating a mobile site and updating content.
5. **Skills Available**—A company must evaluate the skills of its website design and development team, which may be in-house or outsourced, with respect to the two approaches. If the team can implement only one of the two options, then a company that is constrained by time and cost may decide to go with that which the team can implement. If, however, a company can afford to spend additional resources, then it should opt for the approach that makes the most sense for its customers and for the company.

3.2.2.6 Mobile App Development Skills*

Generally, a company assigns a dedicated and skilled team to develop its mobile app and mobile site. This team might be in-house, or the company may choose to assign the development work to an external firm. In either case, it is essential for the team to have the necessary skills to develop mobile apps with the features that the digital marketing team has determined are required. A company may have fewer features in its first few apps, but it should ensure that the development team has the requisite skills to create apps that have more advanced features as well, in case the company decides to add features at a later time. Given increasing mobile usage among customers across all industries, companies will, in all probability, need to constantly adapt to consumer needs and create more advanced mobile apps to keep up with mobile app trends and changing demands.

Also, several mobile app development platforms exist, and the team should ideally be able to develop applications across those platforms. However, if the team is able to identify and create apps for the most popular platform used by its target audience, then the company can test customer acceptance of its apps on the most frequently used platform before developing similar apps for other platforms.

The performance of mobile apps even on the same platform may differ based on the device type (tablet or phone) or the device model. Thus, the application development team must create apps that can perform equally well across device types and device models.

Some of the specific skill sets that a mobile app development team must have are as follows:

1. **User Interface (UI) Design**—This skill refers to the ability to design an app that has an attractive, easy-to-navigate, and responsive design. It requires both creative skill and knowledge of best practices in UI design for mobile apps.
2. **Database and Hardware Computing**—This knowledge refers to the ability to create databases with an optimal data structure, specify interaction of the app with the device hardware, minimize power requirements, ensure security of the app against external threats like viruses and hacking, and allocate memory efficiently.
3. **Programming**—Programming languages translate business logic into a machine-readable language. It is important to write programming code efficiently and in modules so changes to the code can be implemented easily. The team should have knowledge of using Application Programming Interfaces (APIs) for various mobile app platforms. These APIs allow programmers to create apps without requiring access to the proprietary underlying code developed by the mobile app platform companies. Preferably, the team should also know how to use interfaces that allow the creation of mobile apps that can be deployed across different mobile app platforms.
4. **Business Understanding**—The development team should have a basic understanding of the Marketing Strategy for the product or brand and how the app fits into this strategy. This understanding will give the team a sense of the target customers, which may further enable them to create an optimal UI and ensure the final product supports the intended positioning of the app in the mobile app store.

3.2.2.7 Emerging Technology Assessment

Mobile app development is a dynamic field that is constantly changing with the addition of new technologies, tools, and ways of communicating. The digital marketing team needs to be aware of the latest developments in mobile app design capabilities. The tools and features available to app developers are constantly being improved upon. Knowing the emerging methods for content delivery can greatly assist in creating engaging and successful mobile apps.

3.2.2.8 Mobile App Development Methods*

A number of factors make developing a mobile app difficult, such as the existence of multiple mobile app platforms, various operating system versions for each platform, and multiple device types, each with its own set of unique features. Given this variety, there are also many ways to design a mobile app, but the three most common methods are native app development, cross-platform development, and web app development. The company must decide which of these types of development methods is most suited for its needs. This decision should be guided primarily by what makes most sense for the customer. Some additional factors to consider are the cost of development, the time available for development, and the skills of the mobile app development team.

Each of the three types of development methods is described as follows, along with key characteristics, and situations in which a certain type of method should be chosen.

1. **Native App Development**—This method involves developing apps directly on a specific mobile app platform using the platform's programming language and native code. The apps are listed in the mobile app store of a platform and can be accessed and downloaded.

Key characteristics of this method are as follows:

- **Ability to Use Operating System and Device Functionality**—This ability is high for native apps as they are built directly on a specific mobile app platform that provides access to all features of the operating system of the platform and devices that run on the platform. Whenever there are changes to the operating system or when additional features are supported on newer devices, native app developers are able to upgrade their apps quickly.
- **Ability to Be Used Offline**—As native apps are installed directly on mobile devices, some or all features may be used even when there is no Internet connection because the app can use data stored on the device. Once an Internet connection is restored, then the mobile app can synchronize new data with a central server.
- **Cost of Development**—The cost of developing native apps for multiple platforms is relatively high primarily because developing the same app for different platforms requires almost the same effort for each platform. There are only a few components (e.g., user interface design) that can be leveraged across platforms. Most of the programming must be done from the beginning for each new platform. For this reason, some companies choose to create an app for only one platform.
- **Level of Skills Required**—If a company wants to create native apps for multiple platforms, the app development team must be skilled in developing apps for each of the platforms. Thus, highly skilled resources are needed for multi-platform app development. If a company does not have technical resources skilled in multiple platforms, it may need to invest time and resources in training existing resources or hire external resources for the app development effort.

Example of the Native App Development:

- Many native apps are included with the factory version or manufacturer's version of a mobile, tablet, or other device. The camera, e-mail, and settings on a smartphone are a few native apps that can be used offline and then synced with other devices. These apps are created using native code and the platform's programming language. At times, an update of the operating system is needed to upgrade the functionality or the version of these native apps.

2. **Cross-Platform Development**—This method involves developing the app once on a cross-platform app development framework and then running it on multiple platforms after making suitable adjustments for each platform. The apps are listed in the mobile app store of each platform and can be accessed and downloaded.

Key characteristics of this method are as follows:

- **Ability to Use Operating System and Device Functionality**—Apps that are developed using the cross-platform development method do not have as much ability to use the operating systems and device functionality as apps developed using the native app development method since some features are made available only to native app developers by a mobile platform in order to promote the platform. In addition, any new upgrades to the operating system of a platform or additional device features are not immediately available to cross-platform frameworks—and sometimes are not made available at all.
- **Ability to Be Used Offline**—Because cross-platform apps are installed directly on mobile devices, just like native apps, some or all features may be used even when there is no Internet connection because the app can use data stored locally on the device. Once an Internet connection is restored, the mobile app can synchronize new data with a central server.
- **Cost of Development**—The cost of developing apps for multiple platforms using a cross-platform framework is much lower than the cost for developing native apps for each platform. The cost savings are a result of the fact that the basic code of an app built using a cross-platform framework is the same across platforms with only small adjustments being required for each platform. Most of the development effort for one platform can be reused for all other platforms.
- **Level of Skills Required**—If a company wants to create apps for multiple platforms using a cross-platform framework, the app development team only needs to know how to create apps on one framework. Thus, even moderately skilled resources might provide enough expertise in app development if the company chooses this method of development.

Example of Cross-Platform Development:

- Most gaming apps use cross-platform development, which helps them function on one or more operating systems. Creating an app using cross-platform development has enabled these gaming companies to target the entire mobile, tablet, or other device market, which uses different operating systems. Such cross-platform apps have a larger customer base than native apps.

3. **Web App Development**—Web apps may be accessed through an Internet browser by any device and on any platform. The app runs on a central server and generally does not need to be customized for different platforms. For a long time, web apps could not use any features of the device or operating system, or run offline, but recent developments have made this functionality possible. However, the performance and user experience is generally not as good using this method in comparison with apps developed using the native app development or cross-platform framework methods.

Key characteristics of this method are as follows:

- **Ability to Use Operating System and Device Functionality**—The ability for web apps to use the device operating system and functionality is quite limited and has only recently been made possible. Use of upgraded features of either the operating system or devices is even more limited than that of apps built using the cross-platform framework.
- **Ability to Be Used Offline**—Recent developments have made it possible for web apps to be used offline in a limited manner. While users are online, data is stored in local memory and can then be accessed while offline, to be later synced once a network connection is restored.
- **Cost of Development**—The cost of developing web apps is low because the app generally needs to be created only once, regardless of how many different platforms or devices access the app.
- **Level of Skills Required**—If a company wants to create web apps, the mobile app development team must know the markup language being used by most web app development frameworks.

Examples of Web App Development:

- Document viewers and builders, spreadsheets, chat applications, and web mail are some examples of common web apps. They are primarily accessed through an Internet browser and are functional irrespective of the operating system or device on which they are used. These apps require an Internet connection to work and can also be used offline with certain limitations.
- The advent of HTML5 has made it possible for web apps to use any features of the device or operating system, or run offline. Hence, HTML5 is the language used by most web app development frameworks.
- Another common web development framework that is also used for web app development is Ruby on Rails. If a company is using Ruby on Rails to create its web app, it will require resources skilled in the use of this framework.

To determine the right mobile app architecture, a company needs to understand the following:

1. **Categorization of Key Features**—The company can employ use cases (discussed in section 3.2.2.4) in this process to determine the key features that customers require from the app. Then, the key features should be classified as informational, transactional, or device-oriented.

- **Informational features** are those where information is being consumed by a user, such as reading news on a subject.
- **Transactional features** are those where a user carries out a transaction with the application, such as sharing, buying, or downloading.
- **Device-oriented features** are those that enable a user to utilize device-specific features, such as using the camera or the gyroscope.

If a mobile app primarily has informational features, such as consuming news, then a web app might be sufficient. If, however, a mobile app primarily uses device-specific features, such as scanning codes using the camera, then a native app or a cross-platform app may be necessary.

2. **Type of User Experience Desired**—If the type of customers a company is targeting for its app demands a high-quality user experience from the app, the best approach is native app development, followed by cross-platform development. The best user experience generally comes with utilizing the best that the operating system and the mobile device have to offer, which is what a native app can deliver. For customers who are fine with basic functionality, even a web app may suffice.
3. **Need for Multiplatform Compatibility**—If the target market uses a wide variety of mobile devices and operating systems, it is important for a company to develop apps for each of the mobile platforms.

Unless complex features are required for the apps that will require native app development, a company may be better off developing apps using a cross-platform framework or developing web apps. Where the target audience uses a limited range of devices and/or operating systems and requires complex features, native apps are the best option.

4. **Need for Offline Usage**—If the target market has intermittent Internet connectivity, or does not use mobile Internet very often, it may make sense for a company to make an app, or important parts of the app, available for offline usage. If the app primarily acts as a means for a user to stay updated on news, offers, or other real-time information, then the need for offline usage will be much lower.

Once the mobile app development method is decided, the company then selects a specific mobile app development tool that should ideally fulfill all of the following criteria:

- The mobile app development team should know how to use the tool. In the absence of in-house knowledge, external resources should be easily available to use the tool for the company.
- Developers should be able to use the tool to create all the features desired by customers.
- The cost associated with the tool should be within the budget specified by the digital marketing team.
- The time taken to create an app using the tool should be within the timeframe specified by the digital marketing team.
- The tool should not be based on technologies or languages that are likely to decrease in popularity or become obsolete in the near future.

3.2.2.9 Meetings and Discussions*

Meetings and discussions are essential in determining how a company should develop its website for mobile devices—through a separate mobile site or through responsive design, based on the parameters detailed in the Mobile Website Development tool, described in section 3.2.2.5. For mobile app development, discussions are useful in deciding the most important and relevant user personas from a number of possible personas and creating the most relevant user stories (see section 3.2.2.4). Meetings are also essential in examining all factors that affect the choice of the mobile app development method.

In some cases, where development time is limited and market research cannot be carried out to determine the best UI, meetings and discussions help in arriving at an optimum solution that minimizes the impact of limited resources and maximizes the output of the team's knowledge and experience. Meetings are also useful for determining which features of competitors' mobile apps and sites should be included or improved upon in a company's app and mobile site.

Finally, meetings and discussions are important for refining the metrics and targets for measuring mobile website performance and mobile app performance.

3.2.2.10 Expert Insights

The digital marketing team should have an understanding of the various mobile architectures and mobile development tools, as well as the factors that should be taken into account while developing mobile apps or mobile versions of websites. When necessary detailed knowledge does not exist in a company, experts may need to be consulted on these topics. Expert insights also enable a company to learn about globally successful practices in mobile app and website development and identify the emerging technologies that are likely to be the most prevalent in the near future. Experts may also help companies maintain the same brand positioning in mobile channels as in their other marketing channels.

3.2.3 Outputs

3.2.3.1 Created Mobile Site*

Once the method of developing a website for mobile devices is chosen based on the parameters mentioned in the Mobile Website Development Methods tool described in section 3.2.2.5, and all of the inputs and research have been considered in devising a plan, the chosen method is implemented, the development is completed, and the site is tested. Once the testing is complete, the final mobile site is launched and considered ready for use by customers.

Example of Created Mobile Site:

- Most major financial institutions provide customers with the ability do their banking online through the company's website, the mobile site, or using a mobile app. Mobile customers who do not want to install an app typically have the same access and functionality as those who download the institution's app. The mobile site is conveniently organized so that visitors can login to their account, make payments and transfers, check account balances, and inquire about additional financial products or services. Often there is no need to search the site because mobile sites typically include only the most frequently used links and reduced content, so everything visitors are looking for is easy to find.

3.2.3.2 Created Mobile App*

Once the method of developing mobile apps is chosen based on the parameters mentioned in the Mobile App Development Methods tool described in section 3.2.2.8, and all the inputs and research have been considered and discussed, the app is developed and tested. Once the testing is complete, the final mobile app is launched and considered ready for use by customers.

Example of Created Mobile App:

- A technology firm developed a mobile app that allows its customers to capture any notes including images, audio, and video. This provides its customers a convenient way to record and store their important information online. The app also provides the ability to work offline and includes a login screen that enables a higher level of security. It was developed specifically for two popular platforms (Android and iOS) using a native app development framework and was made available to its customers at a specified price.

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3.2.3.3 Refined Metrics and Targets for Mobile Website

Refined Metrics and Targets for Mobile Website are derived from the Mobile Metrics, Targets, and Budgets input. For example, if the metrics for the mobile channel are customer traffic and conversions, then the metrics for the mobile website would also be customer traffic and conversions. These targets for the mobile channel are divided between the mobile website and mobile app, in the ratio of their estimated reach and conversion rates.

3.2.3.4 Refined Metrics and Targets for Mobile App

Refined Metrics and Targets for Mobile App are also derived from the Mobile Metrics, Targets, and Budgets input. Taking the above example for mobile website performance, if the metrics for the mobile channel are customer traffic and conversions, then the corresponding metric for the mobile app for customer traffic may be the number of views of the app download page or number of downloads, and the corresponding metric for conversions may be the number of purchases made using the mobile app. The targets for customer traffic and conversions are divided between the mobile website and mobile app, in the ratio of their estimated reach and conversion rates.

3.3 Plan and Develop Social Media Channel

The increasing popularity of social media across all geographies and most customer segments, the variety of social media elements and sites available, the difficulty in measuring the impact of social media marketing, and the rapidly changing landscape of social media, all make planning and developing a social media channel a challenging initiative for a company. This process helps companies evaluate the effectiveness and relevance of various social media elements in supplementing the marketing efforts for a product or service. The team working on planning the social media strategies must therefore understand the company's customers and the product positioning to plan a suitable social media Content Creation and Distribution Plan that serves to achieve the targets for social media, and in turn contribute to the objectives of the Marketing Strategy for the product or brand.

Figure 3-4 shows the inputs, tools, and outputs for the *Plan and Develop Social Media Channel* process.



Figure 3-4: Plan and Develop Social Media Channel—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

3.3.1 Inputs

3.3.1.1 Integrated DM Channel Plan

The Integrated DM Channel Plan provides an indication of the level of cross channel interaction among the website, the mobile site and apps, and the social media platforms. Social media participation can drive customers to the company's website or mobile channel and the company's website and mobile channel can provide links to social media. This flow needs to be considered and managed, and all digital activities must be aligned to ensure digital marketing targets are met.

Example of Integrated DM Channel Plan:

- A clothing retailer with an online store might offer discounts to online purchasers who “like” its page on Facebook. This provides increased reach through social media and contributes to increased sales through the website, thus contributing to the achievement of digital marketing targets and supporting the overall sales and other objectives as established in the Marketing Strategy.

3.3.1.2 Social Media Metrics, Targets, and Budgets*

Metrics, targets, and budgets for social media channels are included in the Selected DM Channels output in process 2.2—*Evaluate DM Channels*. Social media metrics and targets may include the number of customers that social media must attract and the actions customers on social media must undertake. Determining the metrics, targets, and budgets for social media helps shape the overall Digital Marketing Strategy by ensuring that appropriate resources are allocated to social media activities. For example, if the customer acquisition target for the social media channel is proportionately higher than that of the mobile channel, then the company may consider investing in developing engaging videos, recruiting a team to interact with customers across social media sites, or purchasing premium accounts for some social media sites that may provide additional features for a company.

These metrics form the basis for determining and refining specific metrics and assigning targets to those individual social media elements that are deemed effective for a company's product promotion.

3.3.1.3 Selected Target Segments*

Selected Target Segments is an output of the *Select Target Segments* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.2). Understanding a company's target customers is necessary for conducting market research in order to identify social media usage among those target customers. This information along with the use of tools such as use cases and user personas aids the digital marketing team

in selecting the most appropriate social media elements in which to engage. An understanding of the selected target segments also helps to develop the Content Creation and Distribution Plan established in this process, as understanding customers is crucial to deciding the type of content that will appeal to them.

3.3.1.4 Allocated Budget*

The allocated budget is an output of the *Decide Marketing Aspects and Allocate Budget* process detailed in the SMstudy® Guide-Book 1, Marketing Strategy (section 5.3). In this process, budgets are allocated for each Marketing Aspect. The digital marketing team must execute the Digital Marketing Strategy within the budget established for each of the digital channels. Social media activities involve assigning specific human or other resources to monitor social media, develop content, and build a positive brand image on selected social media platforms. The budget allocated for social media activities represents a constraint for the social media team that dictates the amount of resources that can be used in executing the social media activities. The team must ensure that key targets and expectations are being met while ensuring that costs are not exceeding the allocated budget for this channel.

3.3.1.5 Details of Competitive Products

Details of Competitive Products is an output of the *Identify Competition* process in the SMstudy® Guide-Book One, Marketing Strategy (section 3.1). Understanding how the competition leverages social media to promote their products helps companies identify best practices that are relevant to the industry in which they operate in terms of social media. The digital marketing team must learn from competitors who have a social media presence, observing both their successes and failures.

If a company does not have enough time or resources to research and identify which social media elements are best for reaching out to its customers, then observing competitors that are active on social media, as well as customer response to their social media elements, can provide vital insights into which elements are the most effective and can, therefore, provide the best ROI for the company.

3.3.1.6 Marketing Research Reports

While reports on competition help the digital marketing team analyze good practices in social media for the target segments, the team may also procure research reports that describe the target segments' social behavior, preferences, and social media usage. Reports may include extensive research on the online behavior of target segments and variations within segments, and they may identify which social media elements and sites the company's target customers use most frequently. Such data help businesses identify the right social media elements, messaging, and positioning required for engaging the target audience through social media.

In addition to understanding the social media behavior of target segments, a company may also access research reports that provide insight into the changing landscape of social media, including which social media sites and elements will become dominant in the future as well as those that are expected to lose popularity.

3.3.1.7 Positioning Statement*

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The positioning statement is the main output of the *Create Differentiated Positioning* process in the SMstudy® Guide-Book 1, Marketing Strategy (section 3.3). A positioning statement is important to consider when planning for social media, as social media is a channel where continuous interactions happen between a company and its customers. Any communication on social media, whether related to a brand, a product, or the business itself, should be conducted in accordance with the positioning statement set out in the company's Marketing Strategy. Given the nature of social media, where customers make substantial contributions to content, it is important that marketing messages align well with consumer perception. For a business that boasts exceptional customer service, for example, it is important that social media messages from both the business and its customers reflect the intended brand value. In this channel, customer content often has a greater impact on consumers than the marketing messages of the businesses. The most effective social media campaigns are those where customer feedback and consumer perception align well with the positioning statement and the value proposition of the marketing messages.

3.3.1.8 Existing Branding

Branding is a key component to the overall Corporate Strategy of the company and all marketing activities designed to achieve the business objectives. Branding is discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A company's brand represents—in a logo or mark, a message, a service, a product, an ad, an event—what customers can expect from the company. Brand touches all facets of the business, and it is important to maintain consistency of brand across the company's products and services and throughout all marketing channels. The team responsible for building the social media presence must ensure that all activities in social media, including messages, events, discussions, and visual components, effectively support and are consistent with the overall brand and sub-brands of the company and aligns well with other marketing efforts that support the brand. Without the consideration of existing branding, the social media efforts may confuse consumers or dilute or weaken the brand.

3.3.1.9 Outputs of Marketing Strategy

The SMstudy® Guide-Book 1, Marketing Strategy describes the processes associated with establishing a Marketing Strategy for a product or brand from which strategies for each of the various Aspects of Sales and Marketing can be derived. Among the outputs of Marketing Strategy are the marketing objectives and the

selected Aspects of Marketing that will help the company successfully reach its overall corporate goals. Digital Marketing forms just one of the several Aspects that the company can use to achieve its marketing objectives, and a social media presence in combination with an effective website and successful mobile channel should work together to support and align with all other Aspects of the Marketing Strategy. Establishing a Marketing Strategy requires the evaluation and selection of target market segments, an understanding of the company's product and product features, a clear understanding of the competitive landscape, and the product's positioning relative to its competitors. These elements of the Marketing Strategy inform decisions related to planning and developing an effective social media presence. Without considering the outputs of Marketing Strategy, the social media development team may engage in activities that do not align with the overall Marketing Strategy, for example, by focusing on efforts that do not contribute to the marketing objectives or on audiences that have not been identified as key target segments for the business.

3.3.2 Tools

3.3.2.1 Branding and Advertising

Branding and advertising are discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A strong existing brand and effective offline advertising can provide essential support to the company's social media efforts and, when aligned, offline and social media initiatives should work together to build better awareness of the brand, and ultimately generate more revenue, provide customers with essential updates and information, and help the business achieve its marketing objectives.

Businesses often use traditional advertising such as television or radio ads to drive consumers to social media in order to discuss topics and create a buzz around an issue or a hot topic, for example, in order to create interest in a brand that may be even marginally associated with the topic. Given the nature of social media and the speed at which content is shared, pushing consumers to social media is often an effective tactic to build product or brand awareness, and generate sales. The team responsible for establishing and growing the social media presence for the company should develop a social media strategy that aligns well with offline initiatives in order to ensure effective use of this powerful channel.

3.3.2.2 Meetings and Discussions*

Meetings and discussions are useful for evaluating the effectiveness of various social media activities and competitor performance. During such meetings, the digital marketing team decides on the best user personas and creates relevant user stories for each (see section 3.3.2.6), which in turn help the team ensure that all marketing decisions are made with the target audience in mind. Meetings are also helpful for the team to decide on consistency of messages and to establish a response strategy for various potential scenarios. For example, an e-commerce company should plan how to respond to feedback that varies

depending on the customer—those who show appreciation for its service, those who complain about service or product quality, and those who have specific queries. With the help of an established response structure, companies will be able to appropriately address customers and avoid negative responses that may tarnish the brand image.

3.3.2.3 Competitor Social Media Activity Analysis

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One of the simplest and most effective ways to begin developing a social media plan for a product or brand is to assess the social media activities that competitors are involved in. By analyzing competitors' social media activities, realistic benchmarks for the company's social media plan can be set, based on what others in the industry are experiencing in terms of reach and relationship growth. This analysis enables the team to lay the framework for a successful social media plan that is based on the successes of other similar companies in the same space.

A company identifies its competitors as a result of the *Identify Competition* process discussed in the *SMstudy*® book on Marketing Strategy (section 3.1). After identifying its competitors, the first step in analyzing competitors' social media activity is to identify their voice in social media websites—whether the competitor is portraying itself directly as the brand or whether individuals from the brand are promoting the product. The next step is to identify the level of engagement of competitors with their audiences. Relevant questions, which can be easily researched and answered, need to be framed to gauge the level of engagement.

It is also important to know how often competitors engage in specific activities that indicate their focus on various social media elements. Relevant questions need to be answered to gauge their focus.

Some companies may have an extremely high frequency of activities but their level of engagement in each activity may be very small. Others might focus more on quality content, and participate in less frequent activities but may see an equal or higher level of engagement.

Insights into preferences for different types of content can also be discovered by analyzing competitors' social media activity. A company can observe whether competitors are posting texts, links, videos, photos, polls, questions, trivia, or something completely different, and can see the types of posts that are of interest to the greatest number of customers.

3.3.2.4 Marketing Research

To understand the social media behavior of consumers, good market research is crucial. Numerous articles, books, and websites are available that can provide valuable insights as to which social networks influence a particular audience or what kind of content resonates best for a specific product category.

It is critical that the digital marketing team is up-to-date on both the latest trends in social media and how other organizations use social media to their advantage. Market research can help predict the next trend in social media so that companies can start working out a strategy for effectively leveraging any new or emerging trends with their own brands. Growth through social media marketing can be at times unpredictable so market research can offer insights into current and future trends that may have a positive or an adverse effect on social media efforts.

Extensive market research can also indicate the need to reassess targets and support the realignment of over-ambitious targets for certain metrics to achievable and practical levels. The team responsible for the social media efforts will need to use available market research to continuously reassess targets and adjust targets if necessary.

3.3.2.5 Emerging Technology Assessment

Social media is a dynamic field that is constantly changing with the addition of new platforms and ways of communicating within each platform. The digital marketing team needs to be aware of the latest developments in social media in order to ensure it is effectively using this channel, which can prove to be a powerful and useful marketing tool. Marketing research can be used to help the digital marketing team assess the emerging technology in social media.

3.3.2.6 User Personas and Use Cases*

User personas and use cases can be helpful in determining the relevance of social media elements—much the same way they are used for determining features for mobile apps, discussed in the *Plan and Develop Mobile Channel* process (see section 3.2.2.4). Based on market research, specific types of customers are identified that, taken together, represent the spectrum of customers who use social media. Each type of customer is used for creating a persona. A user persona may include age, gender, occupation, location, relationship status, type of devices most used for accessing social media, personality type, and any other features that are relevant for defining customers who use social media.

As mentioned in the *Plan and Develop Mobile Channel* process, the number of personas should be limited. Once personas are defined, the next step is to create user stories for each of the personas based on a number of identified factors, such as why they like to use social media, which social media channels and elements they use, when and how often they use social media, and what kind of content they view and share on social media. The objective is to obtain an in-depth understanding of a persona's interaction with

the different social media elements so a company can understand which elements are the most important for its target customers.

Example of User Persona and User Story:

- A user persona for a fashion retail company is as follows:
 - Name: Jane
 - Age: 25
 - Gender: Female
 - Location: Urban city center
 - Relationship Status: Single
 - Social Media Devices Used: Android smartphone
 - Personality Type: Friendly, outgoing, assertive
- A user story for the above persona is as follows:

“Jane accesses a social media site focused on personal updates on her smartphone about five times a day. She likes to share funny articles and her own photos within her friend circle, and also watches interesting videos shared by others.”

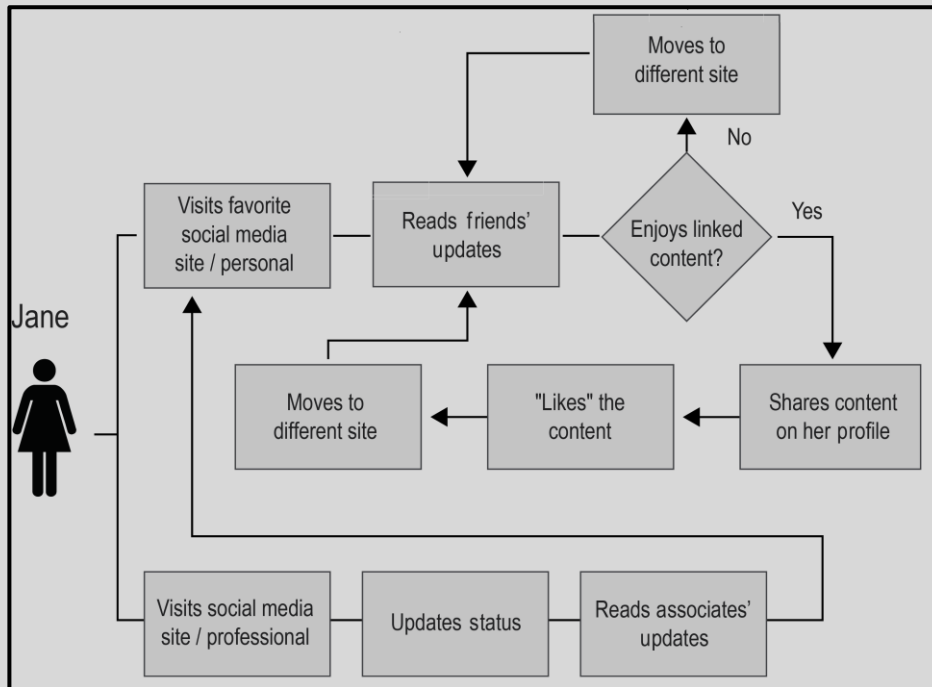
The company creates similar user stories for the other personas as well. Once all user stories are created, they are combined so that common activities, preferences, and interests among all personas are easily visible. The most common activities, preferences, and interests indicate which of the social media elements a company should focus on. For example, if four out of the five personas frequently watch videos shared by others, then the company may consider creating a high-quality, engaging video related to its product.

It may also be possible that the user stories reveal social media behavior that may not be relevant to a company. For example, Jane, the persona mentioned in the example, may also access a social media site that is focused on professional updates, sharing once a day. However, if she accesses that site primarily for reasons, such as building professional connections and updating her knowledge about her profession, the fashion retail company may decide that there is very little relevance between its product and her interests on that site, and decide not to engage in any activity in that space.

After user stories are defined, social media content developers try to establish a set of user requirements by examining the user stories in aggregate to derive a use case, which is a list of steps that define the interactions between the user and the social media application.

Example of Use Case:

- Based on the user story, a use case for Jane is created as follows:



As depicted in this use case, Jane uses social media to access updates regarding her friends but she must be engaged in the content that she encounters or she has a tendency to move on. More importantly, however, Jane is willing to share valuable and engaging content. Jane can be a key contributor to expanding reach as long as she finds the content valuable and can easily share it.

3.3.2.7 Social Media Elements Selection*

A common mistake that companies make when designing their social media marketing campaigns is failing to be selective about the specific social media platforms and elements that best suit their business, products, product positioning, and target audience. Unfortunately, with such a wide variety of social media activities and platforms to choose from—including web forums, podcasts, video sites, wikis, and social community sites, among others—businesses often try to do too much, resulting in unnecessary investment of time and money on efforts that ultimately do not help meet their marketing objectives.

Selecting a particular social media element for expanding a company's reach to its customers can play a crucial role in positioning the company's product or service in the minds of customers. A company may choose to promote its products only through those specific elements that it believes help in attaining its business goals by reaching out to its target audience.

Understanding which elements are most appropriate for the company's industry, business, products or services, and target audience is of utmost importance. Each social media element has different features and characteristics and should be used in specific circumstances. These are as follows:

1. Blogs

Information on blogs can have a significant influence on purchasing decisions made by many customers. Marketing through relevant blogs serves to extend a company's influence, build a reputation for its products, drive traffic to a product website, attract new customers, and strengthen the loyalty of existing customers.

Due to these benefits, many companies consider blogs an essential marketing tool that increases a company's or its products' visibility on the Internet. Blogs can generate word-of-mouth interest and provide updates on the latest product developments.

Blogs are relatively inexpensive and can be highly effective marketing tools. They may also help improve a website's rankings in search results and are often used for SEO purposes and as content for social media updates. Search engines frequently index blog content, and well-written, popular blogs can sometimes outrank established websites in search results.

Companies should ensure that the content in their blogs is grammatically correct, worth sharing from a reader's perspective, and preferably written by authors with good credentials. If a company does not have such authors in-house, it may consider inviting external authors with good credentials to write guest blogs. Poorly written blogs provide almost no benefit and may even tarnish a company's or product's reputation. When blog entries contain the date of posting, infrequent posting can also reflect negatively on a company. (Posting the date is completely up to the designer of the web page, and the date can easily be removed.)

Although blogs are an economical and effective way to market a company's products, before choosing this method of social media engagement, the company must ensure that it has access to authors with the skill and experience to write engaging blogs on a regular basis.

2. Discussion Forums

Nowadays, consumers tend to conduct thorough research about a particular product or service before making a purchase. This research may ultimately lead consumers to discussion forums where they can view past reviews of the product or service they are seeking. Forums can therefore greatly influence consumers' purchasing decisions.

Companies can decide to participate in these forums to engage with participants and build a positive identity for themselves and their products. For example, customers who are looking to buy air-conditioners and who need to decide which brand of air-conditioner has the best power-saving capacity may research this on several forums. A company selling air-conditioners can choose to monitor these forums to gain an understanding of the features that potential customers are seeking and respond accordingly. Alternatively, the company can set up its own discussion forums on commonly used social

media platforms or a company community forum, and invite top forum contributors to provide their opinions on a newly launched air-conditioner.

A company must have an effective reputation management strategy in place to successfully use discussion forums because negative comments about a company's products will be visible to others in the forum, and a company must respond to such comments appropriately.

3. Professional Updates Sharing

This element allows business-to-business (B2B) companies to initiate professional conversations with existing and potential business customers. Companies share updates related to their products that may be further shared or commented upon by others.

Professional updates sharing sites allow a company to drive prospects to its company website or social media profile page and also allow it to create groups that are relevant to its core products or services or to participate in existing groups. These groups are excellent resources for gaining access to potential influencers, employees, and industry contacts. They also help company employees participate in group discussions in order to look for opportunities to answer questions from fellow group members. (This ability is provided by the discussion forum element being integrated with professional updates sharing.)

Example of Professional Updates Sharing:

- Professional updates sharing sites, such as LinkedIn and Xing, provide companies with tremendous opportunity to engage with specific categories of professionals most likely to contribute to their business.

It is important to keep in mind that the nature of a company's product, service, or brand may not be suitable for sites focusing on professional updates sharing, even if a company can target its customers through such sites. For example, business to consumer (B2C) companies such as restaurants, retailers, and packaged goods manufacturers do not typically focus on engaging with customers on professional networking sites. Instead, B2C companies tend to focus on personal networking sites.

4. Personal Updates Sharing

A company hoping to create content that is shared through personal updates by individuals or groups should focus on being a source of useful and interesting information on subjects related to its products or services. Content that is just promotional in nature with no added value or interest for consumers is unlikely to be shared through personal updates.

This element presents great marketing opportunities for a variety of companies. It can be used to promote a product's brand, inform customers about product updates, obtain customer feedback, attract new customers, and build stronger relationships with existing customers.

Example of Personal Updates Sharing:

- Personal updates sharing sites, such as Facebook and Twitter, are extensively used by businesses to provide updates on their latest product or service and, sharing of these updates among the target audience impacts reach and aids in word-of-mouth advertising.

If done well, personal updates sharing can be a very effective way to reach out to a large audience. However, creating content related to a company or product that customers find interesting or useful enough that they share within their network is not easy. Customers are generally wary of self-promotional materials and companies need to be creative to engage them.

5. Audio-Visual Sharing

Companies can use this element effectively because videos, images, and sounds can have a much larger impact on the target market compared to text updates. Companies invest in creating engaging and interesting videos about their products that can become popular and dramatically increase brand visibility. Websites focused on audio-visual sharing may also allow customization of a company's profile page to complement its branding, as well as to highlight its most engaging or new content.

Example of Audio-Visual Sharing:

- A creative video about a product uploaded to YouTube can instantly be shared across other social media sites. YouTube makes sharing videos easy with its built-in tools. If marketers choose the right tools, messages can spread quickly and efficiently across a variety of media, such as Facebook and Twitter. There is no need for a specific viewing application to view videos shared via social media websites or through e-mail, making YouTube a powerful tool for marketers.

Though a very effective element in generating interest, attracting more customers than plain text updates, creating attractive videos, audio tracks, and images is often an intensive and complicated process and may involve significant investment of time and effort. Therefore, this approach should ideally be used for key products, major product launches, or major updates in order to use the social media budget effectively.

6. Other Social Media Elements

Some other social media elements that are also popular include collaborative sites and content discovery sites. Collaborative sites are user driven, have organic content, and are easy to use. When used by companies, they can be interactive and can also help in achieving high visibility on the Internet. These sites can be used by companies when they need uncensored feedback and when they want to work with customers to create future products.

Similarly, content discovery sites can be used by companies that create interesting, engaging, and useful content. These sites facilitate the sharing of good content, which in turn drives additional traffic to their website.

Examples of Other Social Media Elements:

- One of the most well-known examples of a collaborative site is Wikipedia. Companies can create a page in Wikipedia, and users can also add content or edit the content. However, companies need to constantly monitor their pages to ensure that any irrelevant content does not hamper their reputation. Third-party sites, such as Wikipedia, also have stringent content guidelines, and disregarding these may have adverse repercussions for a company's future marketing attempts on the site.
- Some popular examples of content discovery sites are Digg, Kickstarter, and Mashable.

3.3.2.8 Expert Insights

The digital marketing team is primarily focused on ensuring that the Digital Marketing Strategy is executed in accordance with the marketing objectives; therefore, the team must have a good understanding of the company's business and the target audience. However, as social media is a constantly evolving field, the digital marketing team may enlist the support of a digital agency to help the team understand the various social media elements and their uses and to educate them on which element(s) would suit the marketing messages and effectively reach the target audience. The agency can also help the team build social media pages that reflect the marketing message and helps online consumers associate each page with the product or brand.

Social media provides a very quick mechanism for companies to distribute their messaging to their followers and fans, and the content sent on social media can spread to a large online audience in a short time. For these reasons, it is important for companies to control the messaging that they release on social media. The social media team must therefore develop a social media response plan that defines how the company will respond to consumers in various circumstances—specifically, how to respond to both customers who have had a poor experience and customers who give positive feedback.

3.3.3 Outputs

3.3.3.1 Content Creation and Distribution Plan*

In social media channels, high quality content is the first priority, followed by content distribution. Companies worldwide invest large sums to create quality content, but in many cases, the content is not distributed properly. Audiences neither find nor share it. A good Content Creation and Distribution Plan for social media marketing will ensure that a company's content is relevant, timely, and well written and that it reaches the target audience using the optimal means as determined by the digital marketing team.

One of the major debates regarding content creation is between content quality and quantity—how much content is enough and how good does it need to be?

Content creation should ideally start by defining a quantity goal and a publishing schedule with appropriate deadlines. Once the publishing schedule is finalized, focus should be on the quality for each piece of content being distributed.

Some of the different types of content that can be created for the various social media elements are as follows:

- Status updates—for professional and personal sharing websites
- Photos—for professional and personal sharing websites
- Videos—for audio-visual sharing, professional, and personal sharing websites
- Infographics—for blogs, discussion forums, and professional sharing websites
- Polls—for blogs, professional, and personal sharing websites
- Quizzes—for blogs, professional, and personal sharing websites
- Contests—for blogs, discussion forums, and professional sharing websites

It is also important to note that both the relevance of content and the relevance of type of content depend on the nature of the business. For example, quizzes are more relevant for companies in the education sector than for other industries such as manufacturing or airline.

In addition to good quality content, an effective social media plan must have a good distribution strategy. The content should be shared through the company's own blog as well as other company pages on various social media sharing sites. Businesses must also ensure that there are ways for their target audiences to like, comment, and share the original content created by the company. Figure 3-5 shows a sample of the structure of a Content Creation and Distribution Plan.

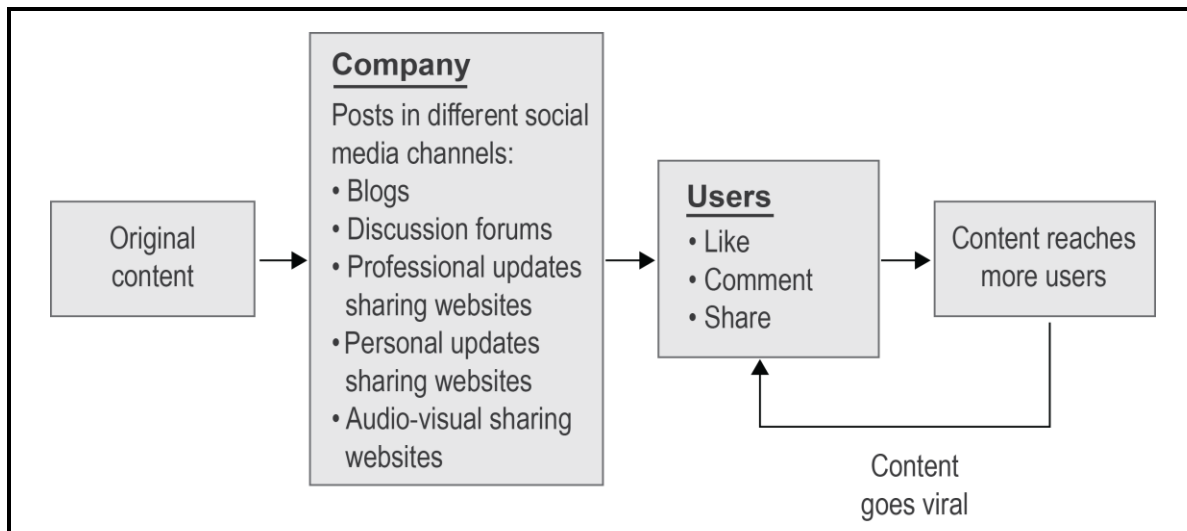


Figure 3-5: Content Creation and Distribution Plan

3.3.3.2 Created Social Media Presence*

Based on relevant meetings and discussions, selection of specific social media elements, and an analysis of competitors' social media activity, a company's social media presence can be created on those social media sites that are considered the most appropriate and effective in reaching out to the company's target audience.

A social media presence can be used to reinforce the company's brand and also to develop and build relationships with customers and prospects. Using different social media elements allows a company to cater to different audience demographics.

3.3.3.3 Refined Metrics and Targets for Social Media Elements

Metrics for performance of individual social media elements that are selected by a company will be derived from the metrics, targets, and budgets for social media as a whole. The targets for social media will be distributed among the selected social media elements. For example, if a company's key metric for social media performance is the number of users engaged, it should have a corresponding target for engagement. Engagement is defined as any positive action that a user takes with respect to a company's social media activity, such as sharing an update from the company or liking a video. If this company has selected audio-visual sharing and professional updates sharing as its two social media elements of focus, relevant metrics for audio-visual sharing may be the unique number of users who have either liked a company's video or shared it with others. Similarly, relevant metrics for professional updates sharing may be the unique number of users who have either commented on a professional update or shared it with others.

Example of Refined Metrics and Targets for Social Media Elements:

- A new entrant to the clothing manufacturing business, offering eco-friendly products at premium prices establishes that building awareness of the brand is the primary focus for the Digital Marketing Strategy in the first year of business. In addition to using the website to showcase the product catalog, the business launches a blog promoting the benefits of eco-friendly manufacturing and the use of sustainable raw materials in the manufacturing of leisurewear. Some of the refined metrics that the company focuses on to meet the digital marketing targets include the number of visits to the website, the click through rate (to give an indication of users clicking beyond the home landing page), the amount of time spent on the website, the number of new subscribers to the blog, the number of social shares, and the number of comments on the blog.

4. OPTIMIZE WEBSITE

Once the digital marketing team, along with the technical team, has created the website, mobile site and mobile app, and has established a social media presence, the next step is to optimize each of these channels for reach, relationship, and reputation. The digital marketing team must first make sure that it is able to reach the required number of customers through these channels. To achieve this, each channel should be optimized using a variety of tools and techniques. Once the company has developed the capability to reach out to the maximum number of customers in its target segments, it should monitor and improve its relationship with current and potential customers with whom the company has been able to connect. After all the digital marketing channels are optimized for reach and relationship, the team should then ensure that the channels are optimized for reputation. Improving the reputation of a company can foster greater engagement from existing customers as well as build interest from potential customers, all of which can help drive revenue for the company.

Figure 4-1 provides an overview of the following processes in this chapter.

4.1 Optimize Website for Reach—In this process, a company's website is optimized to maximize reach and achieve targets using various tools and techniques such as search engine optimization (SEO) and search engine advertising (SEA).

4.2 Optimize Website for Relationship—In this process, the company's website is optimized to achieve relationship targets, using various tools and techniques such as website analytics, offers, and promotions.

4.3 Optimize Website for Reputation—In this process, the company's website is optimized to improve reputation targets, using various tools and techniques such as online public relations, customer support systems, and referral programs.

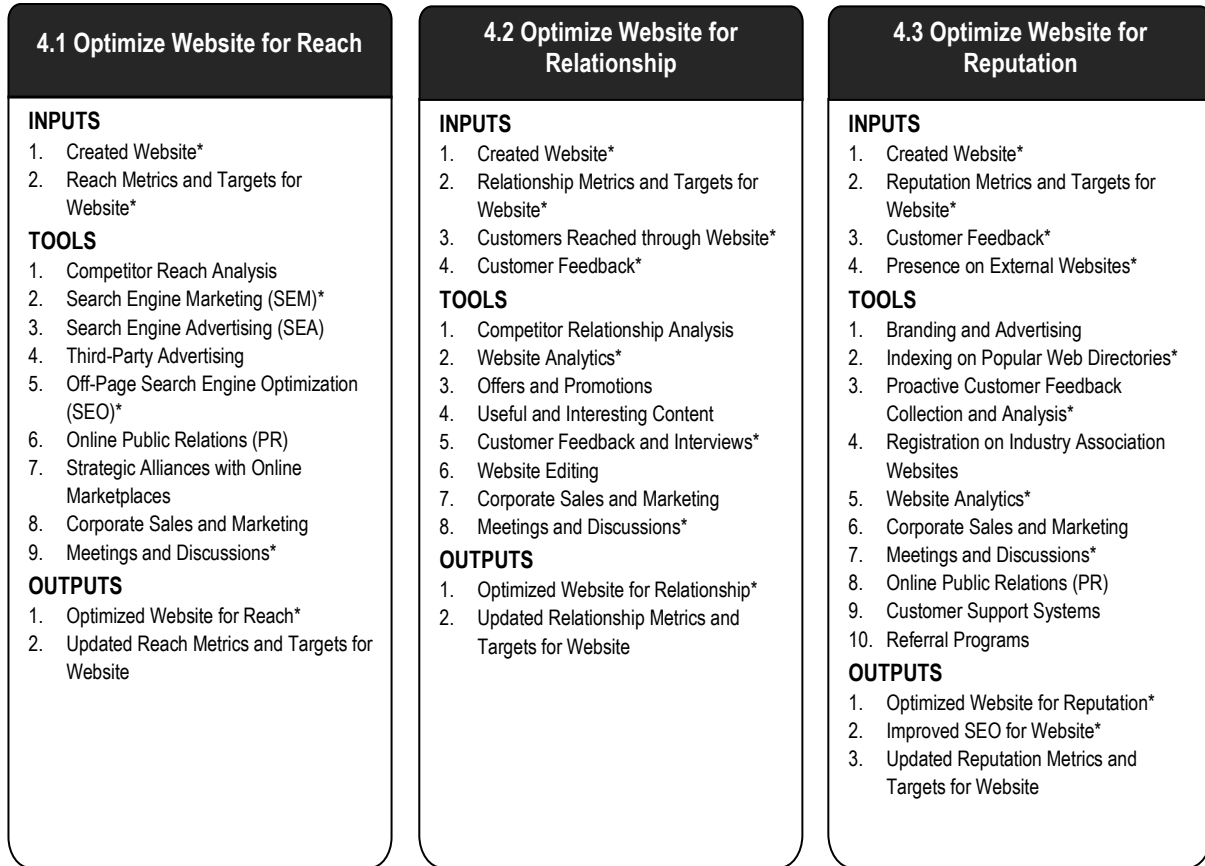


Figure 4-1: Optimize Website Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

4.1 Optimize Website for Reach

This process aims at optimizing a company's website to achieve targets for website performance as defined in process 3.1, *Plan and Develop Website Channel*. Understanding what the competition is doing to maximize the reach of their websites, combined with an in-depth understanding and effective use of online promotion and search engine optimization (SEO) techniques, will help the company make substantial improvements in reaching out to more consumers in its target segments. Given that tools and techniques for online advertising and SEO change rapidly, and the search algorithms of search engines also undergo frequent updates, the digital marketing team must constantly monitor and respond to such changes in order to meet website performance targets and help the company maximize its reach.

Figure 4-2 shows the inputs, tools, and outputs for the *Optimize Website for Reach* process.

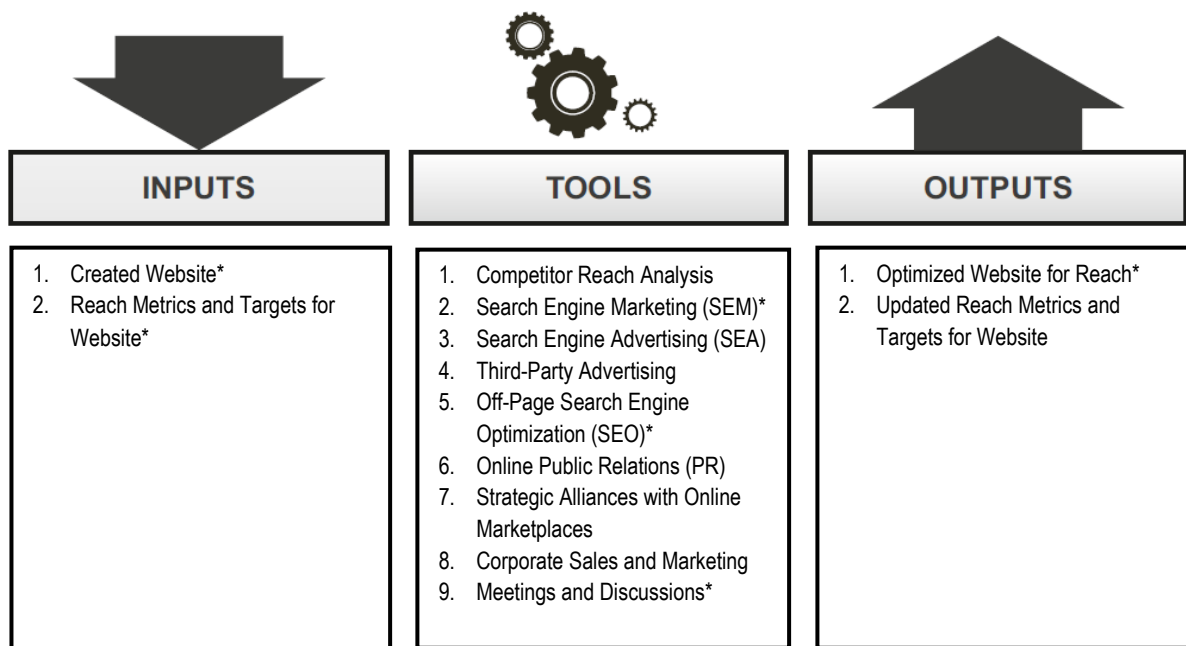


Figure 4-2: Optimize Website for Reach—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

4.1.1 Inputs

4.1.1.1 Created Website*

The Created Website is an output of the *Plan and Develop Website Channel* process described in section 3.1. The created website is developed based on inputs from experts and an analysis of competitor websites. The digital marketing team, along with the technical team, helps build the website to meet the needs of the target audience. Once the website is created, reach and brand awareness can be enhanced through multiple tools such as search engine marketing (SEM) and search engine advertising (SEA).

Examples of Created Website:

- E-commerce websites focus on features, such as product selection, low prices, transaction security, and continuous support, aimed at providing a good customer experience, low shopping cart abandonment, and high probability of repurchase. Multiple product pages help in providing detailed product information and promoting those products to specific target segments.
- Healthcare provider websites address key factors such as credibility, usability, usefulness, and personalization. These factors give users a better understanding of each healthcare provider and aid in selecting the appropriate provider based on the user's health and medical conditions.

4.1.1.2 Reach Metrics and Targets for Website*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Website output from the *Plan and Develop Website Channel* process described in section 3.1.

The created website should be optimized to help ensure maximum reach. The potential for maximum reach is attained if the website appears in the top search results when customers use relevant keywords or search terms. The website also should be visually appealing and enhanced to attract and retain new visitors. Some of the key metrics with which website reach can be measured and optimized are:

- **Number of Visits**—This metric indicates the total number of visits to the website, which can be measured monthly, daily, or even hourly. It is used to determine the effectiveness of the company's website to reach its target segments.
- **Unique Visitors**—This is a measurement of how many people visited the website, not including multiple visits from the same individuals.
- **Percentage of New Visitors**—This metric indicates the proportion of total visitors who are new to the site. It is used to determine the effectiveness of the company in attracting new customers and the effects of marketing reach and acquisition efforts. This percentage should increase during or after marketing campaigns aimed at acquiring new customers.

- **Visits by Geography**—The percentage of visitors to the website can be segmented by country. Analyzing traffic by where it is coming from can help to identify traffic spikes from unexpected locations and also help in identifying locations with the most traffic. It also helps to improve the digital marketing team's overall understanding of market segments, which is useful for planning future marketing activities.
- **Visits by Traffic Source**—This metric identifies where the traffic on a site has originated. Identifying changes in sources of website traffic helps evaluate the effectiveness of various types of marketing campaigns in driving traffic to the website.
- **Average Pages Viewed per Visitor**—This metric indicates how well visitors are directed beyond the homepage or landing page and how engaged they are in the website.

Examples of Reach Metrics and Targets for Website:

- Real estate website metrics track both the online and offline stages of the buying process. These metrics include number of website visits, inquiries received, number of showings booked, and cost per showing. Tracking the conversion ratios for each of these stages helps in effectively measuring the ROI of online marketing campaigns.
- The metrics for an education website might include number of repeat visitors and frequency of repeat visits. These are of particular importance to this site as, for this audience, compelling content is critical. A high frequency of repeat visits indicates an engaged audience and an effective marketing campaign. These metrics might also include statistics on which pages were viewed, which videos were watched, and the duration of views. They can increase the digital marketing team's understanding of the content users find most interesting.

4.1.2 Tools

4.1.2.1 Competitor Reach Analysis

Analyzing competitor websites and the online marketing activities that aim to attract more website traffic can help provide businesses with insights and information for marketing their own products and services through their own websites.

The following tools can be used to analyze the performance of a competitor's website:

1. Search Engine Ranking

The performance of a competitor's website should be measured against factors such as the following:

- keywords for which the competitor has optimized its web pages
- the rank at which the competitor's website appears in search results for those same keywords

These factors can be analyzed by observing a competitor's site rankings and online ads for top keywords. After evaluating the keywords that help competitors achieve high rankings, as well as those for which they are ranked lower, the company can develop ideas for new keywords or phrases to target. The company may also decide to focus on creating better pages and content for the top phrases used by competitors in order to compete more successfully in search results.

Companies can use readily available tools to analyze the performance of a competitor's website relative to keyword searches and search engine rank.

2. Link Popularity

Link popularity provides another indication of a website's performance in terms of its ability to maximize reach. It can be thought of as the "value" of a website as measured by the quantity of "quality" inbound links (also called backlinks) to the website's pages. Competing websites with many links or a high "domain authority" can usually outrank a company's website in search engines. Domain authority provides an indication of the strength of a particular domain, based on age, popularity, and size (that is, the number of pages on the site). Businesses can often counter the domain authority of a competitor's website by targeting relevant keywords that the competitor is not using.

Link popularity can be studied by analyzing the number of inbound links and domain authority of competing websites. Several tools that provide this information are available online for free. If the company finds itself competing in search engine results with sites that have powerful domains with very high link popularity, it is advisable to avoid targeting the same keywords as those targeted by the competing sites. The company may choose instead to target a larger number of more specific or refined, multi-word keywords, commonly known as long tail keywords. Done well, this strategy may provide the company with traffic comparable to that of more popular competing websites without competing head-on with them. However, if the company fails to address link popularity it may experience little or no search traffic at all.

3. Visitor Activity and Profile

Useful information can be gathered about the visitors who are using competitor websites. Information such as each competitor's traffic estimates, pages per visit, time on site, bounce rate, percentage of traffic from search engines, and the demographics of website visitors are all very useful in providing a reference point for comparison with the company's own website.

In addition, this data will reveal the target customers for the company's competitors, and specifically the segments that are most responsive to website marketing. A company can then use this information to target the right kind of online customers with optimal content and pages that are both appealing and relevant to the target audience's needs.

4. Identify New Keywords by Monitoring Keyword Mentions

New competitors may enter a company's competitive arena at any stage. It is important to be aware of such competitors and to monitor them closely. This can be done by identifying a company's most important keywords and tracking any new content on the web that mentions these keywords.

5. Monitoring Social Websites

Another useful method to explore and compare competitor popularity is to examine what is being said about them on various social media channels. Companies can easily get this information from social networks and blogs using online monitoring tools.

Examples of Competitor Reach Analysis:

- Information about competitor popularity can be obtained from social network and blogs using tools such as Technorati to Google Blog search.
- Many companies use online tools that provide metadata about the content of competitors' websites, including page titles, descriptions, and keywords. This information is used to compare and modify the content of the company's website pages in order to help improve ranking on search engines.
- Historical data on the number of links and the rankings of competitor websites show the impact of link-building activity on the website's search rankings. Tools, such as Alexa, can provide information about a competitor's top link-building websites. Competing businesses use this information and promote their products or services on those websites.
- Internet archiving tools show trends in competitor website designs, seasonal promotional offers, and pricing changes over a period of time. This information provides insights on the impact of these changes on website traffic, and the lessons learned are used to improve the company's website.
- Many companies use tracking tools such as Google Alerts to track important keywords.

4.1.2.2 Search Engine Marketing (SEM)*

Search engine marketing refers to all marketing activities that use search engine technology for marketing purposes. SEM promotes a business and its products by ensuring the company appears in search engine result pages. SEM includes search engine optimization (SEO), paid listings, and other search engine related services and functions that are designed to increase reach and exposure of a website, resulting in greater traffic. Specifically, SEM increases the visibility of websites through paid search advertising (see section 4.1.2.3) and/or search engine optimization (see section 4.1.2.5) with the intent of increasing traffic to a company's website. SEO is discussed in two parts—Off-page SEO (discussed in section 4.1.2.5) and On-page SEO, which refers to the activities and content that website developers use to ensure a company's site is recognized by search engines (see section 3.1.2.5 for further details regarding on-page SEO).

Search engine traffic consists of consumers who are interested in and searching for a particular term that is associated with a website. To leverage this tool and draw traffic to a company's website, marketers must

understand how to effectively use both organic and paid SEM and determine the potential exposure they can gain through both approaches.

Advantages of Search Engine Marketing (SEM)

SEM is advantageous in the following ways:

- SEM helps businesses connect with consumers at a time when the consumer may be more likely to purchase a product or service. SEM is an inbound strategy—the consumer has explicitly expressed interest in a relevant topic by means of a search query (keywords) used, and, if optimized, the company's website is displayed in search results. SEM, therefore, catches the consumer at a time when he or she is actively looking for a particular product or service, resulting in a more engaged consumer and typically a more receptive response. Ultimately the goal of any form of digital marketing is to increase customer involvement. Consumer behavior theory indicates that when a consumer is “involved”—engaged and interested in a consumer good that is being marketed at that precise moment—he or she is more likely to purchase. Outbound marketing, by contrast, involves sending e-mails to a database or list of consumers with the hope of enticing some of these consumers to purchase. However, it is unknown if and when the customer is interested or ready to purchase.
- Search engine traffic originates from a voluntary, audience-driven search. To reach a company's website, customers and potential customers have entered one or more of the company's keywords to bring up the appropriate search results page and then have selected the company's site from all those displayed. As a result, the audience is more engaged, relevant, and often ready to make a purchase decision.
- While organic and paid searches each has unique advantages with respect to cost, necessary resources, technical requirements, and more, they both offer robust tracking and the ability to effectively control and deliver performance at a desired ROI.

SEM is a constantly evolving form of marketing in which new strategies have emerged and continue to grow. Retargeting ads, optimization of websites for mobiles, and alignment of SEO and social activities are becoming mainstream and forming an integral part of a company's overall SEM strategies.

Examples of Search Engine Marketing (SEM):

- A neighborhood used auto parts dealer is looking to grow sales. The company has been primarily selling to local large retailers and businesses, relying on word of mouth, local trade ads, and personal relationships with mechanics and dealers. Now the company wishes to expand further, grow sales, and reach additional smaller shops and individuals, including those outside of their local area. It decides to look to SEM to meet their goals. One advantage to this approach is that they can use very specific keywords (e.g., part numbers) or stay more general (e.g., types of parts, parts for specific models). This way it can capture potential customers all along the purchase funnel, whether they are a business exploring potential new vendors, or an individual searching for a particular part. The company anticipates a relatively low cost-per-click (CPC) for very specific terms, and it is able to reach customers outside of their area, and online, thus increasing their reach.
- Local flower shops cannot simply rely on walk-in business anymore. They now require a website and need to focus on their ranks in search listings to make their business visible to consumers, either locally or remotely, who are looking to purchase flower arrangements. To remain competitive, flower shops need to look at what competitors are doing online and be careful not to bid or focus on generic terms such as “flowers,” but instead use keywords that are more specific to each shop’s location and unique offerings to ensure their business can achieve higher rankings and a more cost-effective cost-per-click for paid search.

SEM is a constantly evolving form of marketing in which new strategies have emerged and continue to grow. Retargeting ads, optimization of websites for mobiles, and alignment of SEO and social activities are becoming mainstream and forming an integral part of an overall SEM strategy.

4.1.2.3 Search Engine Advertising (SEA)

Commonly referred to as paid search or pay-per-click (PPC) advertising, search engine advertising involves a company paying to have its ad appear on search results pages of search engines.

Examples of Search Engine Advertising (SEA):

- SEA providers such as Google, Yahoo, and Bing show sponsored ads, or paid search results, for most search queries. A consumer intending to purchase a new home computer may enter a query such as “laptop or desktop computers for home use,” seeking cost and feature information. A national electronics chain would likely then appear as a sponsored result. It is often observed that users with a high intention of making a purchase click on sponsored ads. This is especially true of highly transactional goods such as clothing, electronics, and consumer foods.
- SEA has a significant impact on consumer metrics such as brand awareness and brand image, even among users who do not click on the sponsored advertisements. Image ads tend to be more effective in exerting positive impact and increasing visibility in search results. A user seeking a new home computer may choose to review multiple computer advice pages before making a decision. Exposure to sponsored ads containing associated images from a national electronics chain reminds the customer that the chain sells the products they are seeking.

The following are ways in which a business can increase the reach of its website using SEA.

1. Choosing Relevant Keywords

Search queries are the search terms or keywords used by individuals to tell search engines about the specific product or service they are interested in purchasing. For businesses seeking to maximize their reach using search engine advertising, the focus must be on bidding on keywords that are highly relevant to the search queries that are common in their business. For example, the searcher may be looking for a garden hose, but the business must think broadly and choose keywords that can be associated with garden hoses, such as garden supplies or water hoses. Businesses can make use of their past data and competitor data to determine the popularity and relevance of various keywords. The more relevant the keywords are to a business and website, the more cost effective the online search advertising campaign will be.

The price of keywords can vary greatly, from pennies to several dollars depending on popularity, demand, and the value to the advertiser. For example, the term “mortgage” or “class-action lawsuit” may be expensive, while a very specific product term or more obscure term, such as “polka-dot linen gloves,” may be much cheaper.

The amount a given advertiser will pay will vary based on a number of factors including the ad’s “quality score” and the rank of the ad as well as the popularity of the keywords among the competitors. The quality score is the search engine’s way of determining the relevance of an ad to the searcher by evaluating each keyword’s relevance to the business and its landing page, as well as other factors. Typically, once an advertiser has identified the keywords that they want to bid on, it must determine the

maximum price per click that it will pay and then group similar words with relevant ads to display for those keywords. The rank of an ad is determined based on its cost-per-click (CPC) and its quality score.

Keywords can also be localized to make the search more relevant and reduce the bid amount. For example, a musical group performing in Washington D.C. could use a keyword “music show in Washington D.C.” to ensure that their ad is seen by users who are interested in attending a music show in the same city. Localized keyword advertising provides a more focused reach for businesses, ensuring that the business is advertising to a targeted audience and not advertising in markets where the business will not see a significant return on its investment.

Example of Choosing Relevant Keywords:

- To examine how bid and rank affect advertisers, let us compare how a small clothing shop might approach search advertising differently from a large retailer. While the large retailer can afford to bid on generic terms such as “dress” or “sweater,” the smaller retailer has to approach this differently. Such generic or head terms can be far too costly for the small retailer. However, the small retailer can choose terms that are more specific and relate to what it sells, for example, “vintage summer dresses” or “unique vintage housedresses.” It may be able to bid less and be able to still achieve a higher rank giving the business better visibility. The small retailer may also write ads that are very specific to its chosen keywords. This makes the ad more relevant to the keyword and therefore to the searcher who is more likely to click on it. As the ad’s number of clicks increases, the ad’s quality score improves, possibly leading to better pricing.

2. Choosing Relevant Geography and Time

Search engines have enabled businesses to analyze their past data, thus helping them to understand where their online customers are located and the best time to reach them. Based on this data and other internal research, businesses can choose the desired geography and time of day in which they should advertise their products and services for optimal results. For small businesses that cater to a local audience, geography-based targeting is especially important and helps ensure that their ads remain relevant.

The demand for any product or service will differ with each country where the search engine is available, and since search engines use dynamic bidding where prices are driven by demand for the keyword, the cost for displaying the same advertisement varies across geographies and the time of day. The conversion percentage and average lifetime value of customers also varies with geographies. Businesses must identify the best possible combination of geography, time of day, and conversion rate to identify where to invest their search engine advertising budget.

3. Profiling the Audience

Businesses must understand the profile of their target audience and create “user personas” that will help them identify the relevant ads for their user base. A young age group may be attracted to video ads, while a more mature audience may prefer an image ad. Audience profiling may also help businesses identify the time of day when their target audience is most likely to make a purchase. This data helps businesses improve their conversion rates and reduce their costs of acquiring new customers.

Example of Profiling the Audience:

- A company offering a health care app for senior citizens wants to minimize technical jargon in its advertising. The description of the app and associated keywords would emphasize prevalent senior health issues and ease of lifestyle integration rather than technical features.

4. Testing Various Ads

Search engines enable businesses to experiment with two or more ad options in order to identify the more attractive one, commonly referred to as A/B or multivariate testing. A business that is unsure about the most effective advertising message for its product can divide its advertising budget between two or more ads to be displayed to a similar audience throughout the day. The business can track the response rate from these ads and decide on the best ad for its product. This testing mechanism also helps the digital marketing team understand the best approach to take for future ad campaigns. Most search engines allow the choice of letting the system run the ads and determining the winning ad, or allowing the advertiser to run the ads with equal weight. For example, a business may run two ads, fifty percent of the time each, for however long the advertiser chooses, and then the advertiser decides which ad is more effective.

Example of Testing Various Ads:

- A company has been running search ads for its new product line but is not seeing the results it expected. It decides to test some of its ads to identify which ads resonate better with searchers. It writes a few new ads that will all be tied to the same relevant group of keywords. With the ads running against one another, the marketing team will be able to identify which messaging pulls best and is therefore the winning, go-forward ad.

5. Selecting Appropriate Ad Sizes

Advertisements displayed on search engines and other third-party sites are available in various sizes, and the digital marketing team must customize their marketing content to the size of the ad being

displayed. The team may also create advertisements for each of the available sizes and the search engine will display the relevant ad for each available size.

6. Customizing Language

In order to ensure that the marketing message is relevant and reaches audiences around the world, businesses can also customize their ads based on the language preference of their audience. For example, a company providing services in Canada may wish to develop both French and English versions of their ads to target search queries in either official language.

4.1.2.4 Third-Party Advertising

SEA places online advertisements on the search results pages from search engines and their partner sites. Companies can further expand their reach beyond search engines to advertise to more niche audiences available on third-party websites, such as popular blogs and news channels that can help drive relevant traffic to the company's website.

Advertising on search engines helps the company market to audiences that are explicitly searching for a specific term and also helps the business reach a wide audience range. However, advertising on third-party websites helps the business reach out to a target audience that may not be explicitly searching for the business or its products, but are likely to still be interested in purchasing its product. For example, a website selling fitness products can make use of third-party fitness blogs where it will be exposed to a relevant audience. In order to effectively utilize third-party websites, a company should ensure that the websites where they advertise are relevant to its business and that the audiences coming to these sites are decision makers. The practices used to improve the effectiveness of search engine ads discussed previously are also valid for advertising on third-party websites. Besides using the best practices for digital advertising, businesses should also select appropriate ad types and remarketing techniques when advertising on third-party websites.

Ad Types

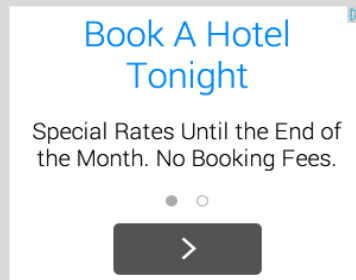
In order to effectively utilize third-party website advertising, businesses must understand the various types of ads that can be created and their effectiveness in converting the target audience. The various types of ads used by businesses include the following:

- **Text Ads**

These are simple ads that highlight the product features and/or offers using only words. The message length is generally restricted and the digital marketing team must ensure that the relevant call to action is present in the message to prompt viewers to inquire further about the product or service. Text ads are the most common style of ads used by businesses around the world. Businesses may also include a call-back number as part of their ads to enable customers to reach them via phone.

Examples of Text Ads:

- Text ads typically include one or two lines of text along with a clickable link to a web page. The hotel industry uses these text ads predominantly in third-party websites to promote offers. These text ads are displayed in different shapes and sizes, and most of them are paid ads. Listed below is an example of a text ad.



- Search engine websites continue to be the most common place for companies to place their text ads. For example an online book seller may use pay-per-click (PPC) advertising to display its text ads on search results pages. The book seller can bid on specific book titles or authors, as well as broader terms such as “buy books online,” “top selling books,” and so on. The cost of advertising is determined by the number of clicks an ad receives.

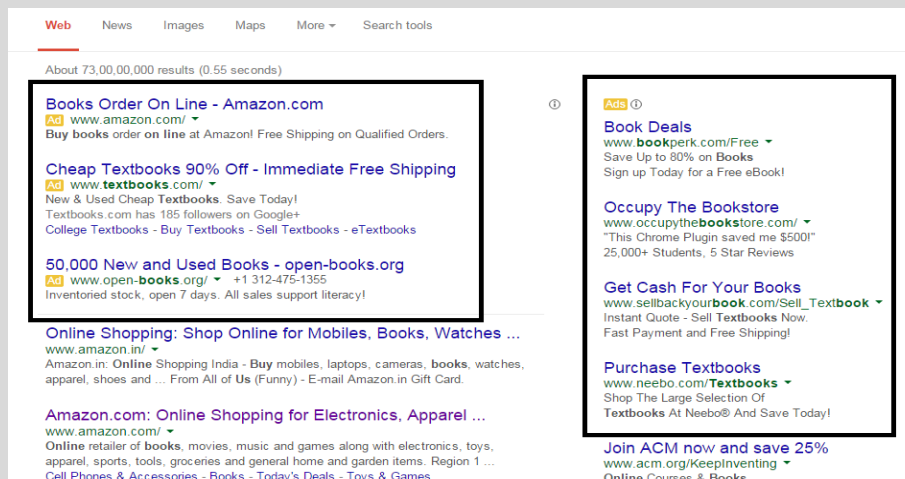


Image Ads

Image ads enable marketers to include relevant images, customized layouts, and background colors. For some companies, visually displaying their products may be more effective as an advertising technique than text ads. This is particularly relevant for websites selling consumer goods where the products are visually appealing enough to drive audiences to the website.

Example of Image Ads:

- Image ads, often in the form of banner ads, make an impression on customers by using a combination of graphics and text. For instance, fitness companies use images promising health, strength, and attractiveness in ads to capture the attention of consumers.



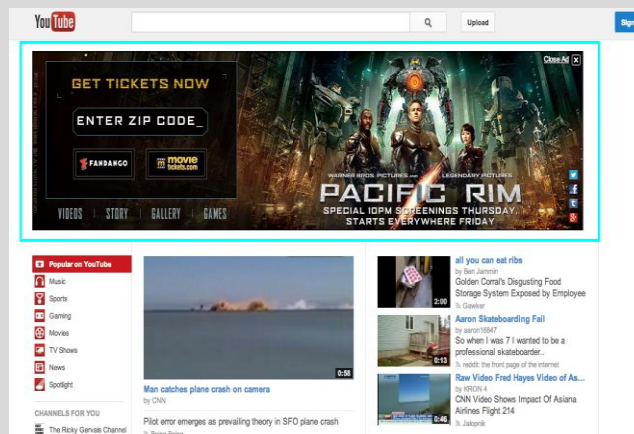
- **Video Ads**

Video ads are an engaging way to create energy and excitement about a product. They can be used in individual display units but are commonly embedded at the beginning of other videos available on third-party websites. News agencies and video hosting sites enable advertisers to include video ads that play in the initial seconds before a user watches the video. This increases the reach of the video as the user has an interest in the content following the ad.

Ad overlays are another feature used by businesses on a video that the consumer views. An overlay is usually a clickable, one-line text ad displayed at the bottom of the video. This is an advertising technique commonly used on video-hosting sites.

Example of Video Ads:

- Video ads are growing in popularity as Internet speeds are increasing and most devices support video players. For instance, movie production companies use video ads with embedded trailers to promote their movies and showcase the ads on various video portals and websites for maximum views.



- **Rich Media Ads**

Rich media ads are image ads incorporating animations or other elements that provide users with ways to interact with the ad. Such elements are often customized to match user behavior. The targeted and personalized nature of the ads is intended to generate greater engagement, resulting in more views and clicks. Examples of rich media ads include ads with revolving pictures of products and ads with animated layers that capture the viewer's attention with a variety of targeted messages and images.

Example of Rich Media Ads:

- Rich media ads may contain a combination of images, video, and text using Flash or HTML5 technology. They include multiple ways to involve an audience with the ad such as sharing in social media, calling, booking, and e-mailing. In the automobile industry, rich media ads are often enabled with video, call back, polling, and booking test drive capabilities—all in one ad. This increases user interaction and brand awareness.



- Remarketing Ads (or Retargeting Ads)**

Sometimes an individual visiting a website may be interested in purchasing a product but may not be ready to purchase it. The user's behavior depends on where he or she is in the purchase cycle or funnel. Remarketing enables businesses to reach consumers who have already visited their site. After the visitors leave the business' site, the business follows up with related ads when the user visits other similar and relevant sites. Since the customer is already qualified as a strong lead, having spent time on the website, remarketing provides an effective way of reaching an already engaged target audience.

In order to effectively utilize search remarketing, the digital marketing team must enable remarketing in the search engines and build campaigns specific to each category or product in their portfolio. Companies can market the product to customers they know have expressed interest in the product through their search history. Remarketing ads are displayed to the consumer by the search engine on websites he or she visits later. These websites may not be as directly related to the initial searches. Since the advertising is displayed on a broader range of sites, the reach of the business is increased thus raising visibility within the target audience.

Examples of Remarketing Ads:

- Airline websites or online air ticketing websites use remarketing ads to increase conversions and also keep visitors informed even after they have left the company's website. If a potential customer visits a website to look at flights or hotels in a certain city but does not make a purchase, banner ads then appear on other sites the person visits. In other words, the products and services individuals express interest in are marketed to them later to get them back to that initial site to purchase.
- In search retargeting, an individual may search for a product such as "tall black riding boots" through a search engine. The searcher may click on a few links to do some comparison shopping. The next day that same searcher may be on another site where he or she is presented with an ad from a retailer promoting its riding boots. Since it is known that the searcher is interested in this item, the person is more likely to click on that ad.

- **Native Advertising**

Native advertising is a form of online advertising that blends in with its surroundings. The objective is to promote a company's product or service in a way that is 'native' to the platform in which the message appears. Native ads are promotional pieces that are attempting to look like the material to which they are adjacent. Advertorials, which are ads promoting product but made to look like editorials, are one of the most common forms of native advertising. Given that consumers are savvy to the various tactics that digital marketers use, it is important that native advertising provide value to potential customers. While native advertising can be perceived as annoying, it can also be an effective tool if properly used. Those who are successful in this approach offer new, useful, relevant content that consumers are willing to take the time to read and often share.

Example of Native Advertising:

- An online home goods retailer has heard a lot about native advertising and decides to add this form of advertising to their marketing mix. The company tests a few approaches, such as suggested posts on Facebook or promoted tweets on Twitter, to see what works best with its audience. The business decides to start with Facebook suggested posts and sponsored ads on Yahoo. These two approaches require a photo, headline and a line or two of content to blend into the rest of the content, while also having some targeting to better reach the intended audience. The retailer also tests sponsored content on a few home lifestyle websites. They write an informative article that is highly targeted to the site's audience, helping to promote their brand and a few key products, ultimately driving customers to their site.

4.1.2.5 Off-Page Search Engine Optimization (SEO)*

Search Engine Optimization (SEO) refers to the process of maximizing the number of visitors to a website by ensuring a high search rank when search engines are used to find products, services, or information related to a website.

Off-page SEO for a website refers to all optimization activities in which a company engages outside of its own website, and does not involve making changes to the company's website. A company's or product's website search engine rank is affected primarily by the following off-page factors:

- The number of other websites that have a link to the company's website
- The reputation of the other websites that link to the company's website or that cite the company's website

Citations refer to the mention of a company, brand, or product on another website. A citation can be just the name of the company, or it can contain complete information, such as name, website link, phone number, and e-mail address. Citations are currently most relevant for localized SEO results.

Given the above two factors, the best way to improve off-page SEO is to increase the number of links and/or citations from reputed websites. Reputed websites will generally link to or cite a company's website if the content on the company's website is relevant, interesting, and/or useful for the audience of the reputed websites. The following are key methods for optimizing off-page SEO:

1. Submitting Website and Product Details to Search Engines

All major search engines regularly scan the Internet to search for new websites. However, a newly created website may never be indexed by a search engine or may only be indexed after a long time. To increase the probability of a website being indexed promptly by search engines, it is advisable for companies to directly submit newly created websites to search engines without waiting for them to scan and index the website. This process is fairly simple and is free in most cases.

2. Submitting Website-to-Website Directories

A number of online directories for listing websites exist. These directories do not return a list of websites in response to a user search. Instead, they categorize websites and store essential information about them. To be listed in these directories, the company must submit its website to the directory, providing detailed information about the website. Some directories require companies to pay to be listed while others provide this service for free. Once a company is listed, a link to the company's website, which can be tracked by search engines, is provided in the directory. The more reputed the directory, the higher the SEO benefit a link from that directory will provide.

As there are a large number of website directories, and search engines generally ignore or penalize directories that are of low quality or contain spam, it is important to keep in mind certain important factors when determining the directories to which a company should submit its website. These factors include the following:

- **Rank of Directory Website Relative to Company Website**—A number of tools can be used to identify whether a directory website is ranked higher or lower than the company's website in a particular search engine. A company should submit its website only to a directory that is ranked higher than the company's own website. A directory that is not ranked indicates that the directory has been deliberately excluded by the search engine or has been created too recently to have been indexed by the search engine.
- **Existence of Company-Relevant or Product-Relevant Category**—The directory should have relevant categories in which a company and its product websites can be listed.
- **Existence of a Review or Editing team**—Directories that have a review component or an editorial team tasked with evaluating website submissions are considered to be better than directories that automatically list websites, because reviews filter out poor quality submissions and spam websites.
- **Domain Age and Expiration**—Directories that have been in existence for a long time and whose expiration dates are well into the future can be considered more reliable than recently created directories with expiration dates in the near future.

Example of Website-to-Website Directories:

- A restaurant may consider several directories before choosing which are the most beneficial. One directory called "Best Restaurants" charges a fee for inclusion yet only contains the linked restaurant's name and location. Another directory, "Best Restaurants for Foodies," charges for banner ads, but inclusion on their list is free. This website contains reviews of each restaurant, up-to-date menu information, and user submitted comments. The second directory will provide the restaurant with better exposure, a higher search engine ranking, and more value.

3. Participating in Blogs and Discussion Forums

There may be a number of blogs and discussion forums related to a company's product category. Participating in such blogs and forums meaningfully, with the objective of helping others and sharing information, can help in improving a company's online presence and SEO. A company should aim to engage blog authors and people commenting on blogs by clarifying areas of doubt, by providing valuable resources, and by positioning themselves as subject matter experts. For this, the person or team involved in these activities should be subject matter experts themselves. If the target audience visiting these blogs recognize the company's expertise, they will want to interact with the company on their own. This interaction may be in the form of a website visit, a personal message on a discussion forum, an e-mail, or a phone call.

The target audience may also provide links to a company's web pages in other forums if they find the information useful after visiting them. This will help in gaining natural backlinks to a company's website—the kind most favored by search engines. The company must ensure that its contact details and website link are visible or accessible to other readers. These details can be added to the signature of a post or mentioned in the user profile. Such links in the signature also contribute to a website's SEO. However, many of the reputed and popular discussion forums allow such backlinks only to those forum users who have gained a specific level of respect and trust in the forum. Those users who have been on a forum for a long period of time, who have posted several times, and who have gained noted support and appreciation from others in the forum, are often permitted to post links in their forum entries or signatures. Therefore, it is important that the company post to the forum regularly.

A company may also write high-quality guest blog posts and submit them to respected blogs for publishing. Such guest blog posts, once accepted, can be valuable for attracting readers of the blogs to the company's website, and can also improve the search rank of the website if links to the website are present in the guest blog posts. However, it is generally not easy to get reputable blogs to accept a company's guest blog because they have high standards for accepting guest posts, or may only accept very few guest posts in a particular time period. Thus, the company should be persistent in its efforts and ensure that all guest blog posts that are submitted are well written and targeted to the appropriate audience.

Sharing links on blogs and discussion forums that are not related to one's product category or website may result in penalties from search engines in terms of a company's search rank. Search engines are becoming increasingly more sophisticated at identifying links that do not add value as well as those that are present for the sole purpose of earning backlinks.

4. Participating in Social Media Channels

Most social media websites contain a property whereby any links that are posted on these websites by users are not tracked by search engines. This type of link is called "nofollow." Thus, a company posting links to its product website or the company website on social media channels may not benefit directly regarding SEO. Also, the number of people on social media channels who like, follow, or take other actions to show their approval of a company's profile pages does not generally have an impact on search results.

However, participating in social media channels can still provide significant SEO benefits. If a company creates good, shareable content and promotes it on social media channels, such content can spread widely—not just within social media channels, but also on external websites. If someone discovers a company page on a social media channel that he or she likes and links to that page on his or her own website, the company will gain a backlink from that website.

In addition, on some search engines, linking company profiles on certain social media websites to any articles published by that company provides a boost to that website's ranking in search results.

5. Gaining Business Reviews

Gaining reviews from customers on popular business review websites is another good way for companies to improve their search ranking. Companies that have high levels of customer satisfaction can proactively ask customers to review them on business review websites. Good reviews from a high number of customers showcase a company's product or service quality and encourage other customers to consider the company for their next purchase. Such customers may also post links to a company's web pages based on favorable reviews, further contributing to backlinks for the company's website.

However, it is very important for a company to make sure that most of its customers are happy with the company before it proactively adopts this strategy. A company's reputation will be adversely impacted if the company receives many negative reviews on business websites. The company must scan review websites regularly and respond in a courteous and helpful manner to negative reviews. It is also advisable to acknowledge and thank those who have provided positive reviews.

6. Submitting Articles to Online Magazines

Writing engaging, interesting, or informative articles and submitting them to leading online magazines can be another good way for companies to create awareness, build a brand, and earn backlinks in the process. Links are generally embedded within the articles, but there are limits to the number of links that can be embedded. Companies should make sure that articles are well written and not over-optimized for SEO. Over-optimization is the result of companies making excessive use of keywords, which may be good for SEO but bad for readability, ultimately defeating the intended goal. Search engines are becoming increasingly good at separating high-quality articles from those that are written only for SEO purposes. Well-written and useful content, apart from benefiting a company in terms of SEO, can generate a significant amount of traffic for a website and may also earn additional backlinks when readers refer to the company's website directly from external websites.

7. Local Listings

If a company is targeting specific local markets, it may consider listing its products and websites on online services sites that specialize in organizing information about local products and services. Such listings are beneficial when consumers search for products in the company's product category within a specific geographic area. In such situations, local listings have an equal or higher probability of being displayed compared to websites that target a much larger geographic area. Local listings include listing a company's address and contact details on a map, or submitting company details to mapping sites or local directories.

Example of Local Listings:

- Plumber John is looking to grow his customer base. As a local business serving only one city area, he is considering to advertise on a local listing site such as yp.com or a top review site that is searchable by city (Yelp or Angie's list). This way, when local customers search for a plumber they will see John's business and contact information, along with some reviews from satisfied customers.

8. Online Press Releases

A company may also issue press releases to news websites when a major event occurs, such as the launch of a new product or expansion into a new geographic area. The company can issue press releases directly to news outlets, or it can submit the releases to a press release agency that issues the press releases to multiple news outlets. Such agencies typically charge a fee for their services. This marketing method, and how it fits into an overall PR strategy is captured in more detail in section 4.1.2.6. For the purposes of off-page SEO, such press releases are especially valuable when they contain a link to the company's website. If links are not included, but the company's name is mentioned, the company name may act as a citation for local search results, thus contributing to a website's search rank.

9. Submitting to Online Classified Sites

Online classified sites are very popular. These sites help people find information on a wide variety of products and services, generally in a specific geographic area. Companies can submit their ads or listings to these sites. Some classified sites may not allow companies to post links; however, a company's name and contact details will act as a citation, thus contributing to a website's search rank.

4.1.2.6 Online Public Relations (PR)

Online Public Relations (PR) is broadly defined as using technology to effectively communicate with stakeholders over the Internet. Online PR typically seeks to accomplish the following:

- Raise the profile of a company or brand using online channels
- Develop online word-of-mouth buzz
- Foster online advocates and minimize the impact of critics
- Identify online trends and issues

A number of tools can be used to increase online reach through PR. One of these is the company's own website. It is the ideal place to host value-added content that supports broader off-site PR campaigns where people are encouraged to click back to a company's site, and where user engagement can be tracked and measured.

The objective of online PR is to raise awareness of a company or its brand among the broader online community and to generate interest that takes advantage of the viral potential of online social media. It is a way of exhibiting prominent, newsworthy stories about a product, brand, or company to as many viewers as possible. An online press release can be similar to a standard press release submitted to offline print media channels, but has the added flexibility of enabling content creators to include multi-media content, such as videos, links, and supporting digital files.

Some common guidelines for writing an online press release are as follows:

1. **Newsworthy Content**—Good content for an online press release can include new information on a product or service; a new product release; changes in the business, such as an expansion or a new location; announcements of events, milestones, anniversaries, or staff achievements; and expert advice or opinion on a current news topic. It is important to be selective about the type of content to use for online PR. Good content is important and relevant. Typically, online PR does not include general interest articles aimed at creating a buzz, as such content can serve instead to dilute the impact of the company's press releases.
2. **Objective Tone**—Press releases should be free of first person and second person point of view (i.e., “you,” “I,” “we,” etc.) unless used within a quotation from a company spokesperson. First person and second person point of view is a flag that the content is an advertisement rather than a news release.
3. **Standard Length**—The standard length of a press release is ideally between 300 and 800 words. The length of a press release directly affects its distribution, and press releases that are too short or too long may not be indexed in the search engines and may not be appealing to an audience.
4. **Story First, Detail Later**—An “inverted pyramid,” journalistic style of writing should be used, in which the main elements are shared in the first few sentences before elaborating on specific and relevant details. Some online PR distribution services allow for an executive summary of one or two sentences before the actual body of the release.
5. **Use Active, Compelling Language**—The use of active voice, clear and compelling language, and varied sentence length will maintain reader interest and keep the release well-paced.
6. **Backlinks**—The body can contain hyperlinks on relevant keywords. Some online PR distribution services may restrict the use of links, or limit their number. Where possible, authors should aim to have at least one link, but more if possible. However, it is important to refrain from stuffing the content with links as search engine crawlers may interpret the release as spam. Ideal link density is one link for every one hundred words in the body.
7. **Contact Details**—A press release should always provide details on how to contact a real person in the organization who is ready to provide any additional information or direct input required. This should include a web address, contact telephone number, and an e-mail address. It may also include the company's pages on various social media channels.

- 8. Adherence to Specified Guidelines**—It is important to make sure a press release adheres to the published guidelines of the distribution service. Doing so will ensure the release passes the editorial requirements and will maximize the chances of it being picked up by content publishers.

After writing a press release, another important step is to distribute it effectively over the Internet. In-house media, such as the company website, company blog, and e-mail, are effective ways to disseminate a press release. However, to maximize penetration and exposure, it is essential to submit releases to one or more online press release or news distribution services. Some of these services offer free basic distribution with paid upgrades, while others require an upfront payment or contract on either a yearly subscription or per-item basis. These services also tend to distribute releases via news feeds to online and offline journalists, media websites, and news aggregation services, which can result in a great deal of exposure for a newsworthy story.

Examples of Online Public Relations (PR):

- Film production companies use online PR to create awareness by sharing newsworthy or highly anticipated content. They frequently share engaging content, images, events, and videos during production stages and before release to increase audience interest. It is important to note that the sharing of such content is carefully orchestrated with respect to timing and alignment with other channels. Such content is also shared in social media to increase visibility and create dialogue around each movie being released. The intent is to create curiosity and attract larger audiences to watch their movies.
- Some companies submit releases to one or more online press release or news distribution services, such as PR Web, Business Wire, PR.com, or Click Press, to maximize penetration and exposure. These agencies might then distribute the releases via news feeds to Google News and Yahoo.

4.1.2.7 Strategic Alliances with Online Marketplaces

Strategic alliances or relationships with online marketplaces are very effective for increasing reach. An online marketplace is a type of e-commerce website where product and inventory information is provided by multiple third parties, and the transactions are processed by the marketplace operator. Online marketplaces are the primary type of multichannel e-commerce. The product offered could be a physical product, such as clothing, furniture, books, or electronics. Or it could be an intangible product, such as an online training course, downloadable game, or streaming video.

The marketplace processes consumer transactions and the participating retailers or wholesalers fulfill and deliver the products and services; thus, the online marketplace or site is really the middle-man. Some marketplaces may also handle order fulfillment and delivery management services, for which they typically charge a premium. Because marketplaces offer products from many providers, they offer a wider selection and more competitive prices than those offered by the e-commerce sites of individual businesses. For a small manufacturer that does not have a large enough brand to attract brick-and-mortar retailers and does

not have sufficient money to gain and manage a critical mass of visits on its own website, partnering with an online marketplace makes perfect sense. For such a company, it is a win-win relationship for the marketplace operator and the small manufacturer. A small company typically does not have the resources required to pull enough consumer traffic to its own website, set up a payment gateway, and hire expensive SEO and SEM experts. These companies benefit by paying a small percentage of their revenue to the marketplace operator who can provide those services. Since the marketplace operator typically has multiple—sometimes thousands—of associated parties promoting their products on the website, it is cost effective and scalable. These online marketplaces are often the primary destination people choose to purchase a particular product.

Example of Strategic Alliances with Online Marketplaces:

- Small publications and authors use the online marketplace (companies such as Amazon) to sell their books. These small publications do not have the resources to reach a global audience on their own. Thus, strategic partnerships with online booksellers or websites that have a huge reach will help them promote their books effectively. Some other popular online marketplaces are Ebay and Alibaba.

4.1.2.8 Corporate Sales and Marketing

The website can be a very effective channel to support the overall marketing efforts as it serves as the most-up-to-date source of information for consumers. Likewise, other Aspects of Marketing, such as Corporate Sales, can provide effective tools in supporting the website development team's efforts toward achieving reach targets. Sales activities are often conducted in a face-to-face environment with the customer. These activities are intended to drive sales, but they also provide opportunities to increase awareness of the company's overall offerings by directing potential customers to the company's website. Digital Marketing and Corporate Sales, as well as other Marketing Aspects, should be aligned and work in tandem, to increase the reach and effectiveness of the various strategies and activities established to achieve the overall goals and objectives of the company. Further discussion on how these Aspects work together can be found in the SMstudy® Guide-Book 1, Marketing Strategy and the SMstudy® Guide-Book 4, Corporate Sales.

Example of Corporate Sales and Marketing:

- Industry trade shows are common places to reach out to a target customer base. A company should update its website with contact, location, and scheduling information regarding trade show activities, including opportunities for participation or involvement in sponsored talks. The website of the industry body hosting the trade show might also offer opportunities for corporate advertising. The related booth and brochures provided at the show can then contain references to the company website, helping to increase exposure to the company's entire line of products and services.

4.1.2.9 Meetings and Discussions*

The inputs to this process provide information about the reach metrics and targets that the digital marketing team will use to measure digital marketing performance. Based on this data, the team meets and decides on the various steps and activities that will be implemented to achieve the established targets. The website provides the most up-to-date information about the business and often serves as the face of the company; therefore, meetings are an important part of ensuring consistency of message across all online and offline channels. Meetings and discussions also provide a forum for the various teams involved in digital marketing efforts to ensure that all activities, teams, and departments are aligned towards meeting the reach targets. Alignment and consistency are essential components in helping the team achieve reach targets, which in turn support the digital marketing objectives.

4.1.3 Outputs

4.1.3.1 Optimized Website for Reach*

The combined effect of all the tools and activities used in this process is the maximum reach of the company's website within the target audience. This reach should meet or exceed the reach targets defined in section 3.1, *Plan and Develop Website Channel*. Any shortfall in meeting the targets may be rectified by increasing efforts related to the activity where the shortfall is occurring. For example, if the shortfall is in terms of reaching out to new customers, various additional activities, such as optimizing online advertising campaigns, redesigning marketing e-mails, or carrying out more off-page SEO activities, may be undertaken.

Example of Optimized Website for Reach:

- Mobile phone manufacturers use their company websites and e-commerce websites to sell their mobile phones. E-commerce websites use a mix of advertising and off-page SEO to generate the best results when a search for the mobile device is performed on the Internet. A better result in the search engine will increase the visibility of the company and its sales. Mobile phone manufacturers, on the other hand, use the combined efforts of advertising and off-page SEO to promote their products, eventually contributing to sales.

4.1.3.2 Updated Reach Metrics and Targets for Website

Reviewing and updating the reach metrics and targets for a company or product website should be ongoing. Some targets may be surpassed while others may prove to be unrealistic. Given that technology changes at

a rapid pace, companies may realize they have a greater capacity to expand their reach than previously possible. Digital marketing is often more flexible than standard offline efforts, so new reach targets may be set frequently. The methods and tools used to measure performance can also change, adding the possibility of new metrics for measuring success or failure in achieving the desired targets.

4.2 Optimize Website for Relationship

This process explains how to optimize a website to maximize a company's relationship and engagement with customers and other visitors to the company's website. The company should try to ensure that visitors who come to the company's website find it useful, interesting, and compelling enough that they are motivated to purchase from the company. It is therefore important for the company to analyze not only the behavior of its own customers and visitors, but also the activities that its competitors are using in order to engage with the target market.

Figure 4-3 shows the inputs, tools, and outputs for the *Optimize Website for Relationship* process.

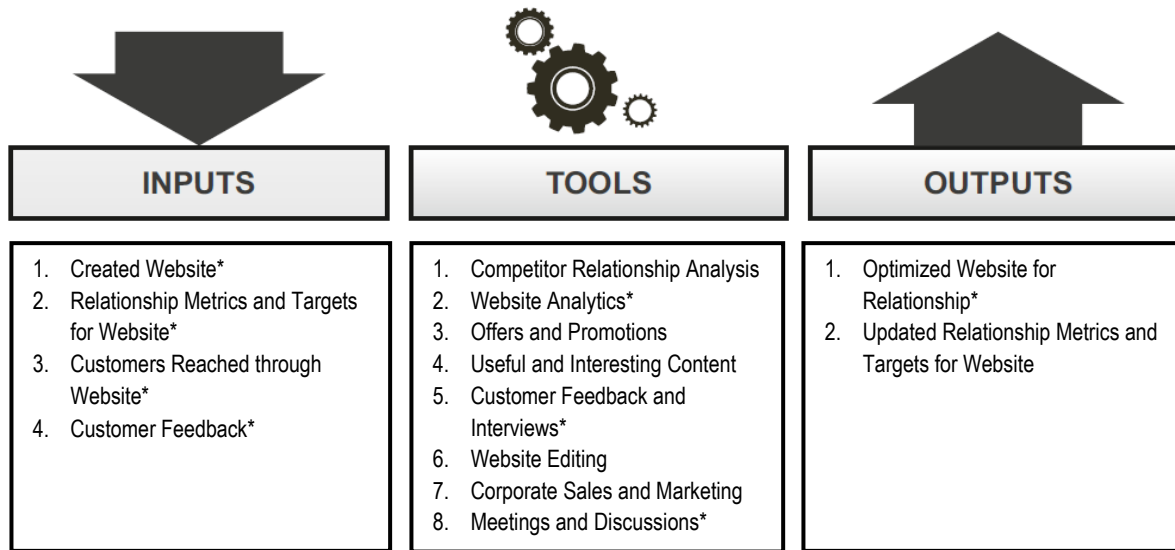


Figure 4-3: Optimize Website for Relationship—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

4.2.1 Inputs

4.2.1.1 Created Website*

The created website is the output of the *Plan and Develop Website Channel* process in section 3.1. The existing website must be optimized to engage customers and to build a continuously improving relationship with those customers. A strong relationship results in customer loyalty. A company's website is generally regarded as the main convertor of online leads. Leads from various sources eventually come to the website. The conversion of those leads depends on whether the website engages customers and fulfills their needs. Therefore, a company should strive to ensure that its website provides the kind of information that customers want and contains sufficient means by which customers can carry out a full range of desired actions—from contacting the company to making online purchases.

4.2.1.2 Relationship Metrics and Targets for Website*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Website output from the *Plan and Develop Website Channel* process described in section 3.1.

All optimization efforts to build relationships with customers must be measured against these metrics and targets. Any shortfalls in attaining targets must be evaluated and further optimization adjustments should be made to address such shortfalls. If a company exceeds targets for building relationships through the website, the company should determine the reasons for its success, so that it can replicate the success long term and in other channels. It is important to note that performance analysis and optimization is an ongoing cycle and therefore targets must be refined as necessary in this process.

Example of Relationship Metrics and Targets for Website:

- A non-profit organization is making a special effort toward improving relationships with sponsors and beneficiaries through its website. The business goals for the website are focused on the following three criteria:

- Donations
- Volunteers
- Beneficiary involvement

In order to measure the success of relationship-building efforts relative to the business goals, the following metrics are being tracked by the organization:

- **Visitor Loyalty**—direct or bookmarked site visits (as opposed to visits from search engines or advertisements)
- **Subscriptions**—e-mail, print, and mobile signups through the website
- **Content Shares**—pages, stories, videos shared to social networks or e-mailed from the website
- **Promotions**—downloaded banners/badges or creation of personal fundraising pages

4.2.1.3 Customers Reached through Website*

This input is derived from the output, Optimized Website for Reach, from the *Optimize Website for Reach* process described in section 4.1. The objective of optimization efforts in this process is to enable a company to focus on building a relationship with those individuals the company has reached, using the touch points and tools described in section 4.1.2. In many cases, a company will not know the identity of these customers or prospects, such as when individuals search online and see the company's ad, or when they browse social media pages and find a mention of the company. However, the moment these individuals initiate contact through any of the company's marketing channels, the company must be prepared to offer a great user experience. The initial contact can take a number of forms—it may be someone arriving at the company's website by clicking a link from a social media site, or it may be a customer responding via a link from an e-mail sent by the company. In any case, once the individual establishes a connection to the website, the onus is on the company to create a satisfying user experience through, for example, valuable or entertaining content, strong usability and navigation, or visual appeal. This encourages consumer engagement and ultimately creates a good relationship.

4.2.1.4 Customer Feedback*

Customer feedback can come from a variety of channels, but in every case, feedback should be analyzed carefully and not ignored. Positive feedback can be a great way for businesses to strengthen their reputation; however, equally effective as a means to improve brand perception is a company's response to

negative feedback. Customers appreciate a business that is understanding and responsive to customer feedback. Customers may provide feedback at any stage, from pre-purchase to post-purchase. During pre-purchase, they may provide feedback through online or offline channels on issues such as the availability of products and quality of product information on the website, or whether their questions or comments were addressed promptly and efficiently through online channels such as the website's online chat or forum. During a purchase, they may provide feedback on issues such as difficulty in making a payment online. During post-purchase, they may provide feedback on issues such as the ease of being able to find customer support contact information on the website.

Analyzing customer feedback about a company's product and related services enables a company to identify areas where it is performing well and areas where it needs to improve its relationship capabilities.

Example of Customer Feedback:

- An global coffee house chain committed to incorporating customer feedback launched a dedicated website to collect complaints and improvement ideas from its customers. The idea was to complete the feedback loop by providing a special section for "ideas in action." One of the most prominent suggestions featured on the portal was the provision of simplified, free Wi-Fi. To the delight of customers, the company listened to their voice and provided a simplified Wi-Fi service in all their stores across the U.S. and Canada.

4.2.2 Tools

4.2.2.1 Competitor Relationship Analysis

A company must understand its competitors' relationships with customers, so that it can identify and address gaps in its own relationship management processes, and incorporate the best practices being followed by competitors. In addition, this analysis provides the company with benchmarks against which it can measure its own relationship with customers. To analyze how competitors are building relationships with their customers through their websites, the company should monitor the following:

1. **Marketing Messages on Competitor Websites**—These messages may include the benefits of competing products, special offers and promotions, demonstration videos, and product trials. All of these messages have an element of customer-centricity and help to build a relationship between customers and the business.
2. **Third-party Analytics Data about Competitor Websites**—There are a number of websites that provide free or paid information on relationship-related metrics. This information about a company's competitors is helpful in identifying what works well for the target audience. A company can choose from a wide range of metrics, but some of the most important metrics are as follows:

- **Bounce Rate**—This metric measures the percentage of visitors who exit a website after visiting just one page. A high bounce rate indicates a low level of engagement with customers, implying they did not see what they expected to find, or the first impression of the site did not sustain their attention.
 - **Time Spent on Site**—This metric indicates the amount of time visitors spend on a website. A long amount of time spent on a site generally indicates that a website is able to provide a good customer experience and, therefore, starts to build a relationship with visitors.
 - **Average Number of Pages Visited**—This metric indicates the average number of pages viewed by each visitor to the website. A higher number can indicate that visitors are more engaged and browsing a large amount of content on a competitor's website. However, it may also be the case that information has been split among multiple pages, thus requiring visitors to browse many pages to find the information they seek, which may be a negative indication. When evaluating a competitor's website based on this metric, the business should try to gain a sense of the customer experience in order to fully understand the data. In some instances, a high average on this metric may not necessarily be a good indicator. A more reliable indicator, in such cases, may be the total time spent on the website.
3. **Marketing Messages and Promotions on Other Channels Directing Customers to Competitor Websites**—Businesses should observe whether competitors send e-mail or SMS messages, advertise in traditional print channels, or use other channels to promote their products and services, attracting customers to their website with offers or promotions. These promotions may include invitations or updates regarding loyalty programs and special events. The company should actively monitor competitor use of all such channels to gain a comprehensive picture of all the relationship-building activities that competitors are engaging in with customers.
4. **Customer Service and Support**—The company can also monitor the various ways competitors provide contact support on their websites. A wide choice of options indicates a high level of focus on building customer relationships. Similarly, availability of the customer support team (with twenty-four hours a day, seven days a week being the best) is also an indication of good customer relationship building. Other elements to monitor are the comprehensiveness of competitors' Frequently Asked Questions (FAQ) and real-time chat features, as well as the existence of a contact form or call-back option.

4.2.2.2 Website Analytics*

Website Analytics is a useful tool for a company seeking to optimize its website for relationship. The company must analyze the traffic coming to its website to know how well the website is performing in terms of engaging and building relationships with its customers. A company's website is often regarded as the primary medium for converting prospects to customers, particularly for products that are marketed online.

Even if the actual purchase takes place through offline channels, the website may provide valuable information to customers to aid them in their purchase decision.

Example of Website Analytics:

- Customers looking to purchase cars may browse information about various car models on several automakers' websites and then contact dealers to obtain more specific information or to make the purchase. Thus, analyzing visitor behavior in-depth is key to optimizing the company's website for improving customer relationships. One of the most widely used tools for analyzing website data is Google Analytics. The company can also choose to implement its own analysis logic on the raw traffic data that is generated from the website servers in the form of server logs.

Regardless of the tool used for website analytics, some of the important metrics to be monitored are as follows:

1. **Bounce Rate**—This metric is described in the previous tool, Competitor Relationship Analysis.
2. **Time Spent on Site**—This metric is described in the previous tool, Competitor Relationship Analysis.
3. **Average Number of Pages Visited**—This metric is described in the previous tool, Competitor Relationship Analysis.
4. **Most Visited Pages**—If the pages that a company considers important for converting customers are not among the most visited pages, the company should consider placing links to those pages more prominently on the website. Similarly, if less important pages are being visited often, it is likely that customers are not receiving the necessary marketing messages in order to land on the desired pages.
5. **Exit Pages**—This metric identifies the final page visited by the consumer. Ideally, visitors are exiting from the last page in a conversion funnel, such as the page appearing after a successful registration or payment. However, if a large percentage of visitors are dropping out from other pages, those pages must be analyzed and improved. Some reasons for high exit rates from a page may be low-quality content, lack of relevant content, lack of a call to action, or a lack of links to pages that are in the next stage of the conversion funnel. Drop off can also occur mid-transaction (purchase, lead collection, etc.) due to a lengthy or confusing process.
6. **Links Clicked Most Often on a Page**—A web page may be designed to encourage visitors to click a specific link. However, the presence of other distracting links or low visibility of a particular link may result in few visitors clicking on the desired link. Such consumer behavior can be surmised by analyzing each page to see which links are clicked most by visitors. Any deviation from the desired behavior can be addressed by changing the web page layout and/or content.

The above metrics can be analyzed by segmenting the visitor traffic data using various criteria, including geography, traffic source (paid ads, organic traffic, referral traffic from other sites, e-mail, etc.), and marketing campaign (ad campaigns that run on different days, contain special offers, or have specific designations). Such segmentation helps unearth insights to initiate improvements that are focused on specific segments.

The scope of website traffic analysis is virtually limitless given the large amount of data available to the digital marketing team. However, a sensible approach to analysis includes focusing on key metrics that are actionable rather than analyzing everything available. One may monitor high-level metrics, such as the time spent on the website and the revenue generated through online payments. If significant gaps between targets and actual figures are identified, the team should drill down to lower levels to find the potential causes for any deviations from targets. Once causes are identified and corrective measures are taken, the team should monitor whether the corrective measures have had the desired effect. If they have not, then the process of analysis needs to be repeated and additional measures should be taken to address any remaining concerns.

Example of Website Analytics:

- Engaging visitors is a critical component of the website, and the digital marketing team is in constant pursuit of improving key metrics that provide an indication of such engagement. In this example, three social media networks are compared on their daily global website analytics: site rank (a measure of a site's popularity based on number of visitors and page views with the lowest number indicating the greatest popularity), bounce rate, time spent on site, and average pages visited:

	Facebook	Twitter	LinkedIn
Site Rank	2	8	14
Bounce Rate	33.20%	43.10%	29.80%
Time Spent on Site (minutes)	19:05	7:26	7:24
Average Number of Pages Visited	11.82	4.98	5.94

Source: Alexa.com

What may be learned by examining the information above is that Facebook not only has the most users (as evidenced by its strong site rank), but also its users seem to be the most engaged. Facebook users visit about twice as many pages and stay on the site 2.5 times longer than they do on the other social sites.

It can also be observed that Twitter has a significantly higher bounce rate, possibly indicating that many visitors who landed on the site did not like what they saw or did not intend to visit the site and quickly went back to the page they originated from.

4.2.2.3 Offers and Promotions

A company can announce offers and promotions on its website to attract customers to purchase products. These offers and promotions are typically valid for a fixed timeframe, which is clearly announced. Without a fixed timeframe, campaigns fail to communicate a sense of urgency for making a purchase. A company may choose to reward only certain categories of customers to encourage specific behavior. For example, a company that aims to attract visitors to its website to make a purchase may announce promotional offers for only first-time buyers. Or, an airline ticket booking company may announce promotional offers for only round-trip bookings in order to encourage visitors to buy both departure and return tickets on its website.

Promotions and campaigns may also be offered in partnership with other companies. For example, many companies offer discounts, reduced interest rates, or free gifts if a particular payment option is chosen for buying a product. Such campaigns are generally run in partnership with the financial institutions whose payment options are displayed on the company's website. These plans provide additional value to customers and encourage them to buy from the companies offering the incentive over their competitors.

Example of Offers and Promotions:

- The e-commerce industry has revolutionized and expanded the types of offers and promotions available on websites. Some typical promotional strategies used are as follows:
 - **Discounts**—Discounts are typically in the form of x% off on entire range or certain categories of products.
 - **Flash Sales**—Flash sales are run to create a sense of urgency in the buyer's mind. Such a sale is run for a very limited period with attractive discounts.
 - **Freebies**—Gifts are provided with certain purchases. Such gifts are either new products provided for trial or product giveaways as incentives.
 - **Coupons**—Coupons are provided by e-commerce websites for a limited period of time to encourage customers to make their purchases online. Several coupon websites also aggregate these coupons and provide them at a single place.
 - **Loyalty Programs**—In order to build a loyal consumer base, some companies provide loyalty points on purchases, often with sliding scales to incentivize certain behavior.
 - **Free Shipping>Returns**—Free shipping and free returns can lead customers to make the purchase from one website over another.

4.2.2.4 Useful and Interesting Content

Another effective way for a company to engage its customers is to create useful and interesting content to share on the company website. Such content may be in the form of useful information, free resources, or videos. If customers find a website's content useful, they are more likely to browse other sections of the site. This increased engagement helps to build relationships with customers. The more time customers spend on a company's website browsing through various resources and pages of high quality, the greater the

probability that those customers will purchase from the company. The purchase may not happen immediately, but the positive impression made by useful content is likely to increase recall for the company when customers decide to make their purchases.

A company can measure the impact of such content by measuring the number of downloads for downloadable content, the number of times a customer shares content, the number of customers who viewed a particular video, and whether those who viewed content viewed it in its entirety.

Example of Useful and Interesting Content:

- When thinking about content, a company should consider both “evergreen content” and more trendy or hot-topic type of content. Evergreen content, which is long lasting, sustainable content that remains relevant well past its publication, will not need updating on a regular basis. It can be written once and remain on the site to be viewed over time. To keep customers or prospects continually returning, the company will also want to have more up-to-date, time-sensitive, or new-insight type of content to keep things fresh and show that the company is aware of new trends and to demonstrate the company’s thought leadership.

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4.2.2.5 Customer Feedback and Interviews*

A company may also consider directly asking customers detailed questions about their attitudes toward the company’s website and their online behavior while browsing it, often done with a brief survey or questionnaire. This information can be valuable as companies learn from customers directly without relying only on deductions and hypotheses based on analyzing website traffic data. Effective tools for asking these questions can include online group discussions (commonly known as focus groups) and interviews.

These tools can provide a wealth of information about the ability of a company’s website to meet customers’ needs and expectations, as well as build relationships with them. Companies can identify the reasons why customers indulge in specific kinds of browsing behavior, which pages they found the most useful, whether they found navigating the website difficult, whether they liked the visual elements of the website, and other useful information that can improve website design and usability and help engage future customers.

The questions asked in the interviews and group discussions can be open-ended, or they may be more specific, depending on the research objectives. Details about conducting interviews and group discussions can be found in the *SMstudy® Guide* book on Marketing Research (MR).

4.2.2.6 Website Editing

Once the necessary adjustments to a company’s website have been identified using the above tools, the team must then devise a plan to implement the changes. Website changes can be made using various

editing tools to edit text and images and make other formatting and functionality changes, incorporate videos, and integrate new features. For simple websites comprising a few pages, knowledge of web programming languages, such as HTML, may be adequate to edit the web pages requiring changes. However, most company websites are more complex, comprising many pages and advanced functionality, which may require advanced programming as well as dedicated website management and editing tools. These website management tools allow a company to edit specific sections of a website without affecting others. For example, a tool may allow a website editor the access rights to edit the text on a website but disallow changes to source code. These measures prevent someone who is editing the text on a page from accidentally affecting the functionality of the site.

4.2.2.7 Corporate Sales and Marketing

The effectiveness of the Corporate Sales and Marketing efforts is dependent upon the strength of the relationship between the business and its customers. Improving the ease at which customers can access support and product information directly from a company's website will assist in building this relationship. When issues with warranties, product performance, or other expectations are resolved quickly, customers will be less likely to defect from the brand.

4.2.2.8 Meetings and Discussions*

The inputs to this process provide information about the relationship metrics and targets that the digital marketing team will use to measure the effectiveness of the digital marketing efforts aimed at building and strengthening relationships with customers. Based on this data, the team meets and decides on various steps and activities that will be implemented to achieve the established targets. Meetings and discussions also provide a forum to discuss ways to address customer feedback, support customer advocacy, and improve user experience on the website, in order to provide value to customers and improve customer relationships. Furthermore, meetings and discussions ensure that online and offline activities are aligned and messages are consistent, both of which are key to achieving established digital marketing relationship targets.

4.2.3 Outputs

4.2.3.1 Optimized Website for Relationship*

The optimized website should help build and strengthen engagement and relationships with customers. The impact of this can be monitored using metrics such as bounce rate, time spent on site, and others mentioned in section 4.2.2.2 describing website analytics. These metrics should be continuously monitored to ensure

that the gains are long lasting, and any downturn in customer relationship must be addressed as promptly as possible, using the inputs and tools mentioned previously in this process. Once all changes to a website have been made using website editing tools, and the effect of those changes has been confirmed through testing and feedback, the company's website may be considered to be optimized in terms of improving its relationship with customers.

4.2.3.2 Updated Relationship Metrics and Targets for Website

Reviewing and updating the relationship metrics and targets for a company or product website should be ongoing. Some targets may be surpassed while others may prove to be unrealistic. Given that technology changes at a rapid pace, companies may realize they have new opportunities to strengthen their relationships with customers. Digital marketing is often more flexible than standard offline efforts, so new targets may be set frequently. The methods and tools used to measure performance can also change, adding the possibility of new metrics for measuring success or failure in achieving the desired targets.

4.3 Optimize Website for Reputation

This process explains how to optimize a website to improve its reputation with customers and other visitors. The company should try to ensure that individuals who come to the company's website as a result of its reach and relationship-building efforts perceive it as a high-quality, informative, and interesting website. Various tools and techniques, such as website analytics, online public relations, customer support systems, and referral programs, among others, are used to optimize a company's website for reputation. These in turn contribute towards the digital marketing team meeting its desired targets for website performance.

Figure 4-4 shows the inputs, tools, and outputs for the *Optimize Website for Reputation* process.

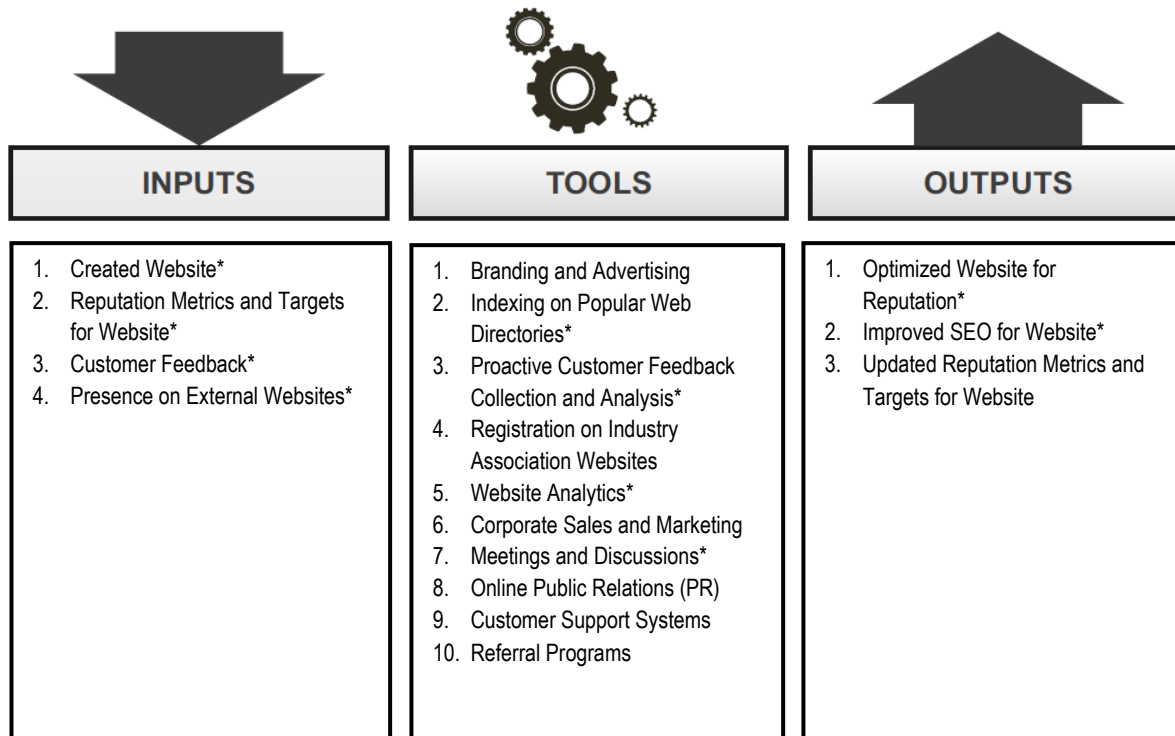


Figure 4-4: Optimize Website for Reputation—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

4.3.1 Inputs

4.3.1.1 Created Website*

The created website is an output of the *Plan and Develop Website Channel* process in section 3.1. The existing website must be optimized to engage customers and strengthen the reputation of the company and its brands. A strong reputation results in new customer acquisition as well as customer loyalty. Since a company's website is generally regarded as the face of the business, its website must exemplify the value proposition the business strives to deliver. Various optimization tools can be used to ensure that consumer perception of the business and its brands is as intended and is aligned with the overall goals and objectives of the organization.

4.3.1.2 Reputation Metrics and Targets for Website*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Website output from the *Plan and Develop Website Channel* process described in section 3.1. The identified metrics reflect the business objectives for the product and brand and vary depending on whether the online channel is created with the intent of generating revenue, enhancing brand image, or other objectives. If a primary objective is to increase sales, the metrics could be desired cost of customer acquisition, time spent by customer on website, bounce rate, conversion rate, and number of new sales. On the other hand, if the website is being used to increase brand image, the metrics could be customer engagement (measured by number of site visits, time spent on site, etc.), customer perception of the brand, and the effectiveness and speed at which customer issues are resolved.

Examples of Reputation Metrics and Targets for Website:

- An informational website's primary metrics are brand image, average time spent on the website, number of customers engaged, and customer behavior patterns. These metrics are identified, and targets are set to strengthen the reputation of the website by engaging new and returning visitors.
- For an online sales website, the desired metrics are cost of customer acquisition, bounce rate, and conversion rate. In addition to these metrics, the company may also consider metrics related to improved brand perception.

4.3.1.3 Customer Feedback*

A website can be optimized for reputation using the company's analysis of the feedback received from customers through various modes such as e-mail, calls, and "contact us" forms.

Customer feedback can be the most valuable indication of the company's current image as perceived by customers. Considering the number of channels available today for a customer to voice an opinion, the

company must ensure that it monitors all feedback sources to maintain an overall positive image and neutralize negative feedback about its brand in the market. Customer feedback can be a crucial input for optimizing the website for reputation.

Example of Customer Feedback:

- Payment gateway companies have feedback forms for customers to raise issues or provide specific feedback about their experience. Customers can raise concerns about any issues faced—technical or otherwise—on the website. The company should then determine issue priority and respond accordingly, thus providing effective customer support. A proper analysis of all customer feedback will help the company to identify any major problem areas and act accordingly to improve customer experience and website reputation.

4.3.1.4 Presence on External Websites*

A company's existing reputation can also be monitored by analyzing its presence on external websites. For instance, in the hotel industry a company may have its website link on other websites related to travel and bookings. A company's reputation here can be gauged by analyzing the various websites linking visitors to the company's website. Customers are often more comfortable choosing hotels that are popular and well established. A hotel's inclusion on popular travel sites helps to reinforce this image.

Example of Presence on External Websites:

- Airlines have their own websites where customers can book tickets. The websites are also listed in several ticket-booking sites that represent many airlines. Having their websites listed in ticket-booking sites not only increases the websites' reach, but can also help to increase their reputation. Customers are able to compare pricing, flight availability, and onboard service levels of competing airlines using only one website. Airlines that are able to demonstrate parity or excellence in these areas will be considered more attractive.

4.3.2 Tools

4.3.2.1 Branding and Advertising

The Branding and Advertising Aspect deals directly with establishing a company's desired reputation for its product or brand in the market. As improvements, changes, and new branding and advertising activities are implemented, they should be reflected in the style and message of the company's website. Branding needs to be aligned across all marketing activities in order to ensure a consistent customer perception. Offline advertising is often complemented with online content as each reinforces the desired message. Branding and Advertising are discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising.

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4.3.2.2 Indexing on Popular Web Directories*

There are a large number of websites that specialize in organizing and categorizing information about websites in different domains. These are called web directories. Getting a company's website listed in the best and most trusted directories can help a company in its SEO efforts, as these directories are generally indexed by search engines and a backlink or citation from these directories is looked upon favorably. These directories may be paid or free. When choosing directories, the company should make sure that the directories have a higher search engine rank than the company, that they have relevant categories for the company's product category, that they use a selective submission process (and do not simply admit all applicants), and that they do not take payment in exchange for guaranteed listings. Even for paid directories, the better directories do not guarantee listing and use the payments mainly to fund the work of website reviewers who review the website submissions and decide whether or not they should be listed. There are also a few free reputable directories where companies can get their websites listed, but the waiting time may be longer than that for paid directories.

4.3.2.3 Proactive Customer Feedback Collection and Analysis*

In addition to the existing voluntary customer feedback, which has been mentioned in the inputs section of this process, companies can also proactively collect customer feedback and analyze both kinds of feedback to optimize the company website to improve reputation. Proactive customer feedback can be collected using online questionnaires or surveys (e.g., sent via email) that seek responses from customers on how likely they are to recommend a product or brand and the reasons for their responses. It is very important that such questionnaires are designed accurately with clear objectives, defined metrics, and a clear framework for analysis of collected data. In many cases, companies collect ample data, but poor research design leads to the data being inadequately analyzed. At times, some of the data might not even be analyzed or understood as lack of adequate thought in designing the questionnaires results in responses being unclear. Thus it is important to carefully consider asking only questions that are truly actionable based on the responses.

Once customer feedback is collected, the next and most important step is to analyze it. As mentioned earlier, the framework for the analysis should be set as part of questionnaire design. The framework should define the method of calculation that needs to be done on the collected data to provide meaningful information. The gathered feedback may reveal areas where the company's reputation needs to be strengthened.

Sometimes customer feedback may involve direct suggestions to improve a company's website or products. In such situations, companies should be proactive enough to judge the merits of each suggestion and test and implement those that make sense, particularly those that were brought up frequently. Such direct feedback can save a company a lot of time and effort in discovering areas of improvement on the website. It is also important to keep in mind that the objective of analyzing customer feedback is not just to respond to individuals but to act on it to improve a company's processes as a whole. Though complaints sent by customers need to be addressed, the customer support and digital marketing teams should keep in mind that such complaints can serve another important purpose—highlighting areas of improvement for the company's reputation.

A large proportion of customer feedback may be related to a company's website, especially for companies for whom digital marketing is the primary channel used to reach customers. Such feedback may relate to usability, amount and quality of information, visual attractiveness, website errors, and other technical issues. It may also seek specific customer feedback about the website by prompting them to answer a few questions about the website design while they are still engaged on the website.

The design of a company's website impacts the reputation of its brand and its products. A modern, well-structured website with relevant information that is easy to navigate creates a strong, positive impression about the company, especially when users visit a page for the first time. Therefore, companies should seek such customer feedback to improve their websites' reputations. However, care should be taken to ensure that the collection of feedback does not hamper visitors' browsing activity. A good way to lessen the negative impact of such real-time surveys is to show the surveys only to a sample set of visitors and not to all visitors.

Example of Proactive Customer Feedback Collection and Analysis:

- For example, a customer survey conducted by an automobile brand to determine the top three concerns that customers had about the brand before making a purchase may reveal that the safety history of the brand is the most pressing. To address this, the company needs to find out the root cause of this concern and address the overall perception, instead of responding to individual customers.

4.3.2.4 Registration on Industry Association Websites

Most industries have their own associations and association websites. Companies in those industries can benefit by registering their websites on these industry association websites. If the search engine ranks the association website higher than that of the company, getting a backlink from the association website can be helpful for the company website's SEO. It may also gain additional leads and queries by listing itself on the association website. Both of these benefits help to improve the company's online reputation.

Examples of Registration on Industry Association Websites:

- Professional certification and training companies can have their website or company listed in their accreditation or certifying body's websites. This helps the training companies to be recognized as reputable or authorized providers of the certification and also helps them to improve reach.
- In the automobile industry, the companies that are authorized dealers and service centers are listed in the manufacturer's website. This allows users to identify the reputable or authorized providers and helps the authorized dealers, service providers, and authorized spare parts sellers gain reputation and reach, with minimal effort.

4.3.2.5 Website Analytics*

Website analytics for improving a company's online reputation involves monitoring traffic that comes through organic sources such as referrals from other sites and ensuring that the quantity is on par or better than traffic from other sources. There is a focus on referrals and organic sources because this type of traffic is a reflection of a company's online reputation. A high number of referral visitors indicates that customers are recommending the company on external websites, thereby driving traffic to the company website. A high amount of organic traffic indicates that the company's website rank is high in search engines, which is in turn a result of the number of quality links it has from external websites. The company needs to monitor all the relationship metrics discussed in 4.2.1.2 for organicsources and ensure that there are no significant differences as compared to traffic from other sources.

The team also needs to monitor the search engine ranks for key pages and keywords for the company's website on a continuous basis. This is important not only to raise alerts when rankings drop but also to figure out which SEO improvement activities are effective and which are not by correlating activities with rank changes while accounting for a lag between the two. An important part of this is deciding which keywords the company wants to target for SEO optimization. For this, the company needs to carry out keyword research, the steps for which are mentioned below—

1. **Get Keyword Suggestions**—Begin by getting a lot of keyword suggestions so the company has a large pool of keyword candidates to choose from. There are various free tools available that provide a large number of keyword suggestions based on the company's website, product category, and other inputs.

2. **Estimate Keyword Popularity**—The second step is estimating the traffic or the number of impressions each keyword is expected to generate. Again, there are various tools that a company can use to validate this data. This indicates the reach of each of the keywords and will help in budgeting by providing an estimate of the volume and cost of keywords.
3. **Estimate Competition for Keywords**—The third step is to determine the level of competition for each keyword. Advertising programs generally provide estimates of cost-per-click (CPC) and associated estimated impressions. Higher cost-per-clicks indicate a high amount of competition or a keyword associated with a high-value product or service.
4. **Shortlist Keywords**—Based on keyword popularity, competition, and relevance to the company's product category, the company needs to shortlist the most important keywords. These keywords should be used to optimize the company's website for SEO.

Examples of Website Analytics:

- Traffic from popular travel websites to luxury hotel websites indicate that customers are recommending their services and sharing positive reviews about their experiences at these hotels. Monitoring the changes in traffic from these websites will help in identifying problems associated with customer experience.
- Advertising programs like Google AdWords, and Bing Ads can be used for planning, budgeting, and publishing online ads. Google AdWords' Keyword Planner is a useful tool that provides a number of keyword suggestions. Google AdWords can also be used for estimating the cost-per-click and associated impressions for each keyword.

4.3.2.6 Corporate Sales and Marketing

Offline activities associated with Sales and Marketing are effective tools for driving feedback to the website in an effort to strengthen the company's reputation. The digital marketing team should work with the rest of the Sales and Marketing team to establish activities that will encourage consumer feedback on the website. Various incentives can be used for this purpose such as exclusive offers and access to coupons or discounts. Negative feedback can be used to learn about ways that the business is not delivering on its brand promise and help to identify opportunities for improvement in an effort to strengthen the reputation of the business. Further discussion on how Corporate Sales works with Digital Marketing can be found in the SMstudy® Guide-Book 4, Corporate Sales.

Example of Corporate Sales and Marketing:

- A restaurant might encourage patrons to visit its website and comment on its service in order to gain access to specific promotions. A strong review on the website can help strengthen the brand reputation and encourage other potential customers to try the restaurant. Likewise, poor customer reviews can help the restaurant identify ways to improve its service or menu, thus improving reputation.

4.3.2.7 Meetings and Discussions*

The inputs to this process provide information about the desired reputation metrics and targets, customers' perceptions of the company's website, and discussions regarding the company's brands on other websites/forums/blogs. Based on this data, the digital marketing team meets and decides on the various steps and activities to be implemented to ensure that the specific digital reputation targets are met.

The digital marketing team also monitors customer feedback and decides on an appropriate response mechanism for various types of feedback from customers. Once the mechanism for responding to customer feedback is established, a response structure, or feedback loop, is defined to ensure that complaints and queries are appropriately escalated and responsibility for each type of response is allocated to appropriate teams or individuals. The company also decides how to leverage praise or respond to criticism on other websites, forums, or blogs to ensure that the reputation of the company reaches the desired targets. Alignment and consistency are essential components in helping the team achieve reputation targets, which in turn support the digital marketing objectives.

4.3.2.8 Online Public Relations (PR)

Online Public Relations (PR) is a form of public relations in which organizational information is created, channeled, and distributed over the Internet. As part of online PR, the Internet is used as a distribution channel. Online PR involves taking part in activities that influence the target audience using media that exist solely on the Internet and distributing content across online channels. The target sites for online PR include online news agencies, blogs, discussion forums, and social networking sites.

One of the main tasks of PR is to ensure that the reputation of a company's brand is maintained while enhancing its online presence. Online PR may also help SEO for a company's website—a number of highly valuable backlinks from news websites can significantly improve a website's search engine ranks.

An organization can enhance online PR in the following ways:

- **Brand Reputation Management**—Brand reputation management is the process of monitoring the Internet to analyze online mentions of a company's brand. It includes not only monitoring mentions

of the brand but also deciding on and implementing appropriate response mechanisms to ensure that any negative mentions do not spin out of control. Social sentiment analysis tools are used by companies to constantly monitor platforms such as blogs, discussion threads, forums, and social networking sites for mentions of a company or its brands. Monitoring how consumers talk about a company's brand can provide early warning signs for product or service issues as well as promotion opportunities that can be leveraged.

- **Press Releases**—A press release is a written communication by a company directed at viewers of news media for the purpose of making a newsworthy announcement. Commercial, fee-based press release distribution services, such as news wire services, hold a repository of press releases that are used to promote a company's news to consumers across geographies. The aim of a press release is to attract favorable media attention to a business, product, or brand and to provide publicity for the message that the business is marketing. For example, press releases can be used to announce a range of news items, such as upcoming events, personal promotions, awards, new products and services, sales and other financial milestones, and other significant accomplishments. Press releases enhance the web presence of a company and are used as a promotional medium to ensure the company's message is sent to the target audience while also helping the company increase its online links.
- **Interactive Public Relations**—Unlike press releases and articles on media-friendly sites, which consist mostly of articles highlighting the information delivered by the company, companies are also making use of interactive PR media to gauge consumer response to the press release information, respond to queries, and enhance the brand's reputation. A few of the popular interactive media used by companies are as follows:
 - **Blogs**—Companies maintain official blogs that provide individuals with information on developments in the business and industry. Blogs can be used to deliver quarterly and annual reports, provide information on a product launch or product upgrade, respond to customer comments, and communicate with potential investors.
 - **Social Media**—Social media channels help companies reach out to audiences and engage them in conversations around their brands by delivering relevant content. Social media channels present the best possible way for companies to gauge sentiment of online users and also resolve customer queries immediately.

Examples of Online Public Relations (PR):

- Online press releases using tools such as PRWeb generate traffic and high-quality inbound links from the type of top tier websites that Google and other search engines highly rank. Articles published online using these tools are circulated across network websites based on the selected geographical location and release date.
- Consumer electronics companies generate interest among their customers by releasing prelaunch information on their official websites. This also provides inputs to improve the product messaging and manage their marketing efforts while maintaining buzz about a new product.

4.3.2.9 Customer Support Systems

A company can manage its reputation by implementing effective and responsive customer support systems. The company website is an important medium and, in many cases, the only medium for customers to contact the company with any issues they may have. Thus, it is very important that the website has enough options for customers to contact a company. The most common options on company websites are phone numbers, e-mail addresses, “contact us” forms, and online chats. However, given that many customer queries are repeated and the cost of customer support increases every time there is a manual resolution of a customer query, companies are increasingly building comprehensive self-serve customer support systems. These systems typically consist of a large number of frequently asked questions, instructional videos and manuals, and discussion forums where customers can help each other out as well as ask for specialized help from the company. These systems also have a search feature so that customers can see if a query has been answered previously.

The web interface of these systems should be designed so that the option for a customer to directly contact the company is available only after a customer has exhausted all the self-serve options. This is generally achieved by asking details of a customer’s query or complaint online and then automatically suggesting a number of answers based on information available in the self-serve system. If a customer sees an answer in the list of suggestions, then contacting the company directly may not be necessary.

When customers do contact the company directly, it is very important for the company to be able to provide satisfactory answers and/or resolutions in a timely manner. Failure to do so can result in customers becoming dissatisfied and spreading negative publicity about the company, thereby hurting its reputation. The turn-around time within which a company needs to respond to customers varies depending on industry, customer type, and nature of query, among other factors. However, a company needs to convey the expected turn-around time on its website as clearly as possible. For example, if there is a “contact us” form on the website, the company should mention the time period within which customers can expect a response. As much as possible, customers should be directed to specific customer support teams at the first stage of interaction depending on their query. Thus, all queries submitted directly through the website should be automatically routed to the appropriate team depending on the query classification.

Examples of Customer Support Systems:

- Real-time customer engagement tools such as live chatting applications enable companies to offer a satisfactory experience to their customers. This provides an opportunity to interact and resolve any customer queries in real-time and create a strong reputation in the minds of customers.
- Large organizations that manage customer service in multiple locations use survey tools to track the customer service experience. These tools send e-mails to customers on a weekly or monthly basis and ask them to rate their experience with the organization. These results help in improving the customer support services.

4.3.2.10 Referral Programs

Referral programs are used to promote products or services and acquire new customers through word-of-mouth marketing. Although such referrals may happen on their own, companies can also influence referrals through appropriate online marketing strategies. Online referral programs can prove more reliable than offline models by tracking customer behavior through the use of cookies and related tools. The key to a good referral program is not only to drive customer acquisition in the short term, but also to engage new and loyal customers, encouraging them to act on their brand advocacy. Referral programs generally reward both the existing customers and the people those customers refer, in order to ensure a win-win for both parties. However, a company may also design programs where only existing customers receive the benefits, provided the people being referred gain significantly high value by simply becoming customers.

Benefits of a Referral Program:

- It reduces marketing costs, as it requires less effort to persuade a satisfied customer to refer a company, product, or brand than to convince a potential customer to make an initial purchase.
- It helps in achieving customer satisfaction as existing customers also gain, ensuring a cycle of repeat customers and referrals.
- It generates a better overall Return on Investment (ROI).

When creating or optimizing a referral program, it is important to ensure participants recognize the value they are gaining from their expressed loyalty. Customers are increasingly savvy when it comes to marketing, as well as rewards, and they are well aware of the value of their business. To remain relevant, referral programs must constantly adapt to reflect these consumer attitudes.

Examples of Referral Programs:

- Insurance agents essentially use online referral programs to convert clients. They are paid their commission fee after the client signs an insurance policy. The agent sends an e-mail to the referee that contains a link to enter the quote details. The system automatically links the referral to the agent who referred the client. When the payment is made, the referral fee is paid automatically via an online payment gateway.
- Referral programs have worked successfully for many online gaming firms. One popular gaming site offers its users a referral system that allows them to invite their friends to join the game and receive exclusive benefits including special edition access when they play together.

4.3.3 Outputs

4.3.3.1 Optimized Website for Reputation*

Once all the improvements identified in this process are implemented, the company's reputation and its website's reputation should improve. This improvement can be measured by a number of parameters and metrics such as reduction in customer complaints, increased referrals, improvement in customer feedback collected through surveys, and increased mentions in other websites and news portals.

Example of Optimized Website for Reputation:

- Small business owners tend to reach out quickly to dissatisfied customers who leave negative online reviews about their experiences. They attempt to start a dialogue with those customers, apologize, explain their situation, and sometimes offer freebies. This rapid response can change the customer's viewpoint. Sometimes, the negative reviews are removed or updated to reflect the positive outcome of the issue. A quick and proactive response to negative reviews can greatly improve a business's overall reputation.

4.3.3.2 Improved SEO for Website*

Increased mentions and links in other websites, including online news sites, may provide a significant boost in search engine rankings. This improvement may be measured by tracking the rankings in search engines that are popular in the geographies where the company operates. There are a number of tools (both free and paid) available online, that can automate the tracking process of search engine rankings for companies.

Example of Improved SEO for Website:

- A banking and investment firm increased its website's inbound links by identifying innovative opportunities to promote its products and services online. For example, it encouraged its customers to post views about their experiences with the product through YouTube videos since videos rank well on most search engines, including Google. This helped generate more organic traffic and improved the website's SEO.

4.3.3.3 Updated Reputation Metrics and Targets for Website

Reviewing and updating the reputation metrics and targets for a company or product website should be ongoing. Some targets may be surpassed while others may prove to be unrealistic. Given that technology changes at a rapid pace, companies may realize that they have new opportunities to build on and strengthen their reputation in the eyes of consumers using new tools and methods and to assess their success using new metrics. The dynamic nature of digital marketing requires businesses to constantly assess, adjust, and revise metrics and targets to respond to rapid changes in technology that impact both website development efforts and website performance measurement.

5. OPTIMIZE MOBILE/TABLET/DEVICES

The previous chapter dealt with how a company can optimize its website for reach, relationship, and reputation so that it can reap maximum benefits from this digital marketing channel. This chapter looks at optimizing another digital marketing channel—the mobile channel. The ever-changing landscape of mobile devices and its related technology makes it important for the digital marketing team to continuously learn and understand this channel when planning optimization strategies. Thus, the team must actively monitor any changes in technology and the inception of new tools. Lack of awareness of the latest developments in Digital Marketing or simply ignoring the latest trends may result in a company's inability to compete effectively. Creating consistent brand messaging across the company's main website (used primarily by desktops and laptops) and its mobile website (used by mobile tablets, smartphones, and other mobile devices), engaging with customers proactively, and responding efficiently to customer queries using effective customer support systems help companies build and maintain good relationships with their customers.

This chapter describes a number of tools and methods by which a company can build a strong reach, relationship, and reputation through the mobile/tablet/devices digital marketing channel to help the business achieve its digital marketing targets.

Figure 5-1 provides an overview of the processes in this chapter. These are as follows:

5.1 Optimize Mobile Site and App for Reach—In this process, a company's mobile site should be optimized to encourage the use of the mobile site and app and thus maximize reach. As described in section 3.2 a good mobile site design will ensure the content is easily accessible, readable, and actionable. Whether this is achieved using the responsive design approach or through the development of a separate site, the design of the mobile site should aim to provide the best viewing experience—including strong usability; easy-to-read content; simple navigation; and minimal resizing, panning, and scrolling—on all portable devices, such as tablets and mobile phones, among others. A responsive site design adapts the layout to the viewing environment. Many companies hire specialists to write such code because it takes extensive training and time to make a website responsive. Mobile apps also need to be designed to maximize reach and achieve targets using various tools and techniques. When designing a mobile app, a company needs to make it user-friendly and intuitive, creating a simple design that makes using the app as easy as possible. Many tools can be used to optimize a well-designed mobile site and mobile app to maximize reach and contribute to the overall digital marketing targets.

5.2 Optimize Mobile Site and App for Relationship—When thinking about how to use mobile devices to build a relationship with customers, a company must consider the type of content it wants to deliver and the action it wants the customer to take. A variety of marketing tactics should be considered to drive usability and engagement including offers, promotions, and content sharing.

5.3 Optimize Mobile Site and App for Reputation—In this process, the mobile site and mobile app are optimized to improve reputation targets using various tools and techniques such as customer feedback analysis and mobile analytics.

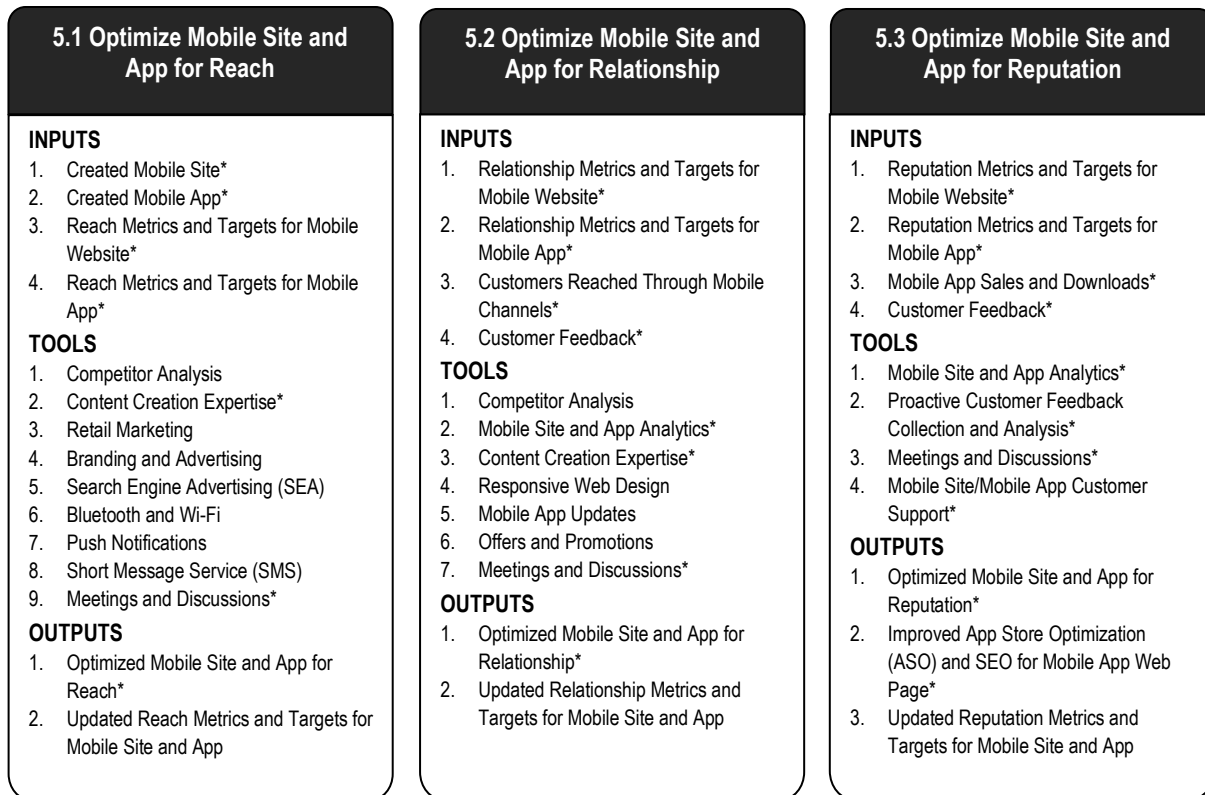


Figure 5-1: Optimize Mobile/Tablet/Devices Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

5.1 Optimize Mobile Site and App for Reach

This process aims at optimizing a company's mobile site and mobile app to achieve targets as defined in process 3.2, *Plan and Develop Mobile Channel*. Understanding the activities in which competitors engage to maximize reach of their mobile sites and apps, combined with effectively using available and emerging technologies, will help the company make substantial adjustments to maximize its own reach in its target segments. Given that mobile usage is increasing at a rapid pace across customer segments, which is spurring development of new technologies, the digital marketing team must constantly evaluate the effectiveness of these technologies in helping a company maximize its reach using a mobile site and app. Whether a company is considering creating a new mobile site or enhancing its current site, it needs to think about how to enhance reach by:

- Using online and offline advertising
- Creating promotional offers
- Exploring partnerships with third parties that will help promote the mobile site and entice users
- Using technologies such as near-field or short-messaging services (SMS)

Figure 5-2 shows the inputs, tools, and outputs for the *Optimize Mobile Site and App for Reach* process.

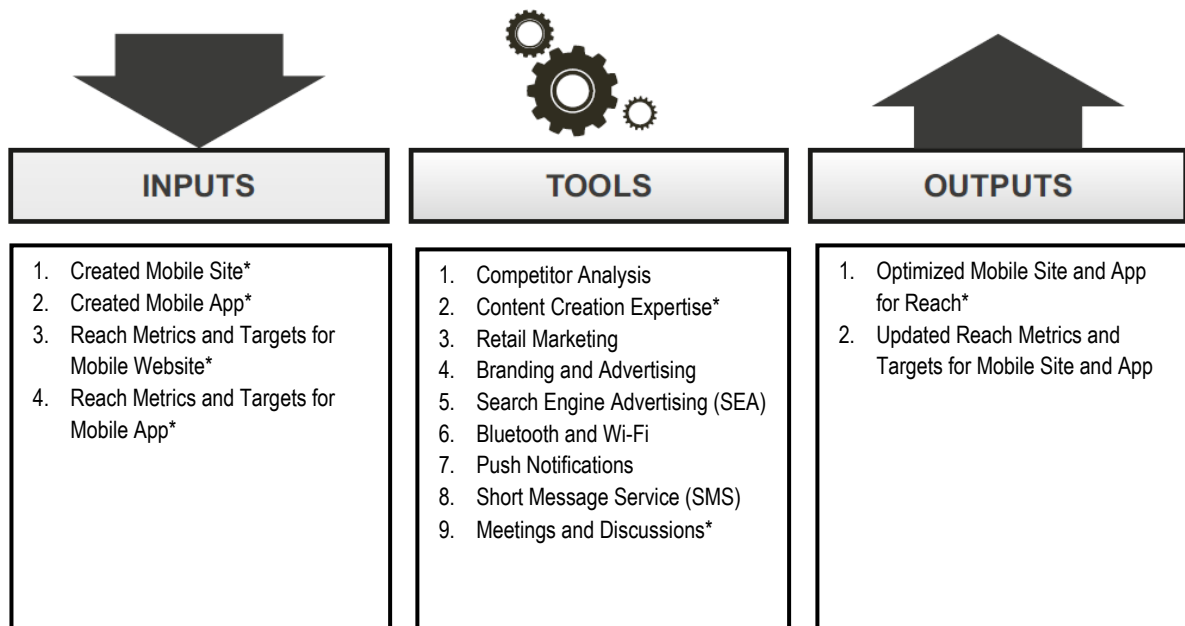


Figure 5-2: Optimize Mobile Site and App for Reach—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

5.1.1 Inputs

5.1.1.1 Created Mobile Site*

The newly created mobile site is an output of process 3.2, *Plan and Develop Mobile Channel*. All activities oriented toward driving more traffic to the mobile site must be aligned with the content and design of the site. From functionality and appearance to navigation and coding integrity, much goes into creating a user-friendly mobile site. The developers of the site must strive to create a clean and appealing design. A quality design is attractive and easy to read, employs intuitive navigation, and enables users to focus on the value of the brand and content. A company should think about the type of content that it wants on the site and how it wants users to interact with that content. On mobile sites, content is succinct and designed to fit the space provided on a small screen.

Functionality and navigation of a site are significant contributors to encouraging users to stay on the site, engage in its content, and take action. When optimizing mobile sites, speed and bandwidth are concerns, so images are resized to load quickly for the user. Often, market research is necessary to achieve the most efficient and appealing site navigation.

In general, mobile sites must offer the following:

- Business offerings that are easily found when entering the site
- Quick loading words and graphics
- Aesthetically pleasing color and contrast of background and buttons
- Minimal scrolling to access important information
- Easily executed user inputs
- Click-to-call phone numbers

Example of Created Mobile Site:

- Mobile sites contribute a considerable volume to the total website traffic. Daily newspapers, news channels, and magazines have mobile sites to update customers with the latest news, weather, analysis, and other important information. The mobile sites are enabled with video players, images, interactive menus, and other features that replicate the feel of a website. The design and content of the sites are customized for mobile phones and tablets, thus delivering the best experience for users. Effective advertising campaigns targeting new and returning visitors ensure greater reach for the sites.

5.1.1.2 Created Mobile App*

The mobile app is an output of process 3.2, *Plan and Develop Mobile Channel*. All activities oriented toward encouraging the target segments to download and use a company's mobile app must be aligned with the features and benefits that the mobile app offers. When creating a mobile app, it is important to determine the scope of the app, what a company wants users to do, and how users will interact with the app. Once the scope is determined, the company should hire a developer (usually a freelancer or vendor) to execute the development of the app. After the app is developed, it will need to be posted where users can download it, and promotion of the app will need to be implemented to raise awareness of the app and educate users about how it can be used.

Example of Created Mobile App:

- The rapid growth in mobile Internet use has resulted in a significant investment in mobile app development from fashion and lifestyle e-commerce portal companies seeking to capitalize on the growing trend. These companies bring in the latest technology to match the experience of accessing the app similar to the way the user experiences it using a website. Advertising campaigns and promotional events designed to incentivize customers to use the app for purchases have helped them to maximize app downloads and reach. These companies also recommend that mobile site visitors download the app for a better shopping experience.

5

5.1.1.3 Reach Metrics and Targets for Mobile Website*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Mobile Website output from the *Plan and Develop Mobile Channel* process described in section 3.2. The created mobile website must be optimized for maximum reach. An optimized site will appear in the top search results when individuals use relevant keywords. The site must be optimized to attract new visitors and retain previous visitors. In order to optimize a mobile site, it is important to gather and understand the analytics of the site, so that the digital marketing team knows who is visiting, when they visit, and the types of features and content they are engaging with while using the site. The following are some of the key metrics with which mobile site reach can be measured and optimized:

- **Number of Visits**—This metric indicates the effectiveness of the company's overall reach to its target segments via the mobile site by counting the number of site visits over a specific period of time.
- **Percentage of New Visitors**—This metric indicates the ability of the company to attract new visitors (as opposed to previous visitors). This percentage should increase during or after marketing campaigns aimed at acquiring new customers.

- **Visits by Geography**—This metric can help to identify traffic spikes from unexpected locations and also help in identifying locations with the most traffic.
- **Visits by Traffic Source**—This metric can help in identifying changes in sources of site traffic and also in evaluating the effectiveness of various types of marketing campaigns in driving traffic to the site.

Example of Reach Metrics and Targets for Mobile Website Performance:

- Shopper traffic in retail stores is in decline. At the same time, e-commerce is soaring and has never been more competitive. Retailers face an increase in the complexity of their businesses. This trend has opened new opportunities to start online stores or create strategic alliances with e-commerce companies. With major revenue for the company available through online sales, maximum reach has become a top priority for many retailers. When advertisements, SEO efforts, and social media campaigns are optimized for maximum reach, key metrics and targets such as total number of visitors, new visitors, returning visitors, conversions, and so on are monitored for effective performance of the site.

5.1.1.4 Reach Metrics and Targets for Mobile App*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Mobile App output from the *Plan and Develop Mobile Channel* process described in section 3.2. The created mobile app is optimized for maximum reach by ensuring that it appears in the top search results when users search for the app or the app category, either in a search engine or within the mobile app store where the app is listed.

Generally, the most important metrics for determining reach for a mobile app include the number of downloads, engagement, and return users. These numbers should increase during or after a marketing campaign aimed at promoting the app. If no significant increase is detected, then the marketing campaign should be discontinued or adjusted.

5.1.2 Tools

5.1.2.1 Competitor Analysis

Competitor analysis for mobile sites is done in almost the same way as that for regular websites as explained in the Competitor Reach Analysis tool in section 4.1.2.1, though some additional information must be considered for mobile websites.

A company should observe whether its key competitors are using separate mobile sites or the responsive design approach to offer consumers a mobile option of their websites. As noted in section 3.2.2.5, each approach has advantages and disadvantages. Separate mobile sites are not automatically optimized from a search engine optimization perspective, while employing the responsive design approach maintains the SEO benefits of all existing backlinks. Thus, a company will be able to estimate the SEO performance of a competitor's mobile site based on the knowledge of whether a separate mobile site or the responsive design approach has been employed.

In addition, a separate mobile site may differ significantly from the desktop website. Most companies retain only the most important links in mobile sites. By observing the mobile sites of competitors, a company can gain insights into which links and pages a competitor believes are the most important and can infer that those are the pages the company is targeting in marketing campaigns.

To analyze competition for a company's mobile app, the company should also look at the search results for related keywords in search engines and within the mobile app store in which the app is listed. A high rank for mobile download pages of competing apps, or ads for those apps, would indicate a broad reach for those apps. Another important metric for judging the reach of competing mobile apps is to see the actual number of downloads for each of those apps. This metric is typically provided in the mobile app stores.

Competitors may also promote their mobile apps through ads on other mobile apps. A company should keep track of such ads, the apps on which these ads are running, and the frequency with which the ads are being displayed. There are a number of tools available that can help companies keep track of such competitor activity. Through such analysis, a company may determine the focus that competitors have on ads on mobile apps and may consider using similar ads for reaching out to its target audience.

Example of Competitor Analysis:

- Taxi companies are beginning to move customers away from the traditional method of phoning to book a taxi to using an app instead. It is important that the availability of the technology is communicated to users and has maximum reach. For a taxi company, it is important to monitor its competitors' technology, advertisements, reach, position in search results, number of downloads for each app, and other competitor variables. Effectively analyzing its competitors' performance may help a company determine the focus of each competitor and take necessary steps to increase its own reach and develop strategies for providing better service.

5.1.2.2 Content Creation Expertise*

Creating relevant content for consumers is key to a successful online presence. Companies that provide valuable content on their websites and mobile sites, rather than just selling their products, create greater brand value and loyalty in the minds of consumers. Providing relevant content on the company's mobile website and mobile app will typically lead to users sharing this content, thus driving traffic to the site. When users share content, the number of sites linking to the company's site increases, and if the quality of the content is high, the sites linking to the company's site will increase not only in numbers but also in quality. As more and more sites of good quality link to a company's site, the search engine organic ranking of the business will increase, which typically leads to a significant improvement in reach, and ultimately in revenue.

5.1.2.3 Retail Marketing

For retailers, it is crucial to leverage any retail in-store promotions in the mobile marketing strategy. Sales, discounts, special offers, and in-store events can be promoted through mobile channels. Retail Marketing is discussed in detail in the SMstudy® Guide-Book 6, Retail Marketing.

Example of Retail Marketing:

- A home furnishings retailer might run a "Friends and Family" event at some of its locations. A mobile reach campaign targeted to loyal customers can be used to promote the event.

5.1.2.4 Branding and Advertising

Branding and advertising are discussed in the SMstudy® Guide-Book 5, Branding and Advertising. All branding and advertising in offline channels should be integrated with a company's mobile marketing strategy. The mobile site and app should be prominently branded with the logo and colors of the company integrated into the design in order to ensure consistency of branding across all marketing channels. Offline branding and advertising activities can be significant contributors to expanding reach by encouraging the use of the mobile site and app in all media. Companies often offer exclusive promotions and coupons to consumers in order to encourage the use of the company's mobile site and app. Traditional advertising, such as television, radio, and print ads can provide an effective means of driving consumers to the company's mobile site and app.

In addition to traditional advertising, many marketing activities are designed to create a direct link between offline and digital channels. Such tools include the following:

- **Quick Response (QR) Code**—A Quick Response code is a standardized code consisting of black and white squares, which can be read by mobile devices that have a QR code scanning app installed. The code typically stores a URL, and when one scans the code with the QR scanning app,

the mobile device opens the website linked to the URL. A QR code can be printed on many kinds of offline materials, and individuals can scan the code and visit the associated URL. A benefit is that users are not required to type the web address to reach the website when using the code. Thus, QR codes offer convenience, bridging the online and offline marketing worlds, and can substantially increase the reach of companies as they can generate traffic to their websites from offline channels.

Given that users are expected to take their mobile devices out, open the QR code scanning app, and then scan the code to reach the website, companies often offer incentives to customers to perform these steps. Thus, the benefit of scanning the QR code should be clearly mentioned in the offline channel, and the website that is linked to the QR code should be optimized for mobile devices. QR codes should also be tested appropriately before they are implemented in offline channels. The digital marketing team should ensure that popular QR code scanning apps are able to effectively scan the company's code and bring up the relevant page. Also, individuals should be able to access the Internet in places where QR codes are displayed. For example, displaying QR codes in in-flight magazines may not receive a high response rate as few people use the Internet while flying.

- **Near Field Communication (NFC)**—Near Field Communication is a set of standards for mobile devices, such as smartphones, that allows two endpoints, which are NFC enabled, to communicate directly over short distances (typically less than ten centimeters) using radio waves. NFC-enabled devices can be powered or unpowered in order for communication to take place. Unpowered devices are NFC chips, called tags, which can contain a variety of data, including website URLs. Powered devices include smartphones that have NFC technology enabled on them.

Companies can use NFC for increasing reach by inserting NFC tags in a variety of offline marketing materials, such as posters, brochures, and mailers. Users who have NFC-enabled smartphones can tap a poster containing an NFC tag and be directed to a website which may have special offers. NFC can also be used for making contactless payments, so customers can both see an offer and pay for a product using NFC through an app. Thus, NFC, like QR codes, helps individuals who are offline link to a company's website to get more information or to purchase products.

Examples of Branding and Advertising:

- Restaurants sometimes print QR codes on their menus or their receipts, providing information about other locations, upcoming promotions, and coupons that can be used on subsequent visits. Discounts provide customers with incentives to invest their time in scanning the codes and help the restaurant gain repeat customers.
- TV and radio ads often prompt consumers to download an app for their favorite sports teams. These ads encourage the use of the app or mobile site in exchange for up-to-the-minute news on their teams and special promotions. With the increase in app users, the business gains traffic to the sport franchise's mobile site, and often to the main desktop version of the website, thus providing the franchise with opportunities for additional touch points with the consumer and often co-marketing opportunities with other businesses that are targeting the same audience.
- Some movie production companies embed NFC tags in their posters. Moviegoers can simply tap the poster to download a movie trailer as well as possible theater discounts and promotions.

5.1.2.5 Search Engine Advertising (SEA)

Search engine advertising for mobile sites works in the same way as that of regular websites. Search engine advertising for regular websites is explained in the tool described in section 4.1.2.3. The main website and mobile site typically redirect automatically to each other based on the type of device requesting the site. A mobile option that uses the responsive design approach uses the existing website. Therefore, regardless of the approach, a company does not need to advertise separately for mobile sites.

To promote a mobile app on search engines, a company must create separate advertising campaigns that contain a link to the mobile app's download page, which includes information and reviews about the app. Otherwise, the process for advertising the app remains the same as that for advertising regular websites.

A specific element of search engine advertising that is highly relevant for mobile device users is location-based advertising. Because mobile devices, such as smartphones, have built-in location tracking, companies can determine the precise location of customers, specifically target those customers, and deliver precisely targeted ads and other promotional messages accordingly. If individuals have downloaded a mobile app from a company and allowed it to use their location information, the app can deliver targeted messages to users based on their specific locations even when they are not actively using the app. Many companies are consequently moving their advertising budgets from personal computers to mobile devices. Especially in cities where users do not regularly access a desktop and depend on the mobile Internet for information, mobile devices are playing a more prominent role in the customer decision-making and buying process.

Contextual advertising refers to online and mobile marketing whereby marketers make use of user information such as recent search keywords or browsing activity in order to target ads to an engaged

consumer. Contextual advertising on mobile devices works the same way as it does on desktop websites, which is described in section 4.1.2.4. The goal with contextual advertising is to present ads to users representing products and services that the users have already expressed an interest in. Such advertising includes text ads, video ads, native advertising, and rich media ads, among others. See section 4.1.2.4, Third-Party Advertising, for complete details of the tools that businesses can use to design targeted ads based on user data such as web-browsing activity and search terms.

Examples of Search Engine Advertising (SEA):

- Local business owners who use search engine advertising on mobiles enable the click-to-call functionality and provide a phone number. They also analyze these calls and relate them to the online ads and keywords. This supports tracking the ad performance and optimizing the ads.
- Several companies use Search Engine Advertising as an important tool for maximizing reach. For a mobile banking app to attain maximum reach and downloads, the bank may use sponsored ads with relevant keywords and links. The ads can be customized based on the locations in which the bank operates and its target customers (e.g., high-net-worth individuals).
- If customers of a restaurant chain who have downloaded a mobile app move from one city to another, the app can track the location of those customers and deliver city-specific offers on their mobile devices.

5.1.2.6 Bluetooth and Wi-Fi

Bluetooth and Wi-Fi can be used to detect when individuals using mobile devices are close to a business outlet and to send marketing messages to them once they are in reach. To receive messages, individuals must have these technologies enabled on their mobile devices, and the company must set up Bluetooth or Wi-Fi transmitters at locations that can reach the maximum number of consumers with targeted messages, which may include text, links, videos, or images. For example, this technology can be effectively used by hotels or retail outlets to promote online registrations for loyalty programs.

Examples of Bluetooth and Wi-Fi:

- At airports, travelers are increasingly logging onto the available Wi-Fi networks. When they login, these networks take customers to pages containing relevant advertising. This provides an opportunity for companies to generate traffic to their mobile apps or their mobile customized websites.
- Many retail chains provide free-of-charge Bluetooth hotspots in their outlets and transmit news, discount coupons, mobile apps, videos, and more that users can download. This method has been very effective in directly sending content to mobile devices, and it leaves some lasting information rather than just an impression.
- Shops inside a shopping mall can send links to pages that contain product information and offers to individuals who walk into the mall. Such activities will drive more traffic to a website, thereby increasing the website's reach.

5.1.2.7 Push Notifications

Push notifications refer to a type of mobile marketing whereby communications to customers are initiated by a company's server, as opposed to "pull" activities, in which the request for information comes from the customer.

Push notifications are often based on preferences given by the customer in advance and are usually permission-based, requiring the customer to opt in. In this model—a publish/subscribe model—the customer subscribes to information channels initiated by a server. New content on any of those channels is sent, pushed out, to the customer.

Examples of Push Notifications:

- Marketing e-mails received on a smartphone are pushed from a company's email server to the user's device.
- Instant messaging—chat messages—are pushed to the user as soon as they are received by the messaging service.

5.1.2.8 Short Message Service (SMS)

Short Message Service, also called Short Message System, and the closely related Multi-Media Messaging Service (MMS) is the technology that enables phones to send text and other media via the messaging functions on smartphones. A company can promote information on its website by sending customers SMS or MMS messages that contain a link to the relevant page on the company's mobile or main website. There are a number of website URL shortening tools available online that can shorten a long URL to just a few

characters. These short URLs can then be inserted in SMS messages to ensure that a company can fit its content into just one SMS text. There is no limit to the length of the message when MMS technology is used.

SMS (and MMS) as a marketing channel has significant advantages over Internet-enabled apps and technologies such as NFC, Bluetooth, and Wi-Fi. It is an essential feature of all mobile phones and is dependent only on a cellular network being available. SMS and MMS messages can also reach mobile phone users anytime and anywhere, irrespective of the type of mobile phone a consumer is using. Thus, this is a useful tool for companies to promote their websites and mobile sites and apps as compared to other channels.

Companies need to ensure that SMS and MMS messages contain a strong incentive for individuals to click links within SMS texts, and such individuals should perceive the links to be trustworthy. This is true especially for individuals who do not keep their mobile device Internet access enabled at all times and who, therefore, need extra incentive to switch on their Internet to access websites whose links are embedded in SMS messages. Companies should also provide an easy way for customers to unsubscribe from SMS or MMS as “spamming” consumers with messages in which some have no interest quickly generates a negative image of the company.

Example of Short Message Service (SMS):

- With many people now accessing websites using smartphones, companies are using promotional SMS campaigns to generate new visitors and increase repeat visitors to their websites. Information about product launches, competitions, and events encourage users to engage with companies in an interactive and effective way.

5.1.2.9 Meetings and Discussions*

Meetings and discussions provide a means for the digital marketing team to ensure that all activities are aligned and that established targets are achieved. Given that reach targets have a significant influence on all areas of marketing, it is important that the digital marketing team work closely with other team members to address any shortfalls in mobile reach targets, as any gaps can impact various other metrics including revenue and profits. In addition, meetings offer the team a forum to apprise others of changes in the market, trends, and technology in an effort to identify threats and opportunities that might impact mobile channels and the future activities of the digital marketing team. Given that mobile technology changes at a rapid pace, it is important that the digital marketing team remain informed on key developments in the industry that can present opportunities for growth or present obstacles to achieving the desired reach targets.

5.1.3 Outputs

5.1.3.1 Optimized Mobile Site and App for Reach*

The combined effect of the tools and activities used in this process is an increased reach throughout the target audience using the company's mobile site and mobile app. This reach should meet or exceed the reach targets defined in the *Plan and Develop Mobile Channel* process described in section 3.2. Any shortfall in meeting the targets may be rectified by increasing efforts related to the activities where a shortfall occurs. For example, if a shortfall is in terms of reaching out to prospective customers and a company has opted to create a separate mobile site instead of using the responsive design approach, the company may consider switching to the responsive design approach in order to improve SEO and have its website rank higher in search results, thus attracting more new traffic. The company may also consider using newer technologies, such as NFC, if it has not been already doing so. It may determine that an NFC tag has not been placed in an easily accessible part of a marketing poster, or that Internet connectivity issues are impacting the effectiveness of QR codes. Given the rapidly changing nature of mobile technology, companies should continuously analyze and revisit marketing activities associated with mobile sites and apps in order to achieve a broader, deeper reach.

Examples of Optimized Mobile Site and App for Reach:

- Taxi booking service companies are increasingly promoting their mobile apps by offering incentives to first-time customers who download and use the app. Targeted online ad campaigns, display advertising on other popular apps, SMS marketing, and QR code coupons have been extensively used to inform customers about these incentives.
- E-mail marketing is used as a powerful marketing tool by e-commerce companies to promote their products. An increasing number of people access their e-mail through smartphones and multi-screen devices. By creating attractive e-mail campaigns, these companies are able to generate traffic to their website via mobile devices. Having a mobile customized or responsive website and unique landing pages for mobile users is also helping to provide a great customer experience.

5.1.3.2 Updated Reach Metrics and Targets for Mobile Site and App

Reviewing and updating the reach metrics and targets for the mobile site and app should be ongoing. Some targets may be surpassed, while others may prove to be unrealistic. Given that technology changes at a rapid pace, companies may realize they have a greater capacity to expand their reach than previously thought. Digital marketing is often more flexible than standard offline efforts, so new reach targets may be set frequently. The methods and tools used to measure performance can also change, adding the possibility of new metrics for measuring success or failure in achieving the desired targets.

5.2 Optimize Mobile Site and App for Relationship

This process aims to optimize a company's mobile site and mobile app in order to achieve targets as defined in the *Plan and Develop Mobile Channel* process, described in section 3.2. Understanding what a company's competition is doing to enhance their relationship with customers through mobile sites, apps, and devices, combined with effectively using all available and emerging technologies, will help the company make substantial improvements in enhancing the user experience of the company's mobile site, app, and devices. This process also explains some best practices with regards to increasing the amount of time customers spend on their mobile devices.

Figure 5-3 shows the inputs, tools, and outputs for the *Optimize Mobile Site and App for Relationship* process.

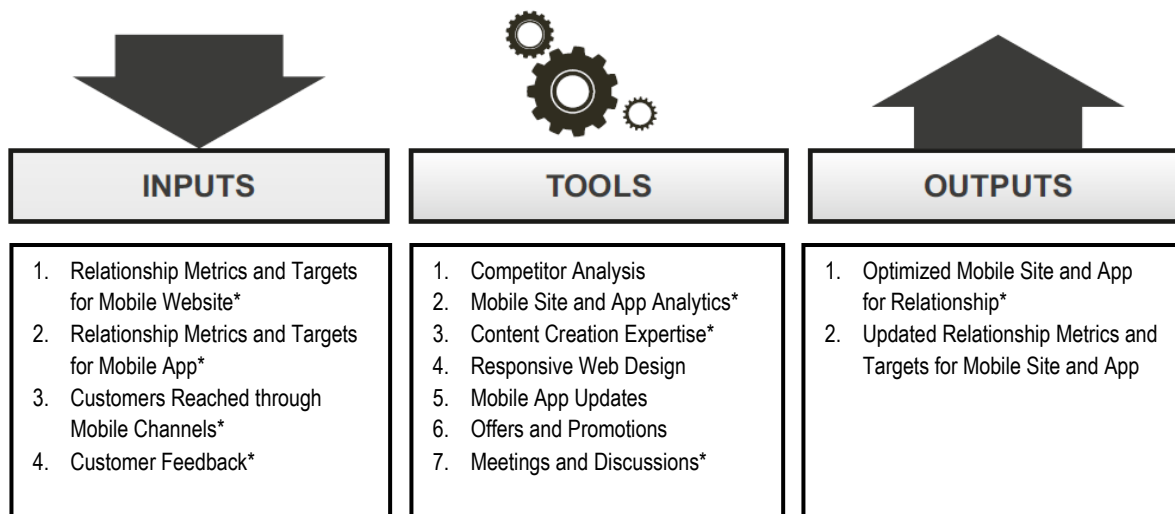


Figure 5-3: Optimize Mobile Site and App for Relationship—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

5.2.1 Inputs

5.2.1.1 Relationship Metrics and Targets for Mobile Website*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Mobile Website output from the *Plan and Develop Mobile Channel* process described in section 3.2. Since customers are increasingly interacting with businesses via mobile devices, companies invest significant time and effort in ensuring that they create sites that are optimized to offer a positive customer experience by displaying useful and relevant content and by providing functionality that is suited to mobile devices. The marketing team must continuously evaluate metrics data against previously set targets in order to ensure optimal relationship targets are being met and to implement corrective measures to address any shortfalls. Some of these metrics include the following:

- **Active Users**—This metric determines the number of daily or monthly active users or visitors of the site.
- **Session Length**—This is the time period between when the site is opened and closed (or when the session is ended) and helps identify the time spent by users on the mobile site.
- **Session Interval**—This is the time interval between consecutive sessions and indicates the frequency with which users launch the site.
- **Bounce Rate**—This metric measures the percentage of visitors who exited the mobile site after visiting just one page. A high bounce rate indicates a low level of engagement with customers, suggesting the consumer did not find value in the mobile site.

Example of Relationship Metrics and Targets for Mobile Website:

- The marketing manager of a pet supply company had to update her manager about the performance of the company's new mobile site. New users had been steadily growing over the prior weeks, and engagement was increasing. However, she was shocked to discover that, in the last week, the average session time had decreased by twenty-five percent. She further analyzed the available metrics and discovered that the number of page views was down and the most visited page for dog food had dropped significantly. This led her to investigate further and talk to the tech team. She discovered that there had been technical issues with the site. There was one outage and a broken link to the most visited page in the past week. As a result, new procedures were established for the technical team to notify sales and marketing immediately in the event of any site issues.

5.2.1.2 Relationship Metrics and Targets for Mobile App*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Mobile App output from the *Plan and Develop Mobile Channel* process described in section 3.2. In the same way that the metrics and targets for the mobile site must be monitored, companies must also continuously monitor the performance of their mobile apps. Since the metrics and targets identified are based on feedback from management and competitor analysis, the ability of the organization to reach these targets is a measure of its success or failure.

The digital marketing team continuously evaluates the relationship metrics and sets benchmarks for reaching the desired targets. Mobile apps represent a real-time interaction with customers that helps companies push their product offers and discounts and collect valuable feedback. In order to ensure the success of a mobile app, it is important to understand the key app engagement metrics. Some important mobile app relationship metrics measured today by mobile marketers include the following:

- **Activation Rate**—Tracking activation rate helps identify the early adopters.
- **Lead Percentage**—Tracking lead percentage from the mobile app versus all channels helps evaluate the effectiveness of mobile marketing efforts.
- **App Retention Rate**—The average number of times an app is used by the same user.
- **Install Rate/Uninstall Rate**—Monitoring uninstalls is important as it can give clues to customer satisfaction, app bugs, annoyances in the app (e.g., too many intrusive ads or steps to accomplish a task), or the general usability of the app.
- **Session Length**—This is the time period between when the app is opened and closed (or when the session is ended) and helps identify the time spent by users on the mobile app. This is a good indication of customer engagement.
- **Session Interval**—This is the time interval between consecutive sessions and indicates the frequency with which users open the app.
- **Unsubscribe/Uninstall Rate**—This measures the SMS and app notification opt-outs or app uninstall, and indicates how many users are moving away from the app.
- **App Screens/Pages Per Session**—This provides an understanding of which screens people are using and if they are accomplishing what the company intended them to accomplish on those screens. This metric can highlight opportunities where the company can reduce the number of screens, while providing better or more content on each, in order to increase engagement.

In addition to the mobile app metrics noted above, businesses must track and monitor long-term customer relationship metrics as defined in the Marketing Strategy for the product or brand. These include Brand Loyalty and Customer Lifetime Value, both of which are described in chapter 5 of the *SMstudy® Guide* book on Marketing Strategy (MS). Such long-term metrics are significant indicators of the strength and value of client relationships. Customer Lifetime Value represents the total profits that a customer generates for a company or a product during the entire relationship with the company. This metric provides a sense of the

investment that should be spent on a customer to ensure profitability. As well, measuring customer lifetime value can provide the business with essential data for determining the more profitable customer segments in the mobile channel, thus presenting opportunities for growth and highlighting areas worth investing in.

Example of Relationship Metrics and Targets for Mobile App:

- A significant component of optimizing an app for customer relationship is consumer perception of incremental value. A manufacturer of fitness wearables detected a decline in the usage of the wearable's accompanying app within thirty days of activation. In addition, the app's unsubscribe rate was high at fifteen percent at the sixty-day mark. Research into the drop-off data revealed that the information that the app tracked was not perceived as providing adequate value to the target audience after a month of usage. Consumers got tired of the app's simplistic output and sought more sophisticated data that would enable them to set long-term goals. The company began investigating new technology in an effort to enhance the app by enabling consumers to track additional fitness criteria and set long-term goals.

5.2.1.3 Customers Reached through Mobile Channels*

This input is an output of the *Optimize Mobile Site and App for Reach* process described in section 5.1. The objective of optimization efforts in this process is to enable a company to focus on building relationships with those whom it has reached, using the tools discussed in process 5.1. The number of individuals interacting with a brand via mobile devices is growing as more and more consumers take advantage of the convenience that mobile technology offers. Mobile apps represent a real-time interaction with customers and can provide a significant means for the company to promote its products, special offers, and discounts, as well as to collect feedback. Unlike those who visit a website, individuals who download the company's mobile app already display a certain preference toward the company's brand. It is extremely important for the company to provide a consistently good customer experience throughout its mobile channel. Based on the customer's past viewing history with the brand, a customer can be provided a personalized view promoting the products that he or she is most likely to purchase from the company. Once a customer accesses the mobile app or information provided by the company about the mobile app, the onus is on the company to build and enhance the relationship and ensure that all activities are aimed at supporting the established relationship targets.

5.2.1.4 Customer Feedback*

Customer feedback regarding mobile sites and mobile apps can come from multiple channels. In every case, feedback should be analyzed carefully and not ignored. For a company to ensure that its brand stays relevant to its target group, feedback from customers should be taken during separate instances of their interaction with the brand. Customers may provide feedback regarding the quality of product information on the app or mobile site, responsiveness of the mobile site, ease of making payments online, and ease of accessing customer support.

Analyzing customer feedback about a company's product and related services can help a company identify areas where it is performing well and areas where it needs to improve its relationship-building capabilities.

Developers use different techniques to collect user feedback in order to increase engagement. Some examples are as follows:

- **App Store Reviews**—App store reviews is the most obvious and basic method of collecting user reviews. The app store reviews are collected in the form of star ratings and written text reviews. Star ratings reflect how much the users like the app in general while text reviews are important to understanding the specific pain points and strengths of the app.
- **In-app Feedback**—One of the most effective methods of collecting reviews, in-app feedback, allows developers to collect feedback in the app itself. There are a number of turn-key plug-ins available that make it simple to prompt the user to review an app. However, it is important to time the prompt properly within the user experience. Some apps (mostly games) also incentivize users to provide feedback.
- **Social Media and Forums**—Social media and website forums can be used to start discussions about an app, invite suggestions, run polls, and get feedback on specific app features.

Example of Customer Feedback:

- Most of the popular apps on various platforms like iOS, Android, and Windows collect feedback in the app itself.

5.2.2 Tools

5.2.2.1 Competitor Analysis

Competitor analysis for the mobile site is conducted in almost the same way as that for desktop websites, which is explained in the Competitor Relationship Analysis tool in section 4.2.2.1. However, there is some additional information that must be considered for mobile sites and apps.

Based on the analysis of the SEO performance of competitors' mobile sites, a company can analyze whether its key competitors are using mobile sites or the responsive design approach. As explained in section 3.2, *Plan and Develop Mobile Channel*, the creation of separate mobile sites is not helpful for building SEO, whereas sites developed through the responsive design approach maintain the SEO benefits of all existing backlinks.

A mobile site typically differs significantly from the desktop version of the website as most companies include only the most important content and links in mobile sites. Mobile site developers take this approach in order to ensure that the mobile site loads quickly. Because users generally have less time to spend per session on a mobile site than on a desktop website, they are provided with only the most relevant information specific to their needs. However, poor implementation of a mobile site may result in the absence of key information that appears on the desktop website, and this oversight may divert customers away from the mobile site.

A responsive design approach, on the other hand, provides the same information on mobile devices that exists on the desktop website. However, if the original website has an abundance of unnecessary or distracting content, those weaknesses will be apparent in the mobile site that is developed through the responsive design approach, and the mobile website may be cumbersome for mobile users. Companies who design their mobile sites and apps with usability in mind will retain users and enhance their relationships with their customers. Businesses can gain a good understanding of competitors' success at retaining mobile customers simply by examining the foresight of the mobile site and app design and implementation.

Companies also monitor the communication strategies and channels used by competitors to reach out to customers. Since mobile apps represent real-time communication with those customers who are most likely to purchase products promoted by the apps—the actions these customers have taken by using the apps have pre-qualified them—identifying the right communication strategies to maintain good relationships with this customer base is critical. Competitive benchmarking in this regard can help companies discover and adopt best practices in mobile communication in order to ensure a connection with individuals who use mobile apps.

5.2.2.2 Mobile Site and App Analytics*

Web analytics can be used to analyze visitor behavior on mobile websites and help to determine the most effective elements of the website for meeting the needs and preferences of mobile audiences. Web analytics also enables a company to assess the effectiveness of specific mobile marketing campaigns and channels,

including mobile advertising, mobile search marketing, and traditional desktop channels, and identify those that appeal to the target audience and work best for the business.

As previously mentioned, consumers are increasingly using mobile devices to consume data online and to make purchases. As a result, mobile devices have become an important advertising medium for companies globally. In order to measure the effectiveness of mobile media, companies constantly collect data about consumer activities on company sites and apps. As part of the data collection process, companies typically segment users based on the type of device used, and then analyze appropriate metrics for users of mobile devices. Some relevant metrics include average number of pages viewed by users, number of daily unique visits to the site, demographic profile of users of the site, geographic distribution of users, and average revenue generated per visit.

The data pertaining to consumer activity on mobile sites can also be compared against the corresponding data on the company's desktop website to measure the relative effectiveness of both channels. Such data can help companies determine how much to invest in each channel.

Another element to consider is that not all mobile devices are the same. The digital marketing team may need to use device detection to identify the most commonly used devices and their features, and align the company's app development and digital marketing strategies in order to target the most relevant audience. It is important for marketers to keep track of new device launches (e.g., wearables) and other emerging technology and adapt in order to stay ahead of the competition. One of the issues that the team performing mobile analytics faces is ensuring appropriate tracking of the location of their audience since the audience will generally use multiple mobile devices and may frequently change locations. Knowledge about the location of the audience is especially critical in cases where the business offers location-based services or location-based advertising.

The digital marketing team may also be required to choose an analytics solution that tracks customers across multiple channels—websites, mobile sites, apps, devices, social channels—using a unique ID to ensure that customers can, for example, resume the process of purchasing a product, even when the process has been started on another channel. This tracking can help companies create a well-rounded profile of target customers and allows companies to deliver customized content for users across channels.

Examples of Mobile Site and App Analytics:

- One of Britain's largest hotel chains launched a mobile app in January 2011, earning revenue of £1M within three months. Sales conversion rates increased from three percent to six percent and the hotel claimed to have received seventy-seven percent of the room bookings at that time through smartphones. The hotel chain effectively used mobile analytics to improve the features and functionalities of its mobile app. It found a pattern that customers usually booked a room in the nearest possible hotel and most of their bookings were for one night. This insight from mobile analytics helped the hotel chain to adapt according to the changing consumer pattern. Usability and design also surfaced as the most important traits in the mobile app and seemed to affect the way in which users interacted with the app.
- An American rental lodging marketplace engaged an analytics firm to evaluate user behavior associated with its iPhone app. The firm used mobile analytics to measure the time users spent at different places in the app, their most frequent actions, and the percentage of users who passively browsed versus actively managed a booking. It also optimized its first-time listing and booking flows. It used event tracking and funnel analysis to keep track of user behavior. Based on the data found using analytics, the company revamped the host listing process on its app, resulting in a 400 percent increase in the conversion rate.

5.2.2.3 Content Creation Expertise*

Creating relevant content for consumers is key to a successful online presence, as good content enables a company to build good relationships with its customers. Companies that provide value through content on their websites and mobile sites, rather than just selling their products, create greater brand value and loyalty in the minds of consumers. Providing valuable content on the mobile website and mobile app typically leads to customers spending more time on the site and app, which can strengthen the relationship with the customer, ultimately resulting in increased sales.

In a mobile environment, a user generally has only a small amount of time and is usually searching for very specific information. Often, the content that a company provides on its mobile site is critical to the user's decision to interact with the brand. Companies must ensure that the content created is concise, informative, helpful, and relevant.

In order to improve brand recognition, companies should focus on the quality—and not on the quantity—of content created for their mobile sites. With search engines now capable of distinguishing between quality websites and spam-like ones; and punishing sites that manufacture or buy links, it is critical for companies to emphasize quality of information to gain higher search rank positions.

Marketers must also keep in mind that the font chosen for content must be readable on smaller devices and that the content width fits mobile screens without the need for a user to scroll sideways. Visual elements can be added to communicate the message in a clear and concise manner. The content of the mobile site should

also be search engine optimized with a focus on the most relevant keywords in the title tags, meta tags, and content to ensure that search engines link the site to the mentioned keywords, thus contributing to the site's organic ranking. However, the ultimate test of the relevance of content will be whether it leads to greater conversions for the company.

Example of Content Creation Expertise:

- Companies recognize the importance of putting engaging and shareable content on their mobile sites and mobile apps. Engaging content such as games, ringtones, wallpapers, and apps are not the right fit for websites but are definitely a good addition to the mobile platform. Such content can supplement text-based content and improve organic search rankings. Also, as a large percentage of social media users access social networks through their smartphones, it becomes easier for users to share content and interact with the brand.

5.2.2.4 Responsive Web Design

Responsive web design is used to create pages that respond to the type of device on which they are being viewed. This response typically requires the site to resize itself to fit the appropriate device format; however, in some instances, the response includes the use of easier-to-read fonts and graphics. The result of the responsive design approach is one site containing elements that display differently on devices with varying screen sizes.

Viewing traditional websites on mobile devices with smaller display screens represents a challenge as large images and text may reflow and prevent objects that are meant to be together from displaying together. With the help of responsive design, the mobile version may automatically adjust itself to display content in columns, eliminating the need to navigate sideways and making the content easily readable. On smaller mobile devices, such as smartphones, the same content may be displayed in a single column. The coding will resize the images instead of distorting or truncating them.

Sites developed with responsive design can change fonts and make the text larger and easier to read on smaller screens. Buttons can be configured to make them easier to press. As responsive design has matured, designers can hide or present entirely different information to emphasize a site's most relevant or important elements. The size of the site can be limited to the information and features most useful to mobile users. Even the colors and graphics can be optimized for the smaller screens of mobile devices.

When the responsive design approach is used, the website automatically adjusts based on the device on which it is being viewed. This allows a user to access the same content that appears on the company's website anywhere, anytime using a tablet, smartphone, or other mobile device.

Responsive web design is often a better alternative than designing and coding sites for every type of device that consumers are expected to use. Developing a single codebase can be faster than developing multiple sites, and maintenance is easier because only one set of code needs to be updated.

Mobile sites and apps developed through the responsive design approach are generally viewed as providing a better customer experience, thus leading to repeat users and ultimately, enhanced relationships. Additional benefits of the responsive design approach are detailed in section 3.2.2.5, Mobile Website Development.

Example of Responsive Web Design:

- Developers of mobile sites have in recent years moved toward the responsive design approach with a focus on user experience, recognizing that interacting with websites using smartphones and tablets is not the same as interacting using a laptop or desktop computer. For an online sales company, user experience is a significant contributor to conversions and to enhancing the relationships with consumers. Having a responsive web design improves factors such as screen size, pixel resolution, and support for external APIs, all of which enhance the user experience, thus contributing to repeat usage and ultimately to the customer relationship.

5.2.2.5 Mobile App Updates

Updates are provided for mobile apps to enhance or improve existing performance or features based on feedback provided by customers or the in-house testing team. Customer feedback collected through app-store reviews, in-app feedback, and social media and forums are analyzed to understand issues related to various aspects such as mobile app features, user experience, responsiveness of the mobile site, speed of transactions, and ease of making payments online. Mobile app updates are usually made through the respective app store, which the customer can download and install for free. Requests for updating the app are generally sent through the app itself. While updating an existing app, the company needs to make sure that there are no unwarranted changes made to existing functionalities or features. Updates need to be provided in a scheduled manner such that users are not frequently bothered by regular requests to update the app.

With the increase in processor speeds for mobile devices and increased demand for data by consumers, demand for sophisticated apps is growing rapidly. Keeping this in mind, the following elements must be addressed for effective mobile app updates.

Design Methodology—Defining the design methodology is important for mobile app development and updates, and the design team should obtain buy-in on the design methodology from senior management. For optimal user experience, usability, standard user interface conventions, ergonomics, and functionality must be accounted for in the app development. Developers should also use common testing tools, project management protocols, and standard documentation and reporting to ensure optimal mobile app creation.

Required Skill Set—The development team should confirm that they have a proper understanding of the business requirements and the requisite skills to execute the mobile app creation project. Involving the design team in the business discussions and explaining the key expectations for the app may help improve

the output of the design team as the product development can then be oriented toward those business objectives.

Optimal Look and Feel—Developers should analyze and select the most appropriate architecture for designing mobile apps. The best method is to develop a layered application; this enables functionality to be consistent across all the devices without limiting each platform's individual look-and-feel. With layering, modular pieces are plugged in at the backend. Creating reusable platform components can help speed application development.

Security—Mobile devices are generally vulnerable and, since most companies would like to enhance consumer buying through apps, creating a secure transaction platform along with encrypted data storage is essential to gaining the consumer's trust.

Usability Testing and User Experience—App testing is often overlooked in development schedules, but the fact that mobile users tend to seek information on a time-sensitive basis means that mobile apps should be more reliable than standard web apps. Apps should be tested not only for usability, but also for power consumption to verify that they do not drain batteries unnecessarily. Tests should be performed using multiple browsers and on multiple carriers to confirm that they accommodate both online and offline usage. A key part of testing is the user experience, which can help make an app more successful by maximizing acceptance and usage.

Ability to Track Visitor Data—Since mobile apps do not run in an always-connected environment where clicks and other usage can be monitored, it is important to include features that enable companies to track how users interact with the apps. This tracking not only will help to identify technical support issues, but also will assist in identifying potential improvement opportunities for the user's mobile viewing experience.

5.2.2.6 Offers and Promotions

Mobile apps help companies get in touch with their consumers on a real-time basis, enabling them to push out new offers and promotions and generate instant conversions. Consumers who download apps already show a level of loyalty to the brand and are more likely to purchase the products being sold. Pushing offers through mobile apps provides an inexpensive and effective manner of marketing to the target audience.

Examples of Offers and Promotions:

- News apps can push notifications of breaking news, scores, weather, and so on to keep users informed instantly. This helps the news channel encourage its users to visit the app frequently. Third party companies use the most engaging news pages or most visited pages to advertise products or services. This in turn provides an additional revenue source for the news channel.
- Fashion and lifestyle companies use mobile apps to push instant offers to new or existing customers for instant conversions. Push notifications through mobile apps are inexpensive and have a better response than some other advertising resources.

5.2.2.7 Meetings and Discussions*

The inputs to this process provide information regarding the desired metrics and targets for measuring the performance of the mobile site and app with regard to the establishment and enhancement of customer relationships. These include both short-term metrics such as the number of times an app was used and the amount of time spent using an app, as well as long-term metrics such as Customer Lifetime Value. Based on this data, the digital marketing team meets, discusses gaps between actuals and targets, and determines the specific steps that must be taken to ensure that the desired relationship targets are met.

Meetings and discussions also provide the digital marketing team with a forum to discuss the impact of digital marketing efforts on other Aspects of Marketing and to be apprised of changes in the market and technology that may present opportunities to develop new customer relationships and build on existing customer relationships through the ongoing development of the company's mobile site and app.

5.2.3 Outputs

5.2.3.1 Optimized Mobile Site and App for Relationship*

The combined effect of the tools and activities used in this process is to build, maintain, and enhance relationships with target customers through the use of mobile sites and mobile apps. The relationship should meet or exceed the relationship targets defined in the *Plan and Develop Mobile Channel* process described in section 3.2. Any shortfall in meeting the targets may be rectified by increasing efforts related to the metrics where a shortfall occurs. For example, if a shortfall is identified in the repeat business targets, the company may consider analyzing current offers and promotions available to its customers to determine whether the customized offerings are effective. It may also consider optimizing the frequency of promotions sent to consumers if it notices a drop in responses to offers from the target customers.

Example of Optimized Mobile Site and App for Relationship:

- For a social media company, the average time spent on its mobile site or app, customer actions, and return frequency, could be some of the key metrics that help the company understand the relationship it has with its mobile users. The company needs to analyze the data collected to determine if the site or app meets or exceeds the relationship targets. For example, a decrease in the average time spent on the mobile site or app will be a shortfall that may affect relationships between the company and its customers. In such instances, the company should take appropriate actions to improve its relationships.

5.2.3.2 Updated Relationship Metrics and Targets for Mobile Site and App

Reviewing and updating the relationship metrics and targets for the mobile site and app should be ongoing. Some targets may be surpassed, while others may prove to be unrealistic. Given that technology changes at a rapid pace, companies may identify opportunities to build and enhance their customer relationships through other channels and adjust metrics and targets accordingly. The methods and tools used to measure performance can also change, adding the possibility of new metrics for measuring success or failure in achieving the desired targets.

5.3 Optimize Mobile Site and App for Reputation

This process explains how to optimize a mobile site and mobile app to improve the company's reputation with customers and users. Gathering and understanding customer feedback combined with effective use of all available and emerging technologies will help the company to make substantial improvements in enhancing the customer experience on the company's mobile site and app. Proactive customer feedback and mobile customer support are some of the important techniques to improve reputation on these platforms.

Figure 5-4 shows the inputs, tools, and outputs for the *Optimize Mobile Site and App for Reputation* process.

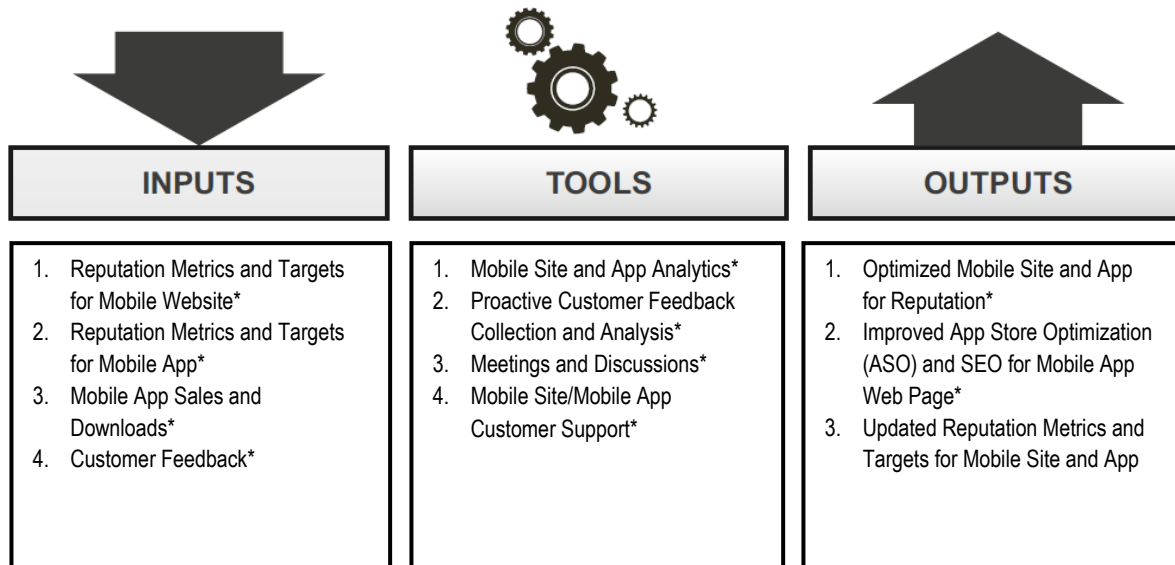


Figure 5-4: Optimize Mobile Site and App for Reputation—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

5.3.1 Inputs

5.3.1.1 Reputation Metrics and Targets for Mobile Website*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Mobile Website output from the *Plan and Develop Mobile Channel* process described in section 3.2.

Various metrics, such as the number of downloads, loading time, source of traffic, session duration, and revenue generated, among others, can provide an indication of how consumers are using the mobile site and the elements of the site that appeal to consumers. To gain a more thorough understanding, businesses often collect post-launch data from consumers to understand precisely what consumers are thinking when using the mobile site. This knowledge enables companies to make informed decisions about what must be addressed on the mobile site to improve or enhance areas of the site that are impacting the reputation of the business.

Example of Reputation Metrics and Targets for Mobile Website:

- One of the primary ways to measure the performance of a mobile website is the loading time, as loading time is a major contributing factor to page abandonment. Studies have revealed that while on a mobile e-commerce website, approximately fifty percent of consumers expect a web page to load in two seconds or less, and about forty percent abandon a website that takes longer than three seconds to load, which translates to a ten percent loss of conversions. Over time, consumers lose faith in mobile sites with long wait times. This means a one-second delay in page response not only can result in a significant loss in revenue but also can have a long-term impact on the website's and the company's reputation.

5.3.1.2 Reputation Metrics and Targets for Mobile App*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Mobile App output from the *Plan and Develop Mobile Channel* process described in section 3.2.

An important reputation factor to consider is the performance of the app on various devices. Specifically, the app must perform well with clicking motions, taps, finger swipes, zooms, hard-button pushes, and other device-specific actions.

Performance is a wide-reaching metric and it can be a challenge to pinpoint performance deficiencies. It is often helpful for businesses to use existing customer reviews of the app as a means of determining those areas of the app's performance that need improvement.

A company should also keep track to determine if it is losing users of the app. Users may uninstall the app due to performance-related issues such as slow response time, frequent crashing or freezing, or if a better

replacement of the app is available in the online app market. Therefore, monitoring system response and performance post-launch is imperative to preserving and enhancing reputation.

5.3.1.3 Mobile App Sales and Downloads*

The sales and number of downloads of mobile apps is an important input in managing the reputation of a company and its mobile app. If the number of downloads is large, then the number of reviews will also be proportionately large. In such a case, the company will need additional resources to manage, respond to, and analyze reviews. In addition, if a company has a number of different mobile apps, it can then prioritize its optimization effort depending on the number of downloads of each app.

Also, many companies have paid apps and free apps, or paid sections within free apps. Data about downloads of paid apps versus free apps and upgrades of free apps can also provide insights into the reputation of the mobile apps. A higher number of people paying for apps would indicate that the company and its mobile apps are well regarded by customers and, that customers are likely recommending the apps to others.

Example of Mobile App Sales and Downloads:

- For a mobile gaming company, the number of app downloads is extremely important. Not only is it an indication of reputation, but also it affects the revenue of the company.

5.3.1.4 Customer Feedback*

A company can also assess its mobile site or mobile app's reputation by analyzing customer feedback such as feedback provided in various discussion forums.

By mining customer reviews, the company can derive ample information regarding customer perceptions regarding the usability and quality of the app. Any issues faced and highlighted by customers in the feedback or reviews should be viewed as opportunities for improvement.

Examples of Customer Feedback:

- Reviews published in many IT news websites, such as TechCrunch and CNET, and other customer review websites, blogs, and forums can provide important input to improve the reputation of a mobile website or app. Also, analyzing customer comments recorded in the mobile app store are another important source for improvement opportunities.
- Customer feedback captured during a market research project or customer satisfaction survey plays a critical role in identifying improvement opportunities for the mobile site or app.

5.3.2 Tools

5.3.2.1 Mobile Site and App Analytics*

The reputation analytics for a company's mobile site are generally conducted in the same way as those for the desktop version of the website, which is discussed in section 4.3.2.5. The volume of referral traffic and organic traffic is a strong indicator of the reputation of a company's website. The digital marketing team needs to further analyze the referral traffic and organic traffic from mobile devices as there are a few key differences in website behavior between mobile devices and desktops or laptops. Users browse websites on mobile devices in a much larger variety of situations than when they browse websites on desktops or laptops. For example, users may browse a company's mobile site while travelling, eating out, in the middle of a social gathering, or pretty much anywhere where there is mobile Internet connectivity.

Also, because screen sizes of mobile devices, such as smartphones and tablets, are smaller than those of desktops or laptops, the same site may display differently on different types of devices and may require additional effort for users to view websites properly on their mobile phones. In addition, the most common way for users to navigate websites using mobile devices is to use their fingers directly on the device screen for clicking, scrolling, and zooming, whereas with desktops and laptops, typically users use a keyboard or mouse. These are just a few of the important differences that are likely to have significant impact on site usage and behavior. Developers must take appropriate measures to ensure that the mobile experience of a website is not inferior to the desktop or laptop experience.

For websites where a separate mobile site has been created, the experiences of users visiting the site from mobile devices may be significantly different than that of users of the desktop website. If the mobile site experience is inferior to the desktop website experience, then the reputation of the mobile website may be adversely affected and users may doubt the focus that the company places on customer experience.

The equivalent of Search Engine Optimization (SEO) for mobile apps is App Store Optimization (ASO). Apps that are optimized for their applicable app stores are displayed high in search results when users search for keywords related to the app in the respective app store. One contributor to improved ASO is positive app reviews. Businesses must constantly monitor user reviews of their mobile apps and take appropriate measures to address any improvement opportunities. Each review generally consists of an overall score followed by a detailed review. The average overall score is an important metric to track regularly as it indicates the changes in reputation of an app. If a company sees the score decreasing, it can analyze the detailed reviews to determine opportunities for improving the app and, thus, its ranking in search results.

In addition, many mobile apps have their own web pages that generally include information, reviews, screenshots, and other information about the apps, as well as a link to download the app. Thus, the search engine rankings of the mobile app page also need to be tracked through relevant analytics and any concerns regarding search engine rankings must be addressed.

Examples of Mobile Site and App Analytics:

- Many companies use webmaster and analytics tools provided by search engines such as Google (Google Webmaster, Google Analytics), Yahoo (Yahoo Web Analytics), and Bing (Bing Webmaster) for website performance and traffic analysis. In the case of mobile websites, data can be tracked and analyzed using these tools. The webmaster tools help in detecting any broken links, provide error statistics, and help in optimizing the visibility of the mobile websites in different search engines. Analytical tools provide detailed statistics about a mobile website's traffic and traffic sources, and measure conversions and sales. They also track visitors from all referrers, including search engines and social networks, direct visits, and referring sites. These tools help in determining the bounce rate, average time spent on the website, conversion ratio, frequency of visits, and other factors that are directly associated with the website's reputation. The data for mobile visitors need to be analyzed and should be compared with the data of desktop visitors to discover improvement opportunities in specific fields. In spite of some limitations of web analytics tools to analyze data from mobile websites, such tools are widely used.
- Another popular way to analyze traffic to a mobile website is by analyzing the log files of the website created and maintained at the server site. Mobile sites developed on dynamic server-side platforms can use the server-side tracking codes to gather and analyze mobile activity. There are many third party applications that can help businesses analyze large log files in order to gain an understanding of mobile performance.
- Various mobile app analytics tools, such as Flurry, Mixpanel, Google Mobile Analytics, and Apsalar, provide services to help an organization analyze the performance of its mobile app and track user behavior in an effort to understand exactly what each user is doing at the critical stages of engagement. This data is useful in determining opportunities for improvement and understanding consumer preferences.

5.3.2.2 Proactive Customer Feedback Collection and Analysis*

A company can proactively collect customer feedback about its mobile site by conducting online surveys. For example, it can ask respondents questions related to ease of use, quality and depth of information, and quality of customer support. It is important to ensure that the framework for analysis of the data is created along with the creation of the survey questionnaire. This helps in ensuring that appropriate and useful data is collected and can be effectively analyzed to provide meaningful output. Once the survey responses are collected, analyzing them can reveal areas to target to improve the mobile site. This process is important for building a company's online reputation, because high-quality, well-designed mobile websites are more likely to be referred by users, which can help not only in getting additional leads but also in getting additional backlinks if mobile users recommend the company or its products and post a link to the relevant pages on other websites. Referrals and positive feedback can also help improve search engine rankings.

The company can use this method to find improvement opportunities for its mobile app as well. It can ask questions on additional dimensions such as performance of the app on different devices and Internet speeds, frequency of crashes, and in-app purchases. Platforms where mobile apps can be downloaded generally have a customer rating system where the rating score and reviews are publicly displayed. Customers generally use this feature to provide reviews of a company's app and mention issues they have faced. A company can proactively remind customers to review the app by having pop-up reminders within the app or by sending customers e-mails asking them to review the app. All of these reviews should be thoroughly analyzed for improvement opportunities. These improvements, once implemented, should result in better reviews that will help improve the online reputation of the company. If an app is very good and has excellent reviews, it may also be reviewed by external websites, which can also significantly improve the SEO for the mobile app download web page.

Examples of Proactive Customer Feedback Collection and Analysis:

- Mobile game-based applications are often designed to ask the person playing the game to provide feedback about the game in the app store after every important achievement in the game. Some applications ask for feedback after a certain time frame. Some game developers may incentivize customers for their feedback by providing freebies or points.
- Many mobile app developers use e-mail marketing to remind their customers about their mobile app. Often an app is downloaded, used once or twice, and then forgotten about or deleted from the device. E-mail marketing is an effective way to follow up with customers and remind them of the company's products or services. Follow-up e-mails can also provide an opportunity to gain valuable feedback from the customer and identify areas for improving the app.

5.3.2.3 Meetings and Discussions*

The inputs to this process provide information regarding the desired metrics and targets, the number of times the company's mobile app has been downloaded, and the revenue generated from the mobile app. In addition, information about user perception of the mobile site or app and discussions regarding the company's app on other websites, forums, or blogs is also available. Based on this data, the digital marketing team meets and decides on the specific steps to be taken to ensure that the desired reputation metrics are met.

The digital marketing team monitors customer feedback received for the mobile site or app and decides on an appropriate response mechanism for various types of feedback from customers. Once the feedback mechanism is set up to dictate how each piece of customer feedback is to be addressed, a structured customer feedback response mechanism is set into place. This ensures that certain queries are appropriately escalated, and responsibility for each type of response is allocated to the respective personnel. The company also decides how to respond to praise or criticism on external forums or blogs to ensure that the metrics and targets regarding the reputation of the company are met.

5.3.2.4 Mobile Site/Mobile App Customer Support*

One of the critical requirements, when managing reputation for a brand, is to implement an effective and responsive customer support system. Previous sections have discussed how the company website is an important medium for resolving customer queries. With increased mobile usage, having effective customer support for mobile sites and mobile apps is equally relevant. App stores provide users with an option to rate their experiences with each app. For companies focused on generating revenue through the mobile channel, providing a good user experience results in a higher rating and more app downloads, which is ultimately reflected in greater revenue. With a responsive mobile app customer support strategy, companies can identify any bugs or usability concerns in the mobile app, investigate the reasons behind poor ratings from customers, and then take corrective measures. Such responsive customer support leads to better relationships with customers and ultimately an improved reputation.

The most common options for a customer to interact with a company for support regarding its mobile site or app are online chat, e-mail, online forms, and sometimes even by phone. It is a good idea for companies to build a comprehensive list of FAQs to help customers resolve their queries instantly without having to rely on a customer support representative to respond to them. FAQs also help companies reduce time and effort invested in resolving each customer query received. Customer support systems typically also consist of instructional videos and manuals, and discussion forums where customers can help each other as well as ask for specialized help from the company. These systems should also have a search feature so that customers can see if a query has already been answered.

Since the mobile channel consumer typically expects faster query resolution, customer support systems should be designed to enable users to resolve queries through available guides or FAQs in order to reduce direct contact to the company for issue resolution. When users do contact the company directly, it is important to have a structured response mechanism to ensure a satisfactory and timely resolution of queries. As in the case of any other channel, failure to resolve a query can result in users becoming dissatisfied and spreading negative word-of-mouth publicity about the company, thereby damaging its reputation.

Example of Mobile Site/Mobile App Customer Support:

- In many gaming apps, users are allowed to chat with other players. Likewise, in most marketplace apps, buyers and sellers can communicate with each other. There are many third party in-app help desk tools, chat software packages, or plug-ins that can be integrated with mobile apps. For example, using plug-ins, users can report issues from within the app, and the support team can have real-time conversations with users without the need for the user to leave the app. Some tools can pass on the device and app information in user messages and users can attach screenshots to help the support team diagnose the issues more quickly. Other tools enable rich peer-to-peer chat messaging between users within the mobile or web app, helping them easily communicate with each other.

5.3.3 Outputs

5.3.3.1 Optimized Mobile Site and App for Reputation*

Once all of the improvements identified as a result of using tools, such as those mentioned in this process, have been implemented, the online reputation of the company, its mobile site, and mobile app should also improve. This can be determined using a number of parameters and metrics such as a decrease in customer complaints, an increase in referrals, improvements in customer feedback or survey data, improved ratings and higher scores in the mobile app platform, and increased mentions in other websites, social media, and news portals. Increased mentions and links in other websites may also provide a significant boost in search engine rankings and further improve the reputation of the company and its brands in the minds of customers.

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5.3.3.2 Improved App Store Optimization (ASO) and SEO for Mobile App Web Page*

Improvements made to an app should increase positive reviews from users and should in turn result in the app being displayed higher in searches within the app store. The mobile app web page should also improve its rank in search results in search engines. This can be tracked using analytics tools that specialize in tracking mobile app information and search ranks for mobile sites.

5.3.3.3 Updated Reputation Metrics and Targets for Mobile Site and App

Reviewing and updating the reputation metrics and targets for the mobile site and app should be ongoing. The company's reputation is influenced by a number of variables and measured using the digital marketing metrics as well as those metrics identified in the Marketing Strategy for the product or brand. The overall success of the business often hinges on its reputation in the marketplace. Thus, it is important that the team continuously monitor the reputation metrics and adjust the metrics and targets as necessary throughout the execution of the Digital Marketing Strategy. The methods and tools used to measure performance can also change, adding the possibility of new metrics for measuring the reputation of the mobile site or app.

6. OPTIMIZE SOCIAL MEDIA

Previous chapters have discussed the optimization of the company's website, mobile site, and mobile app for reach, relationship, and reputation. This section discusses the optimization of the company's social media channel. A variety of tools and techniques can be used to maximize reach, relationship, and reputation in the social media space. Creating high-quality content, for example, and encouraging others to share the content is one of the most important ways to engage with potential customers through social media. The more interesting, engaging, and informative the content, the more likely it is that customers and others will share the content with their professional or personal networks.

Consumer engagement plays a significant role in convincing potential customers that the company's product is the best option to satisfy their needs. Compelling content can prompt a potential customer to click on a link to the company's website, to like or share the company's content, to follow the company's activities, or to download content provided by the company.

Companies must ensure that all customer-facing content—videos, articles, product information, or advertisements—is high quality and appealing to consumers and that all social media activities are oriented toward achieving the overall targets for digital marketing.

This chapter describes a number of tools and methods by which a company can maximize reach, relationship, and reputation using the social media digital marketing channel.

Figure 6-1 provides an overview of the processes in this chapter. These are as follows:

6.1 Optimize Social Media for Reach—In this process, a company's social media presence is optimized to maximize reach and achieve targets using various tools and techniques, such as advertising and creating engaging content.

6.2 Optimize Social Media for Relationship—In this process, the company's social media presence is optimized to meet or exceed relationship targets, using various tools and techniques such as social media relationship analysis, content development for social media, special offers, and promotions.

6.3 Optimize Social Media for Reputation—In this process, the company's social media presence is optimized to meet or exceed reputation targets, using various tools and techniques such as social media reputation analysis, sentiment analysis, and blogging.

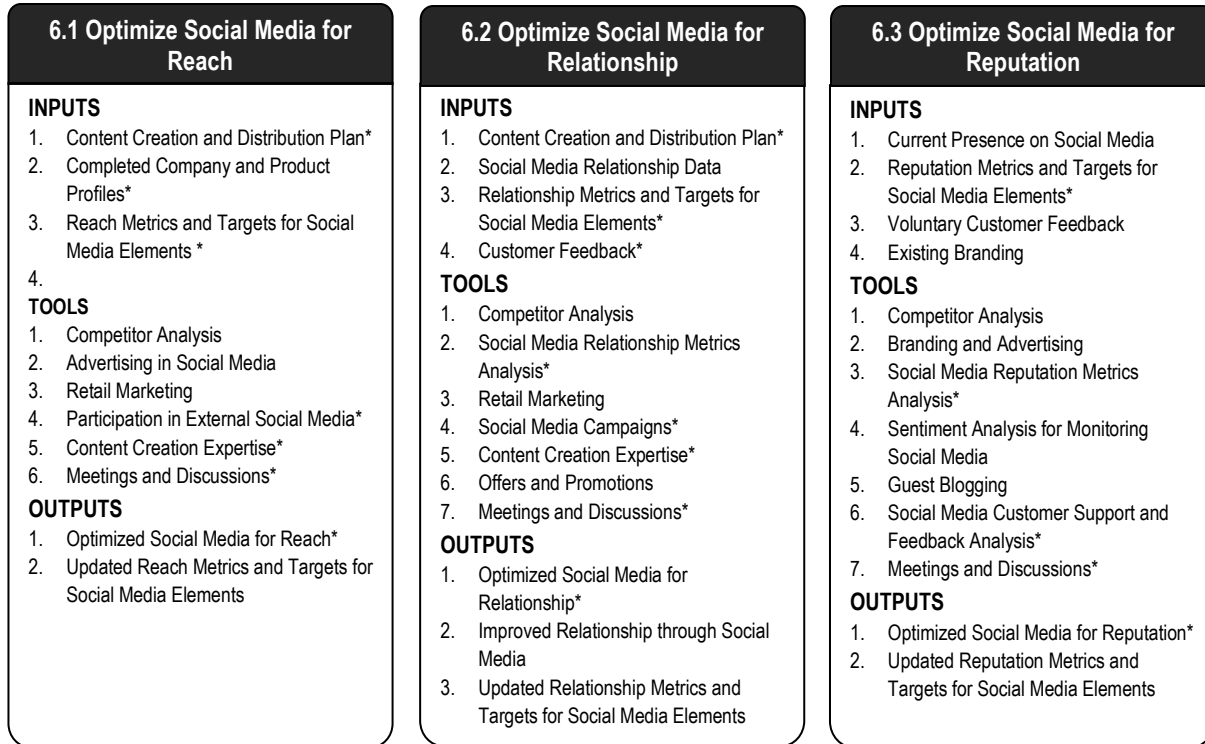


Figure 6-1: Optimize Social Media Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

6.1 Optimize Social Media for Reach

This process aims to optimize social media sites to achieve reach targets as defined in process 3.3, *Plan and Develop Social Media Channel*. Understanding what a company's competition is doing to maximize the reach of their social media platforms, combined with an in-depth understanding and effective use of established and emerging social media channels, will help the company ensure its social media efforts are optimized for maximum reach to the target audience. Given that social media usage is increasing rapidly across customer segments, spurring the development of new technologies to monitor these sites, the digital marketing team must constantly evaluate the effectiveness of these technologies in helping the company maximize its reach.

Figure 6-2 shows the inputs, tools, and outputs for the *Optimize Social Media for Reach* process.



Figure 6-2: Optimize Social Media for Reach—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

6.1.1 Inputs

6.1.1.1 Content Creation and Distribution Plan*

The Content Creation and Distribution Plan—an output of process 3.3, *Plan and Develop Social Media Channel*—provides an indication of the strategies that the digital marketing team will use to build and disseminate good content and helps senior management understand how social media content and distribution will contribute to the business objectives. The content creation plan identifies the type of content the business intends to create in order to connect with the target audience. The distribution plan charts how the organization intends to ensure that the created content reaches the intended audience by highlighting the chosen social media channels and detailing how each will be used to ensure maximum response to the content. The Content Creation and Distribution Plan is an important input because it highlights how the digital marketing team intends to create awareness of the company's products or services.

Examples of Content Creation and Distribution Plan:

- Microbrewing companies typically identify clearly defined and very specific target audiences for their brands. To attract and draw these audience members into profitable customer relationships, the breweries create and distribute consistently high-quality content that the target audiences find relevant and valuable. One particular company shows its brand in scenes filled with adventurous and fun-loving people on its blog and other social media platforms because the company is aware that expanding and strengthening network connections is a key factor in ensuring that the created content achieves maximum reach.
- Fitness centers use social media to encourage discussions regarding exercise programs and dietary requirements aimed at health- and fitness-conscious individuals. They use various digital marketing channels with relevant and engaging content, attracting existing followers and acquiring new ones.

6.1.1.2 Completed Company and Product Profiles*

Based on meetings and discussions conducted in the *Plan and Develop Social Media Channel* process, the company page is created highlighting its product offerings, contact details, and other relevant information on the social media sites that have been selected by the digital marketing team.

The company pages and product profiles help reinforce the brand and build relationships with customers and prospects. The profiles also serve as the source page on the identified social media platforms for the digital marketing team to distribute relevant content and market the company's products and services.

Examples of Completed Company and Product Profiles:

- Production companies create social media profile pages for new movie releases to share production updates, interesting events, teasers, images, and other information. These pages are also promoted by celebrities, artists, and crew members to gain maximum reach and create interest before the movie release.
- Non-profit companies and government-owned social media profile pages are used to spread awareness and update people with key developments on subjects of public interest.

6.1.1.3 Reach Metrics and Targets for Social Media Elements*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Social Media Elements output from the *Plan and Develop Social Media Channel* process described in section 3.3. The digital marketing team identifies the metrics and targets to monitor the social media performance of the organization. The overall targets for social media are distributed among the selected social media elements, and the metrics identified for gauging awareness across social media channels are identified to help the digital marketing team monitor the effectiveness of the content distribution strategy. Specific metrics are then determined for each element. For example, a company can count the number of likes for the company page, the number of followers, the number of video views, or the number of users sharing the company's content.

Examples of Reach Metrics and Targets for Social Media Elements:

- A premium fashion and leather goods brand determines from a strategic perspective which metrics are most likely to help the company achieve the marketing objectives which include boosting revenue through expanded reach and strengthening brand loyalty. Specific metrics that might be used to determine the success of social media campaigns in contributing to these objectives include the number of likes, the number of new subscribers to the company blog, and the number of shares of social media content. Once the company has identified the key metrics, the team begins benchmarking the metrics to establish targets for measuring the success of the social media activities.
- For an online sales company, generating website traffic from social media, increasing brand awareness, and acquiring more followers could be key metrics. Realistic targets are assigned, and campaigns are undertaken to achieve maximum reach using social media.

6.1.2 Tools

6.1.2.1 Competitor Analysis

Analyzing the competition in terms of social media requires a lot of effort, mainly because there are many social media outlets and a company must keep track of competitor activity in as many of these outlets as possible. A number of tools exist that make the task of monitoring competitive activity easier, but the large and varied nature of data from social media makes the analysis of collected data a challenging one.

For blogs and discussion forums, a company must find those that are the most popular in its product category and observe how competitors are interacting with customers and subject matter experts on those blogs and discussion forums. The company should note the frequency of posts and discussions, the duration for which competitors have been members of popular forums, their reputation on forums, the kind of responses and product reviews competitors receive, and the number of people who show interest in their products. These observations should give the company a good overview of how important certain blogs and forums are to a competitor and how many leads they might be generating from these sources.

For tracking professional updates made by competitors, a company can join industry related groups and observe updates shared by competitors. There are also public updates that competitors make, which are easier to track. For example, competitors can share updates on new product launches or new market entries on their social media profiles and make these updates publicly visible. Customers can also share these professional updates or share their views about competitors in public forums that the company can track. Competitors might also share audio-visual content on public forums to disseminate them to a wider audience.

Tracking is made easier by a number of tracking tools in which a company can search for and analyze data about the competition. These tools can provide a variety of information related to competitor social media activity by scanning social media platforms.

After collecting data on its top competitors in all social media platforms, a company can gain an understanding of which social media outlets competitors are using the most, the type of content and updates they are sharing, and the responses of customers to such updates. Based on this analysis and the company's objectives, the company can formulate its own social media plan.

6.1.2.2 Advertising in Social Media

A key goal of social media marketing is to take advantage of the organic nature of social media in order to create brand awareness, increase followers, and market products and services using company pages. The effectiveness of social media marketing, however, hinges on the number of followers the company has in social media channels. Increasing followers organically requires highly engaging content, the creation of which is time consuming. Thus, businesses that are new to social media, and either want to create followers

at a rapid pace or are interested in advertising their products to consumers across the various social media sites, can achieve this by using paid advertising on the desired social media sites.

Companies can target specific interest groups or discussion forums where their target audience is present and advertise to drive audience segments to their websites. Another way businesses make use of personal update sharing sites is by sponsoring their messages to ensure that consumers are made aware of their products or services. Similar to search engine advertising, social media advertising can be localized to a specific geography or customized to a desired demographic.

Examples of Advertising in Social Media:

- Financial institutions use social media advertising to promote their products, services, benefits, and brand awareness. Such businesses might sponsor a content post so that it gains more likes, comments, and shares, ultimately leading to an increase in reach. For instance, a posting related to a new credit card and its benefits might be advertised to garner more credit card applications.
- A sports channel promoting a match between two rival teams can advertise in different social media sites using videos, images, past game statistics, and so on to attract more viewers to watch the match on its channel.

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6.1.2.3 Retail Marketing

Products and services that are sold in retail marketplaces can also benefit from coordinated social media campaigns. The strategies determined by the Retail Marketing area of the business will assist in defining which social media platforms are best suited to enhance the retail reach and ultimately increase sales. The details of the Retail Marketing Aspect are discussed in the SMstudy® Guide-Book 6, Retail Marketing.

Examples of Retail Marketing:

- Retail spaces often have poster- or billboard-style advertising to promote the company's social media presence.
- A coffee chain might run a contest to win merchandise by tweeting about the newest flavor of coffee.
- Social media sites can also serve to drive customers to a retail location. Discounts can be offered to customers who "like" a company's product.

6.1.2.4 Participation in External Social Media*

External social media for a business entity refers to the entire social media gamut beyond the company's own pages, groups, blogs, and discussion forums. Besides advertising on specific social media interest

group pages, the digital marketing team also engages in discussions on external blogs and discussion forums to respond to customer queries and to promote the company's products or services. For businesses with disruptive or innovative products, a critical part to generating sales is to increase awareness of the products. In order to do this, businesses can use subject matter experts to explain the market need for the product and how the product fulfills this need.

Examples of Participation in External Social Media:

- Restaurants and bars often engage in discussions on third-party websites and blogs. Discussions on food and beverages as well as sharing pictures and videos in relevant blogs and discussion forums help them reach a wider audience.
- Medical services and pharmaceutical companies use external social media discussions and articles for brand and product awareness, benefits, and other key information. They often involve doctors, nutritionists, or other medical personnel in such discussions for an authoritative perspective. This enables them to maximize the reach and create awareness of medicines and their benefits to the public.
- A car rental company might use guest blogging to increase its reach by submitting a post to a site that focuses on local traveling tips. Such a website would provide the business with an engaged audience of travelers who might be interested in renting cars, thus growing the car rental company's reach.
- A business that has a new, innovative running shoe that reduces damage to the knee can hire expert doctors to conduct tests and then publish the results in articles on leading health and fitness blogs in order to engage with its target audience.

6.1.2.5 Content Creation Expertise*

Since many businesses use social media to connect with their target audiences, it is critical for digital marketing teams to ensure that the company's brand stands out from the clutter. Businesses that are successful in social media have a large group of followers that become loyal to the company's products or services, actively engage with the brand, and also share the brand's content with their own social network, thus creating a much larger reach for the business. The key to creating a stand-out position is the attractiveness of the content shared and distributed by the business. Content that adds value to consumers is well written and interesting, and compels followers to share the content with their own network, generating awareness of the products or services through social media. Businesses can create appealing content by understanding the likes and dislikes (in terms of media) of their target audiences. The content shared by the businesses can be a video, an image, or even a simple text message. Organizations creating innovative products can also make use of multimedia-hosting sites to upload explanatory videos and link them to their websites to generate sales.

Examples of Content Creation Expertise:

- When it comes to social media marketing, the quality—not the quantity—matters. Creating quality content such as a good write-up, article, image, or video will engage more customers. Car manufacturers use a creative team to come up with new concepts and interesting facts in content that can go viral. Such content, when shared, can gather millions of views.
- A well-written political article on a current issue is used to create awareness among consumers. Such articles encourage users to discuss or share their views, increasing reach. Political parties and other governing bodies use social media extensively to share achievements and poll campaigns, discuss issues and shortfalls, defend arguments or decisions, and so on.

6.1.2.6 Meetings and Discussions*

The inputs to this process provide information on the overall social media plan including the Content Creation and Distribution Plan and the Company and Product Profiles. The digital marketing team implements the plan and continuously monitors the success of various activities and campaigns, relative to established digital marketing metrics and targets in order to ensure the effective execution of the Digital Marketing Strategy. In order to successfully leverage social media to contribute to the overall Marketing Strategy, the digital marketing team must maintain communication channels with other functional and departmental teams to ensure that activities are aligned and timely and that marketing messages are consistent. Changing trends in the market, on the Internet, within the industry, and across the competitive landscape can have a significant impact on the success of social media activities, and the digital marketing team should continuously connect with team members across all Aspects of Marketing and throughout the organization to remain up-to-date and informed. Meetings and discussions enable the team members across all Aspects of Marketing to keep one another apprised of internal and external developments that can present obstacles to achieving targets as well as opportunities for potential growth.

6.1.3 Outputs

6.1.3.1 Optimized Social Media for Reach*

The combined effect of the tools and activities used in this process is maximum reach of the social media sites throughout the target audience. This reach should meet or exceed the reach targets defined in process 3.3, *Plan and Develop Social Media Channel*. Any shortfall in meeting the targets may be rectified by increasing efforts related to any activity where a shortfall occurs. For example, if the shortfall is in terms of reaching out to newer customers, a company should undertake measures such as optimizing social media advertising campaigns, redesigning company profiles, or carrying out more external social media campaigns in order to increase social media reach.

Examples of Optimized Social Media for Reach:

- Companies using quality content and appropriate social media advertising are more likely to spread their brand or reach to a wider audience. For instance, a social media page for a world cup sporting event might post interviews with star players or behind-the-scenes footage not available elsewhere. This type of content has the potential to go viral within the target market if it is considered valuable and is thus liked and shared by many, including those within the existing customer base as well as potential customers to whom such content would likely appeal.
- There are several websites on which users can post pictures of products that they like, requesting assistance and advice from other users who may know where the products can be purchased. Given that these consumers have already expressed interest in the products, these site visitors are highly engaged and, therefore, key members of the target audience. Suppliers of the products that consumers have posted can post links to their product catalogues so those interested can obtain more information. Users can then follow and purchase the products they are seeking. These types of posts are expected and desired by most customers.

6.1.3.2 Updated Reach Metrics and Targets for Social Media Elements

Reviewing and updating the Reach Metrics and Targets for Social Media Elements should be ongoing. Some targets may be surpassed, while others may prove to be unrealistic. Given that technology changes at a rapid pace, companies may realize they have a greater capacity to expand their reach than previously thought. Digital Marketing is often more flexible than standard offline efforts, so new reach targets may be set more frequently. The methods and tools used to measure performance can also change, adding the possibility of new metrics for measuring success or failure.

6.2 Optimize Social Media for Relationship

This process aims at optimizing social media activities to achieve relationship targets as defined in process 3.3, *Plan and Develop Social Media Channel*. Understanding the activities that the company's competition is engaging in to enhance their relationships with customers through various social media channels, and monitoring the effectiveness of these channels in reaching out to a desired target audience, can help the company create a well-defined and effective social media strategy. This process also discusses the importance of creating good quality content that provides value to the target audience and provides an indication of the impact that quality content can have on customer relationships. It also discusses the relevance of social media campaigns in forging effective relationships with customers and addresses how offers and promotions can increase customer retention and loyalty.

Figure 6-3 shows the inputs, tools, and outputs for the *Optimize Social Media for Relationship* process.

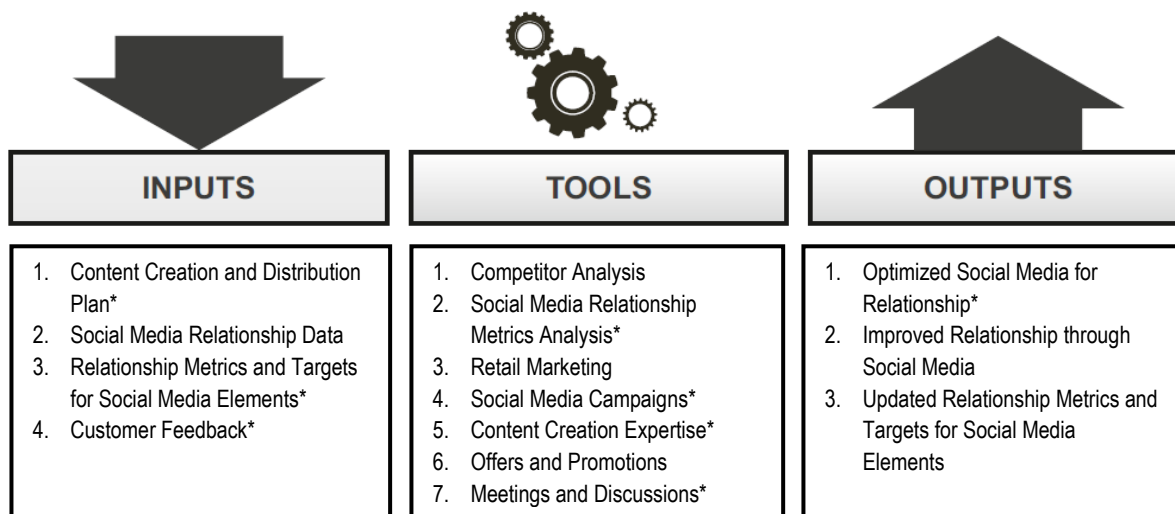


Figure 6-3: Optimize Social Media for Relationship—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

6.2.1 Inputs

6.2.1.1 Content Creation and Distribution Plan*

The Content Creation and Distribution Plan is an output of process 3.3, *Plan and Develop Social Media Channel*. This plan details the type of content the business intends to create in order to connect with the target audience and charts how the organization will ensure that the created content reaches the intended audience. Specific social media channels are identified along with the activities that will be used to ensure maximum response to the content. The plan provides an indication of the strategies that the digital marketing team will use to build and disseminate good content and thus offers a road map for the team to refer to throughout its execution. The plan can also help senior management understand how social media content and distribution will contribute to the business objectives.

6.2.1.2 Social Media Relationship Data

The collected social media relationship data include details such as the number of users engaged across the various social media platforms, the time spent by users on each platform, and the frequency of interaction of users with the company across each platform. This previously collected data can serve as a starting point for the company to understand existing relationship data and provide an indication of where the company needs to focus its efforts in order to improve or strengthen relationships with its existing customers. Any improvements in a company's social media relationships with customers are measured by creating a baseline using existing data and then tracking progress relative to this baseline. For companies new to a social platform, data around the social activity of competitors can be collected to serve as a preliminary benchmark.

Examples of Social Media Relationship Data:

- Brand loyalty is a significant factor for understanding a company's existing relationship with consumers. A car manufacturer might use videos of safety testing demonstrations, its most recent TV commercials, or specific performance videos such as speed, braking, or corner handling. If deemed valuable, customers will share such content on social media sites providing both an indication of customer loyalty to the brand and promoting the brand through social media networks. Past social media sharing data provides one benchmark from which to set updated targets for improved relationships using this channel.
- Start-up companies that are unsure about realistic social media relationship targets usually review performance data relating to their competitors. For example, competitor metrics to consider on Twitter might include growth in the number of followers, frequency of posts, number of responses or comments, and number of retweets or favorites.

6.2.1.3 Relationship Metrics and Targets for Social Media Elements*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Social Media Elements output from the *Plan and Develop Social Media Channel* process described in section 3.3. The digital marketing team identifies the metrics and targets to monitor the social media performance of the organization. The overall targets for social media are distributed among the selected social media elements, and the metrics identified for gauging awareness across social media channels are identified to help the digital marketing team monitor the effectiveness of the Content Creation and Distribution Plan. Metrics relevant to relationship management, such as time spent by customers engaging with the brand on a regular basis, are identified and targets are defined. Consumer perceptions of the company's products or services are monitored regularly to identify poor experiences that customers report while engaging with the brand on social media platforms.

All optimization efforts to build and maintain strong relationships with customers and others must be measured using these metrics and targets. Any shortfalls from the targets must be evaluated, and further optimization efforts should be explored. However, when a company exceeds targets for building relationships through social media, it must understand the reasons for its success, so that it can replicate that success long-term and in other channels.

Examples of Relationship Metrics and Targets for Social Media Elements:

- Most companies use multiple metrics to measure their social media efforts. Some companies track the cost-per-customer, number of new customers, number of brand impressions, referral traffic, and the number of target customers talking about the company's products on social media. Relationship metrics typically focus on repeat activities such as the frequency of likes, shares, or tweets in social media. A company may also build a community of users via social media with requests for loyal customers to contribute to content. Such endorsements are good indicators of strong business-consumer relationships, and the growth of the online community of contributors is a useful metric for monitoring improved customer relationships over time.
- Companies that market their products using video sharing websites such as YouTube monitor the number of views, traffic sources, number of subscribers to the company's video channel, and number of website visits from that page. They also keep track of the page exit rates and try to identify the video portions where viewers lost interest. When a business is optimizing its social media content for relationship, it typically focuses on the length of time subscribers spend in activities that support the brand as well as on the number of subscribers who repeatedly view, post, share, and provide feedback, all of which are good indicators of strong relationships with customers.

6.2.1.4 Customer Feedback*

Customer feedback helps companies identify potential issues related to building strong relationships with customers and eventually improving the sales of products and services. Feedback from customers also helps organizations improve their social media channel strategies, with positive feedback serving as evidence that the strategies adopted by the company are yielding the desired results. Customer feedback is collected at various stages of the company's engagement with the customer, and this existing feedback serves as a benchmark for the company to gauge its future relationship with customers. To maintain a healthy relationship with customers, companies make use of e-mail marketing and social media platforms to gain feedback from customers after a product or service is utilized by the customer.

Negative customer feedback has the potential to spread rapidly, so it is important for companies to monitor and manage such feedback and respond appropriately. For example, if a customer purchases furniture that is broken during delivery, the customer may share this experience online using social media channels. This feedback, if not addressed promptly and appropriately, can have a negative impact on the relationship of the furniture company with both the unsatisfied customer as well as other current and potential customers. It is critical, therefore, that companies monitor such feedback and take appropriate measures to ensure customers' issues are resolved promptly. Equally valuable is positive feedback, which can also become viral, thus resulting in a positive impact on the company's relationship with both the satisfied customers who post positive feedback and the potential customers who read it.

Examples of Customer Feedback:

- Today, customers can share their feedback directly on the company's social media profiles such as Facebook, Twitter, and LinkedIn. Potential customers judge the services of the company based on its interactions with existing customers. Because customers typically expect a quick response and resolution to their queries, it is important to have a plan in place for the effective management and response to such feedback.
- Companies gather information about consumer opinions from online forums, blogs, and communities associated with the target audience. This provides insights into the thought processes of prospective or actual customers. Some companies set up Google alerts that automatically inform them via e-mail when keywords related to the company or its products appear online.

6.2.2 Tools

6.2.2.1 Competitor Analysis

Competitor Analysis for social media platforms is conducted in the same way that a company analyzes the activity on competitors' websites, which is explained in section 4.2.2.1. Once the social media platforms in which the company wants to establish a presence have been determined, the digital marketing team identifies top performing competitors for each platform based on the selected targets and monitors competitors to analyze the content delivered by them, the competitors' responses to various situations, and the level of engagement generated by their content.

Based on the analysis of the social media performance of competitors, a company can determine which social media platforms will generate the best response and the greatest revenue for the company. Companies can also segment the audience engaging with competitors across channels and, based on this data, decide on the appropriate content delivery strategies for various channels.

Companies also analyze offers and promotional campaigns run by their competitors across social media platforms, as social media provides companies with a cost-effective option to acquire and engage customers.

To analyze how competitors are building relationships with their customers through social media platforms, the company must monitor the following information on these platforms:

1. **Design Layout and Marketing Messages**—This information provides an indication of how social media platforms reflect the brand image of a company and its brand colors and style. Marketing messages on social media platforms may include special promotions, product information, and marketing videos.
2. **Engagement Data**—Since the content within social media is publicly available, the digital marketing team can identify the level of consumer engagement with each competitor's brand in the relevant social media platforms. The company can collect data about the number of consumers following a competitor's social media presence on various platforms, the level of engagement of consumers regarding specific types of marketing messages, and the number of people engaging with the brand's social media presence every day.
3. **Content Response Mechanism**—Because content on social media can spread so quickly, a negative activity by a brand can result in a reduction in brand image for a company. Thus, it is extremely important for businesses to ensure that they have a well-structured response mechanism to deal with different types of engagement with customers. The digital marketing team must identify the best response strategy when addressing positive feedback from a customer, resolving a customer query, or handling criticism from a customer or competitor. A thorough analysis of competitors who have successfully engaged audiences across the respective social media platforms can help businesses identify the best response strategies in this regard.

6.2.2.2 Social Media Relationship Metrics Analysis*

A company must analyze the kind of relationships it is building with consumers across all of its social media platforms to ensure that they are aligned with the overall metrics and targets for social media performance as mentioned in the inputs section of this process. Each social media platform generally has its own analytics dashboard, which provides a variety of information to a company about its social media activities. As each of these dashboards displays different types of metrics depending on the platform, a company must have a thorough understanding of these metrics so that it can compare the effectiveness of the various platforms. Such a comparison can be done by using metrics that are easily understood and that can be derived from data provided by the dashboards, if the metrics are not already presented. Some important metrics are as follows:

1. **Number of Shares**—This metric represents the number of times content provided by the company is shared by its customers or subscribers. Consumers share content they like or find useful; thus, a high number of shares indicates that a large number of customers or potential customers perceive the company as helpful and knowledgeable and, by extension, may be more likely to purchase the company's products or services.
2. **Number of Replies and Comments**—This metric represents the number of replies and comments that the company's content has generated. These replies and comments may be directed to the company asking for more information or providing feedback; they may also be discussions among the target audience members who are inspired by the content that the company has shared. A high number of replies and comments generally indicate a strong engagement with the target audience. However, care must be taken to ensure that negative and irrelevant comments and replies are addressed promptly and appropriately.
3. **Number of Clicks**—This metric represents the number of clicks on the links within content shared by the company. These links may take users to the company's website, to a company page within a social media platform, or to a resource or asset shared by the company. Such clicks indicate that users considered the company's updates interesting enough to click on links within those updates.

In addition to monitoring the above metrics on a quantitative basis, it is also important to watch for shared content or consumer responses that spread to an abnormally high number of users. This process is referred to as "going viral." If such content or responses reflect a positive consumer perception, a sudden increase in leads and purchases for the company can be the result, and only if a company is tracking its social media activity closely would it know the reason for the sudden increase and respond accordingly. On the other hand, if such content and responses reflect a negative consumer perception, the company's relationship with its customers and potential customers may suffer significant damage.

Example of Social Media Relationship Metrics Analysis:

- An American food processing company used social media effectively at the time of launch of its new beans product. The company created a quiz on its Facebook page named, “Which bean are you?” Fans used this quiz to determine which bean represented them based on questions about their personality. In addition, the company gave a goody bag to participants who shared the quiz ten times on their Facebook page. The campaign lasted for two weeks. After analyzing the data, the company recognized the success of the campaign—it received 20,000+ likes, 10,000+ shares, and an overall reach of 10+ million people. The campaign certainly indicated a spike in reach, given these results metrics; additionally, from a relationship standpoint, the widespread participation (and therefore engagement with the brand), as well as the shares, provided the company with a strong indication of how this campaign enhanced its relationship with consumers.

6.2.2.3 Retail Marketing

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Retail locations are the physical space where business and customer relationships are developed; however, this relationship can be enhanced and expanded through social media. It is common practice for a retail chain to request that customers visit its social media sites. This can be as simple as a request to like the company on Facebook printed at the bottom of receipts. The SMstudy® Guide-Book 6, Retail Marketing provides further information on this Aspect of Marketing as it relates to social media, specifically detailing how Retail Marketing and Digital Marketing can work together to support overall marketing objectives.

Example of Retail Marketing:

- To maintain an ongoing relationship with its customers, a clothing chain might run a promotion where customers are invited to pose for the “Pic of the Week.” These pictures can then be posted on the clothing chain’s social media site. This encourages individuals to stay in contact with the company’s pages to see if they have been chosen for the posting, thus strengthening the relationship between the business and the customer.

6.2.2.4 Social Media Campaigns*

Creating a website and waiting for customers to visit it may prove insufficient to create an effective and long-lasting online presence. Social media gives companies necessary opportunities to regularly engage and interact with consumers in order to build enduring customer relationships.

Many novices jump into social media at full speed, promoting the company on every available platform, but this activity seldom brings better customer engagement, increased traffic to a company’s site, or increased sales. Any company can post on social media and even design a campaign, but companies that experience

success use an integrated Customer Relationship Management (CRM) approach to align sales activities with social media activities.

Social media has made companies easily reachable. This has led many consumers to contact companies on social media rather than through traditional customer service departments. When customers reach out with praise and positive comments, it is time to celebrate. When a response is not positive, it is important to engage with and reassure contributors that their comments have been received. When possible, contributors should be made aware of what to expect: perhaps the person who can solve their problem or meet their needs will be contacting them. This tells the audience that a company is taking every customer and contribution seriously. One of the most important gains for the company is the trust that this kind of engagement builds. The company can use its CRM system to measure the results of these activities by tracking the rate of lead conversions and sales increases.

Examples of Social Media Campaigns:

- In order to generate excitement around the new season of a dramatic television series set in the 1960s, a production house created a website that allowed users to construct their own stylized '60s avatar. The site went viral on social media, receiving half a million visitors in the first week and garnering record ratings for the season premiere. The site is still going strong five years later, receiving updates with every new season.
- A Japanese car company used Pinterest to run a contest that inspired people to take a break from the time-consuming social media platform. The company offered Pinterest users with large numbers of followers \$500 to pursue their offline goals for twenty-four hours and then post about what they had done during their break. The campaign was a marketing success for the company and produced a fantastic content series.

6.2.2.5 Content Creation Expertise*

To develop an effective content strategy, three important steps are required:

1. Determine which topics the company's customers and target audience like to talk about, and talk about them.
2. Learn where the company's target audience members spend most of their time on social media talking about these topics.
3. Measure the results of all of these discussions to see which content engaged people the most.

Content that captures the audience's attention and gives them something they value connects them to the company, keeps drawing them back, and gives them something relevant they can share in their social media networks. As the company's visibility grows, more customers and potential customers will trust the company's brand for reliable information, quality entertainment, or both.

Social media content can take any form, shape, and size including articles, blog posts, e-mails, pictures, podcasts, videos, widgets, and more. A company's brand achieves the best level of exposure when it shares top-quality content on as many social media platforms as possible and as often as possible.

Examples of Content Creation Expertise:

- At the time of the launch of its new consumer services, a B2B company created a content strategy to increase organic traffic, reduce paid marketing spending, and build trust with the new audience. The company started a blog to address the concerns of consumers, and also targeted specific keywords and phrases. The company published three blog posts per week. The strategy worked wonders for the company as it moved to page one in Google's organic rankings and its organic website traffic increased by 400 percent within six months. Page views per visit increased by 260 percent and its pay-per-click spending decreased.
- Large companies have a workforce of thousands. By providing content directed to employees, these companies can target an internal audience that is inherently interested in the message. For one such company, a cleverly crafted video that parodied a popular song and highlighted the company's product line was shown to employees at a company meeting and then posted on the company's website. The video was engaging, and employees were quick to share the video externally with friends and family.

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6.2.2.6 Offers and Promotions

Social media channels provide a good marketing medium for businesses to run offers and promotions to engage the audience and reach desired objectives. These offers and promotions are typically valid for a fixed time frame, require individuals to participate by discussing their experiences while engaging with the brand, and offer attractive rewards to those individuals who engage with the brand.

Example of Offers and Promotions:

- A travel company that aims to encourage visitors to use its website for future travels could run an offer asking audiences to write about their dream vacations. Winning entries could receive discounts on their "dream tickets" if they purchase them on the company site. Such offers and campaigns may also be offered in partnership with other companies. For example, the travel company may partner with hotels around the world to provide flight and hotel combination packages for individuals who share their vacation experiences. These campaigns not only improve brand perception and build awareness with positive endorsements, but also provide consumers with additional value and encourage them to choose the company again for future vacation plans based on such value-added offers.

6.2.2.7 Meetings and Discussions*

Meetings and discussions are an important component of social media marketing since ongoing communication across the digital marketing team, the various departments, the functional areas, and senior management has a significant impact on the success of the social media efforts. The inputs to this process provide the starting point to implementing a social media plan that aligns well with other marketing activities. Among these inputs are the Content Creation and Distribution Plan, the existing relationship data, the established metrics and targets, and existing customer feedback. Appealing content and continuous monitoring of metrics and targets will enable the team to establish a social media presence. This social media marketing is an ongoing effort, particularly when strengthening relationships with customers is a primary goal. Managing and addressing feedback and responding to changing trends in the market, on the Internet, within the industry, and across the competitive landscape, requires a concerted effort from various teams and departments throughout the organization. Meetings and discussions enable the relevant team members from across the organization to keep one another apprised of internal and external developments that can present obstacles to or opportunities for achieving social media targets aimed at enhancing the company's relationships with customers and potential customers.

6.2.3 Outputs

6.2.3.1 Optimized Social Media for Relationship*

After performing a competitor analysis, analyzing the current social media relationships, deciding on the improvement opportunities, creating engaging content, implementing promotions and offers, and ensuring that all the relationship metrics have improved for all of the social media profiles of a company, the social media channel can be considered optimized for relationship. Any gaps identified between targets and actuals are examined in detail and efforts are made to address shortfalls.

6.2.3.2 Improved Relationship through Social Media

The direct result of all improvement activities related to customer relationship building using social media is improved relationships. This improvement can be measured by examining all metrics that the company is using to track the success of social media campaigns and activities. Some of these metrics are described in section 6.2.2.2. As well, other marketing metrics such as increased sales and brand loyalty, which are discussed in chapter 5 of the *SMstudy® Guide* book on Marketing Strategy (MS), can further provide an indication of improved relationships with customers.

Example of Improved Relationship through Social Media:

- Musical instrument stores, especially those that deliver products entirely online, often create free apps that contain instrument reviews and user feedback. These apps establish the stores as a destination for purchasing advice. Prospective buyers establish online relationships with the staff and writers in the online store. Such relationships can lead to increased sales and long-term brand loyalty.

6.2.3.3 Updated Relationship Metrics and Targets for Social Media Elements

Reviewing and updating the Relationship Metrics and Targets for Social Media Elements should be ongoing. Some targets may be surpassed, while others may prove to be unrealistic. Given that technology changes at a rapid pace, companies may identify opportunities to build and enhance their customer relationships through other channels and adjust metrics and targets accordingly. The methods and tools used to measure performance can also change, adding the possibility of new metrics for measuring success or failure.

6.3 Optimize Social Media for Reputation

This process aims to optimize social media platforms to achieve reputation metrics and targets. Social media is very powerful, so it is important to effectively manage and optimize this channel, especially when the brand's reputation can be impacted. Positive buzz about a brand in social media can have a significant impact on a brand's reputation, but businesses must also closely monitor any negative feedback that can harm the brand, as negative comments can go viral quickly. Understanding what a company's competition is doing to enhance its reputation with customers through various social media platforms and measuring the effectiveness of these platforms in reaching out to desired target audiences can help the company create a well-defined and effective social media strategy to strengthen the brand. This process also throws light on the importance of sentiment analysis for monitoring customer support, and customer feedback analysis through social media platforms.

Figure 6-4 shows the inputs, tools, and outputs for the *Optimize Social Media for Reputation* process.

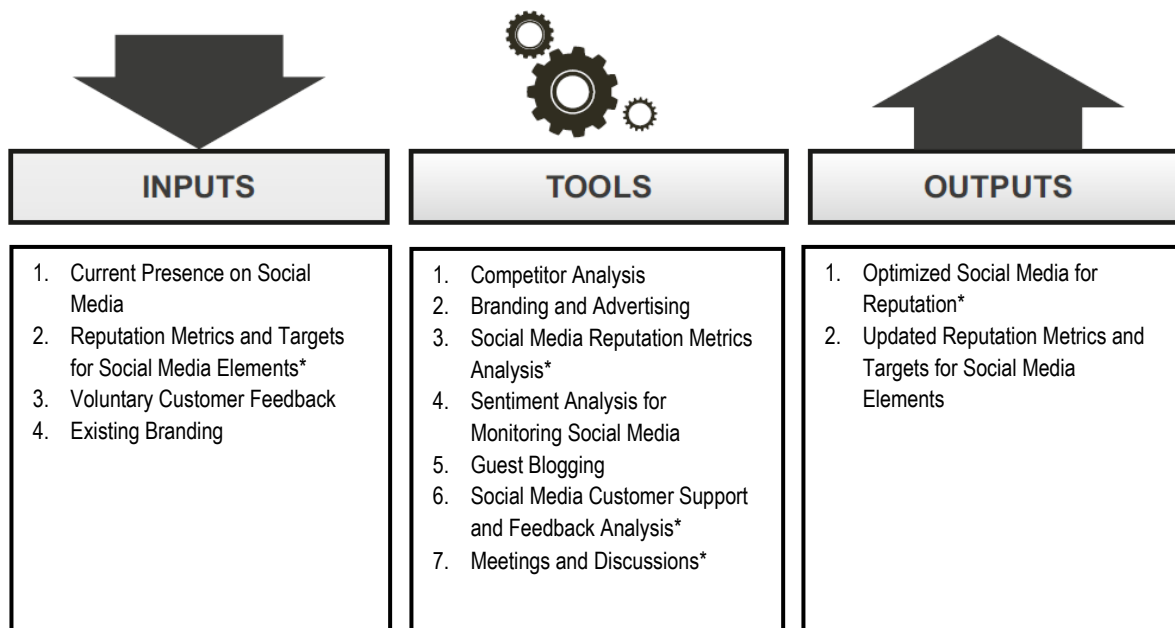


Figure 6-4: Optimize Social Media for Reputation—Inputs, Tools, and Outputs

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

6.3.1 Inputs

6.3.1.1 Current Presence on Social Media

While many companies have built excellent reputations within their industries, they may be missing opportunities if they do not have a presence on social media. Social media is becoming an increasingly powerful way for businesses to improve their reputations or share their already strong ones with a wider audience.

Consumers often look at a company's social media presence when they search for products or services. Consumers want to know how well-known and admired a company is in their industry, whether the company has subject matter expertise, and if the company is sharing content that is relevant and valuable to its customers.

Showing expertise in a particular field enables a company to demonstrate thought leadership, typically improving the company's reputation. Attracting a large number of followers on social media platforms and ensuring that this audience remains engaged shows that the company is a reliable resource of information. Over time, customers develop a positive association with the company's products, encouraging repeat purchases.

Building a positive brand reputation through social media by being transparent and providing real value to consumers benefits all businesses. As a strong support for a company's existing public relations activities, social media can also help restore brand loyalty when it is lost and can establish a company's reputation with new audiences.

Example of Current Presence on Social Media:

- Understanding that most consumers research products online before visiting a retail store or making an actual purchase, a retail bank invested in a variety of social media platforms in an effort to create awareness of its brand, specifically its mortgage products. As part of a campaign to encourage new customers to take advantage of its home equity line of credit option, the bank used its existing social media presence to provide useful information about the housing market, home renovation financing, and other information helpful for people looking to purchase a new home. As a brand trusted by its online followers, the bank also occasionally advertised its home equity line of credit options and mortgage transfer rebates to a targeted and receptive audience that perceived the brand as having an excellent reputation.

6.3.1.2 Reputation Metrics and Targets for Social Media Elements*

The metrics and targets identified in this input are derived from the Refined Metrics and Targets for Social Media Elements output from the *Plan and Develop Social Media Channel* process described in section 3.3. These metrics set a baseline against which all social media activities will be measured to gauge success in terms of establishing or strengthening a company's reputation through social media. Consumer engagement with content is a key indicator of individuals' perceptions of a company's brand. Individuals are inclined to like, share, and post positive feedback regarding a brand if they perceive value in the content that the company provides. Additional feedback and customer reviews can shed significant light on brand reputation and thus should be monitored frequently to evaluate and manage consumer perception. Tracking brand mentions, particularly by industry influencers, is also a key reputation metric for the social media team to measure.

Example of Reputation Metrics and Targets for Social Media Elements:

- A furniture manufacturer, which is already viewed as socially responsible, recognizes that more can be done to enhance its reputation in this area. The business makes a long-term commitment toward sustainable development, responsible sourcing, and reduced waste in manufacturing, in order to position itself as a thought leader in the industry. In social media platforms, it creates valuable content that demonstrates the need for socially responsible manufacturing, encouraging customers to share the content and tell their own stories about how they too are reducing their carbon footprint. Monitoring increased subscribers, shares, and likes of its content provides the company with an indication that social media activities are effectively enhancing the business's reputation. When the company is named to the country's 50 best corporate citizens list, it is a clear indication that the business has achieved its primary targets and has effectively used social media to enhance its reputation.

6.3.1.3 Voluntary Customer Feedback

Social media platforms are, by design, far more interactive than websites. Any company that has a presence on social media platforms should expect some kind of customer feedback even if it is not actively engaging with customers. This feedback might just be the number of likes or comments on a post or a message to the company about a customer service issue. Given this, companies need to actively scan all of their social media channels to check for voluntary customer feedback.

By monitoring and responding to customer feedback on social media, a company can retain current customers and build or maintain their brand reputation by addressing their needs and complaints, while winning new business by highlighting excellent customer service.

A company can also be proactive and use the feedback to prevent other negative comments and complaints by ensuring that corrective measures are taken. If a company finds that some questions are asked frequently, the company can add these to the FAQs list for future customer enquiries.

If a company realizes that people are primarily using social media sites to express discontent, they may conclude that customers are unaware of how to contact the company directly with their feedback. By making the phone number and e-mail address easy to find, or by setting up a feedback form, companies can ensure that negative feedback is dealt with on a one-on-one basis rather than in a public space on social media where this feedback can affect other customers' opinions about the company's products or services.

Examples of Voluntary Customer Feedback:

- From the perspective of managing online reputation, it is important to not only address the critics but also ensure that incorrect information or reviews are removed from the company's social media profiles or other online forums. Inaccurate or frivolous reviews might become one of the influential factors in a customer's decision-making process.
- Companies leverage social media platforms to collect feedback when launching a new product or introducing new features to an existing product. Customers actively using social media can provide a wide range of feedback and help improve a company's product development processes. This also provides an opportunity for a company to gain support of and excitement about the product prior to its launch.

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6.3.1.4 Existing Branding

Branding is a key component of the overall Corporate Strategy of the company and of all marketing activities associated with the business. Branding is discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A company's brand represents—in a logo or mark, a message, a service, a product, an ad, or an event—what customers can expect from the company. Brand touches all facets of the business, and it is important to maintain consistency of brand across the company's products and services and throughout all marketing channels. The branding and advertising tactics developed for the company therefore need to be reflected in its social media content. Brand recognition, consistency of key messages, and reinforcement of core principles are all components of branding that should be optimized across social media platforms in order to build or strengthen the brand through this channel.

Example of Existing Branding:

- An engineering firm might choose to focus its social media strategy on professional networking sites such as LinkedIn. The firm is aware of its desired reputation as the trusted name in industrial maintenance, so it ensures that its company's page is written to reflect the brand's image. The company's logo and mission statement are prominently displayed, and all written content is edited to ensure it is technically accurate and of the highest quality.

6.3.2 Tools

6.3.2.1 Competitor Analysis

Given the vast array of social media platforms—including social media sites, industry specific blogs, video sharing sites, and various forums, among others—monitoring the social media activity of competitors is an enormous task. A number of tools exist to make the task of monitoring competitive activity easier, but the large and varied nature of data from social media makes the analysis of collected data a challenging one.

For blogs and discussion forums, a company must find those that are the most popular in its product category and observe how competitors are interacting with customers and subject matter experts on those blogs and discussion forums. The company should note the frequency of posts and discussions, the duration for which competitors have been members of popular forums, and customer responses to posts, in order to gain an understanding of how competitors are both interacting with consumers and enhancing their reputation on such forums. These observations should give the company a good overview of how important certain blogs and forums are to a competitor.

In other platforms, monitoring specific metrics such as likes and shares can give an indication of the effectiveness of the platform in building awareness of the brand and enhancing the reputation of the business. After collecting data on top competitors in all social media platforms, a company can gain a sense of which social media outlets competitors are using the most, the type of content and updates they are sharing, and the responses of customers to such content. Based on this analysis and the company's objectives, the company can identify key social media activities that can be employed to help strengthen its own brand and achieve targets for strengthening its reputation through social media.

6.3.2.2 Branding and Advertising

Branding and advertising are discussed in detail in the SMstudy® Guide-Book 5, Branding and Advertising. A strong existing brand and effective offline advertising can provide essential support to the company's social media efforts and, when aligned, offline and social media initiatives can work together to build awareness of the brand and help the business achieve its marketing objectives.

Businesses often use traditional advertising such as television or radio ads to drive consumers to social media in order to discuss topics or create a buzz around an issue. Given the nature of social media and the speed at which content is shared, pushing consumers to social media is often an effective tactic to build product or brand awareness, generate sales, and strengthen the brand's reputation.

Example of Branding and Advertising:

- A coffee shop franchise invited consumers to share, via its website and social media platforms, stories about local heroes and community giving, with a focus on reliability and friendship. These are some of the values behind which the brand stands. Many of the stories became part of a radio and television ad campaign aimed at strengthening the brand's reputation and, as several of the stories went viral in social media, the company was able to enhance its reputation as a supporter of community giving, using both traditional advertising and social media.

6.3.2.3 Social Media Reputation Metrics Analysis*

Analyzing key metrics related to reputation in social media is important to determine the effectiveness of social media campaigns as well as to discover gaps that need to be addressed. In addition, as companies generally use more than one social media platform, it is also important to compare how effective each of the platforms is in building a company's online reputation. For this, metrics that apply to all social media platforms should be used. For example, almost every social media platform also has a feature that allows users or viewers to express their approval of content. The most common way to express this is through action buttons such as Like, Share, Follow, Upvote, Downvote etc.

Another example that applies to almost every social media platform is a feature that allows users to share content provided by the company. Tracking the number of shares can help compare engagement across platforms. The share feature allows companies to reach out to a much larger audience than the one they initially targeted. For example, if a company promotes a particular piece of content through e-mail marketing to one hundred users, the reach is usually limited only to the recipients of the e-mail. However, if the company shares the same piece of content to the one hundred users following its company page on a social media platform, the exposure can be much wider. In this case, if ten of these users share the promoted content to their contacts within the social media channel, and assuming that they each have an average of one hundred contacts, then the company's content would reach an additional 1,000 users (100×10). The fact that these 1,000 users did not receive promoted content directly from the company but received the content after it had been shared by a contact of theirs serves as a recommendation and significantly improves the company's reputation across a wider audience. Therefore, companies should track not only the customers they initially target but also the much wider audience that actually receives their content. Most of the popular social media platforms have analytics tools that allow companies to track both sets of audiences, and knowing the wider audience can help a company better plan its reputation management activities.

It is also important to understand which segments of users are more active in promoting and sharing a company's social media activity and updates. If those segments are the ones that a company considers as its best targets, then it can conclude that its updates are striking a chord with the right audience. If, however, its updates are shared by users who are unlikely to become customers, then the company needs to investigate whether the content it is sharing is relevant to its target audience or whether its targeting parameters are correct. Failing to conduct this analysis may result in a company meeting its short-term

social media targets, such as achieving a certain number of likes or shares, but failing to meet its overall revenue targets for social media.

Examples of Social Media Reputation Metrics Analysis:

- Content mobility and engagement is one of the primary metrics of social media reputation management. For example, a company that has a presence on Facebook, YouTube, Instagram, Twitter, Pinterest, and a company blog might measure its social media reputation using all or some of the following:
 - Facebook likes and shares
 - YouTube video likes and shares
 - Instagram likes and comments
 - Twitter retweets
 - Pinterest repins
 - Blog article shares and comments
- A company that wants to measure its social media reputation across industry blogs and forums can consider counting the number of positive mentions, supporting comments, and shares.
- A furniture company, which is operating in multiple cities and promoting its latest designs through social media, may observe that the overall likes and shares of its campaigns are as expected, but a significant percentage of shares is coming from cities, or even countries, where the company does not have a presence at all. This may happen if the company has not defined its target audience correctly while promoting its content. Thus, the company may waste money on these campaigns without earning the expected revenue.

6.3.2.4 Sentiment Analysis for Monitoring Social Media

Sentiment analysis is the science of inferring insights from data generated in social media and goes beyond social media metrics such as the number of likes, shares, mentions, and followers. Sentiment analysis is a significant component of social media analytics; it involves processing consumers' opinions, conversations, and sentences to detect and understand consumer emotions and mindsets toward brands or topics. The data gathered might be from blogs, forums, social media posts, reviews, wikis, and more. Sentiment analysis uses parameters such as context, tone, and emotions among others.

Sentiment analysis categorizes the divergence (positive or negative) of a post, comment, or statement that establishes the positivity, negativity, or neutrality of the sentiments around a topic.

Social media monitoring software is one of the ways companies use sentiment analysis. These software packages and tools use natural language processing techniques and statistics to analyze sentiments on huge amounts of social data.

Analyzing audience sentiment in online conversations is a leading indicator in foreseeing the outcomes of coordinated activities as varied as political events, marketing campaigns, and product launches. For example, sentiment reports pulled in advance of a presidential election can help identify trends that can predict the winner.

Business questions that can help gauge sentiment include the following:

- How do people feel about the product or brand?
- How are people responding to campaigns or product launches?
- Is there a way to predict the outcome of a campaign or event so that the company knows how to invest in marketing?
- Why aren't consumers buying the product?

Sentiment analysis of social data empowers business decision-makers to understand consumer attitudes and behaviors. Since social data is voluntary and user generated, mining this data and effectively classifying or coding it allows companies to forecast with some certainty customers' feelings towards campaigns, brands, content, and products.

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Example of Sentiment Analysis for Monitoring Social Media:

- At times, a company needs to consider several factors before responding to particular negative situations in social media. For example, a video created by an employee when leaving her job at an animation company went viral and, within 24 hours, 6.75 million people watched the video. The company published a video in reply three days later, which also became popular and helped the company recover from the embarrassing situation. In such cases, a predefined response would likely not be effective in containing the situation. Rather, the marketing team (and also senior management) should conduct a sentiment analysis before a future course of action is decided. The corporate legal team may also need to be involved in these situations.

6.3.2.5 Guest Blogging

Given that the majority of blogs provide an interactive space for discussion and sharing, blogs are typically considered social media tools. Guest blogging is a method used by companies to increase website traffic and support the brand and reputation of the business. Guest blogging involves the creation and posting of content to be published on related blogs. Guest blogging topics and content should be relevant, authentic, and posted in appropriate blogs so that search engines do not consider the article spam.

Guest blogging can work in one of two ways:

- An industry expert can be invited to write a post to appear on the company's blog.
- The company can write a post to appear on an external blog.

Inviting Guest Bloggers

In this scenario, an expert in the industry is invited to post a blog on the company's existing website. Guest bloggers with a strong reputation in the industry can add credibility and quality to the website content, supporting the brand and consequently improving the reputation of the business. Such arrangements can in fact provide mutual support if the company brand is strong and the invited blogger is well known. Both parties in this instance enhance their reputation through their affiliation with a strong brand and leadership in the industry.

Guest Blogging on External Sites

When considering guest blogging on external sites, the first requirement is to identify the goals to be achieved. These goals are essential in determining the right kind of blogs to which the business should consider submitting content. Most companies use guest blogging to help achieve the following main goals:

- To position the company as a credible source of expertise
- To build name recognition within its industry
- To drive traffic to the company's website
- To increase the number of backlinks to the company's website

With the right kind of content on the top blogs, all four of the above can be accomplished. If positioning the company as an industry leader or driving traffic to the company's website is the primary goal, then blogs that have a good-sized and engaged audience need to be identified. If building backlinks is the main goal, then blogs with strong root domain authority must be identified. Businesses must be certain when submitting potential blog posts that the content that they are providing is valuable to consumers and not simply promote a product or brand. Both consumers and blog publishers are savvy, and product promotions will most likely be rejected by reputable blog publishers. Following are some key considerations for guest blogging on external sites:

- **Finding Guest Blogging Opportunities**

Industry-relevant websites that have the following characteristics provide the best opportunities for guest blogging:

- The content matches the company's niche or industry.
- The blog's audience is already interested in the company's industry.
- The blog has successfully developed a loyal and interactive audience that comments regularly and often shares its posts.
- The blog actively markets itself and its content through social media.

- **Preparing to Pitch a Guest Post**

Researching a blog is important prior to submitting content. Doing the following few things before contacting the blog owner are essential for success:

- Get to know the blog's content.
- Evaluate the quality and success of other guest posts.
- Determine who the guest bloggers are.
- Determine the posts that have the greatest readership.
- Become a familiar face in the blog community.

- **The Best Times to Pitch a Guest Post**

To increase the likelihood of a guest post being accepted, certain times are better than others. When one of the following situations is present, it is generally a good time to pitch a guest post:

- The blog mentions the company or a person in the company in one of its posts or on social media.
- The blog lists the company's product in one of its posts.
- The blog specifically advertises it is looking for guest posts.
- The blog publishes another guest post.

Blog networks are sites specifically built to connect bloggers with one another and allow them to guest blog on one another's sites for the purpose of SEO and link building. Companies providing guest posts or receiving them should ensure the blog sites or bloggers have a positive and genuine reputation in the industry and are not using low-quality guest posts exclusively as a back-linking strategy.

Examples of Guest Blogging:

- A global cloud computing company relies heavily on guest blogging. From its CEO to its coders, it employs multiple guest bloggers who write guest posts at TechCrunch, Google Code blog, and other sites. Incorporating a large guest blogging team means creating multiple voices around the business; so if one voice is missed, another voice will be heard. A team effort in this particular business makes guest blogging successful. The company gives its employees the freedom to talk about what they are good at and what they enjoy.
- A pharmaceutical company may request a medical expert to post an entry to its blog providing an endorsement of a particular product or to describe his or her experience using the product with successful results. News of a well-known expert in the field using the product can spread quickly, particularly if the blog facilitates a discussion in which others respond and share their experiences with the product, thus increasing awareness and supporting the reputation of the company as a leader in its field.
- An educational toy company that provides toys aimed at children's cognitive development in the early years seeks out a site with access to consumers who have a demonstrated interest in toys for educational purposes. Many "mom" blogs, for example, provide a forum for reviews and write-ups on toys of this nature and can provide an ideal forum for showcasing the toy manufacturer as a leader in the field, thus enhancing the company's reputation.

6.3.2.6 Social Media Customer Support and Feedback Analysis*

Social media platforms are designed to allow companies to engage directly with customers. A natural consequence is that companies can provide support to customers, and customers can also provide feedback directly through these platforms. However, in many cases, the feedback that customers provide via these platforms can be viewed by almost everyone. Thus, positive feedback and compliments provided by customers can go a long way toward improving the online reputation of a company, as those compliments are viewable by the general public. On the other hand, negative feedback is also viewable by other customers and potential customers. This makes it imperative for companies to have a response mechanism in place for such feedback.

Companies need to respond to negative feedback and complaints as quickly as possible, even if they do not have a complete solution. Customers generally consider speed of response a higher priority than the completeness of response as a quick response demonstrates that the company is listening. A delayed response may result in customers posting the same complaint multiple times across different social media platforms to force the company to provide a response, which is something every company wants to avoid. A delay in response also results in more users responding to the initial complaint by a customer, thereby making the complaint visible to an ever-widening network. Therefore, speed of response is paramount, especially in such cases.

There are a number of social media monitoring tools available online that can be used to monitor mentions of the company across social media platforms and enable the company to respond to complaints and negative feedback in real-time.

Another element of social media customer feedback is the analysis of the feedback. Analyzing customer feedback enables a company to understand areas where it is lacking in customer support or product quality, and determine why customers feel compelled to air their complaints on social media rather than using offline and direct channels. Customers may choose to go public with their grievances on social media platforms if they do not receive a satisfactory response through other channels or if they find it easier to provide feedback on social media platforms. A company needs to address both of these issues—customers should receive a satisfactory response through other channels, and they should find it easier to share negative feedback through such channels. To resolve these issues, it may be necessary for the company to implement significant changes to customer support processes or even invest in new technologies. For example, to reduce wait times for customers seeking phone support, the company may need to implement an easy-to-use automated response system that provides answers to a wide variety of queries automatically.

Example of Social Media Customer Support and Feedback Analysis:

- When a popular energy drink company changed the flavor of a popular product, people complained on their Facebook pages and other social media platforms for 24 hours straight before the company responded. If customer complaints are not answered quickly, customers not only leave the brand quickly but also influence others to do so—directly or indirectly. Companies need to respond to consumers that are upset with their service, product, or actions in a timely manner, especially on social media platforms.

6.3.2.7 Meetings and Discussions*

The inputs to this process provide information about the social media landscape, current presence of the company on social media, desired metrics and targets, feedback received from customers across social media platforms, and possibly the demographics of consumers on the various social media platforms. Based on this data, the digital marketing team meets and decides on the various steps and activities to be performed to ensure that the desired reputation metrics are being met.

The digital marketing team monitors existing customer feedback received primarily from the selected social media platforms and decides on an appropriate response mechanism for the various types of feedback from customers. Once the feedback mechanism is set up to specify how each piece of customer feedback is to be addressed, a response structure is established to ensure that certain queries are appropriately escalated and responsibility for each type of response is allocated to the respective personnel. Typically, the team also monitors competitors' activities and response strategies to customer feedback, and can often derive a sense of customer sentiment toward the competitor regarding a competitor's responses to feedback.

Company reputation is also built upon whether the Content Creation and Distribution Plan reflects the branding strategy of the organization. Based on the user demographic data available for various platforms, the digital marketing team meets to decide the specific content strategy for each platform. In addition to creating timely, appealing, and attractive content for the audience, the team must ensure that the content creation and distribution efforts align with other marketing activities. Meetings and discussions provide a mechanism for all members to discuss marketing activities, trends, and opportunities in order to ensure that marketing messages are consistent and activities are designed to work together to support the overall Marketing Strategy and its corresponding objectives.

Example of Meetings and Discussions:

- Often employees make mistakes in the social media space. For example, an employee may post something on Facebook or Twitter intended for their personal page, while unintentionally logged into the company's page. This is one of the many moments where companies need to be prepared to respond quickly and fix mistakes, as mistakes that impact the company's reputation typically impact all facets of the business. Once a mistake is made in a social media platform it may spread at a very fast pace. It is often difficult to contain the situation if corrective measures are not taken immediately. It is important to make sure that team members are equipped with specific guidelines on how to best address difficult situations such as an error in a social media post. Furthermore, meetings and discussions provide a forum for team members to brainstorm solutions and set in motion an action plan to address such situations. Similar to errors, positive posts can spread at a fast pace due to the same viral effect. In such instances, the teams need to meet to decide on the appropriate steps and measures to take in order to maximize the benefits of the positive situation for the business as a whole.

6.3.3 Outputs

6.3.3.1 Optimized Social Media for Reputation*

After analyzing all improvement opportunities to strengthen the reputation of the company using social media, the company needs to implement the improvements in a systematic and sustainable manner to ultimately impact the company's reputation. Many of the improvements will not be one-time efforts but could actually be improvements in processes, such as implementing a better framework and guidelines to respond to customer comments and reviews. Thus, managing the reputation of the company on social media is generally a continuous effort. The effectiveness of all efforts to improve the company's reputation can be measured by improvements in all of the social media reputation metrics mentioned in the inputs of this process.

Example of Optimized Social Media for Reputation:

- A mobile computer repair franchise decided it would review popular hardware user forums and LinkedIn discussion sites to seek opportunities to comment and give advice. The company hoped this would increase its reputation as an expert in computer repairs, and instructed its most knowledgeable expert to seek and comment on these issues. Although this team member was a subject matter expert, he was not an experienced technical writer. As a result, some of the advice he gave was confusing, and other contributors commented on this. Based on the number of negative responses, the company hired a technical writer to assist. This writer was responsible for editing the comments and advice prior to posting. The company found the negative comments ceased, and the company exceeded the link-through targets to its own site from these forums.

6.3.3.2 Updated Reputation Metrics and Targets for Social Media Elements

Reviewing and updating the Reputation Metrics and Targets for Social Media Elements should be ongoing. The company's reputation is influenced by a number of variables and measured using the digital marketing metrics as well as those metrics identified in the Marketing Strategy. The overall success of the business often hinges on its reputation in the marketplace. Thus, it is important that the team continuously monitor the specific reputation metrics and adjust the metrics and targets as necessary throughout the execution of the Digital Marketing Strategy.

7. OTHER IMPORTANT ELEMENTS OF DM CHANNELS

Digital Marketing is a vast and constantly changing marketing channel. The challenge for most digital marketers is not only to stay abreast of what their competitors are doing, but also to remain aware of advancements in technology and of changes in consumer use of technology. As new technology is introduced and old technology becomes obsolete, marketers must adapt to changing trends in the market, technology, and consumer behavior in order to be successful in their digital marketing efforts. Previous chapters have provided details regarding the establishment and optimization of a company's website, mobile technology, and social media. These are generally the key areas of focus for the digital marketing activities for most companies. Establishing and maintaining a strong digital marketing presence requires an integrated plan that incorporates these as well as various other digital marketing factors described in this chapter. Some of these concepts have been discussed briefly in previous chapters, but warrant a more thorough discussion as they can play a significant role in the overall Digital Marketing Strategy.

This chapter provides details on the following digital marketing concepts:

- 7.1 E-mail Marketing
- 7.2 Web Analytics Tools
- 7.3 Search Marketing
- 7.4 Popular Social Media Platforms
- 7.5 Affiliate Marketing
- 7.6 Search Engine Optimization (SEO)

7.1 E-mail Marketing

7.1.1 Overview

E-mail marketing is a form of direct marketing that uses e-mail as the delivery medium for communicating a marketing message to a group of people. E-mail marketing can have many different styles or levels of personalization, but any e-mail sent to existing or prospective customers can be regarded as e-mail marketing. E-mail marketing is used to communicate with existing customer contacts as well as to market to potential customers in prospect lists purchased from external sources. E-mail marketing can be used to help enhance the relationship of a business with its existing customers as well as to reach out to acquire new customers. Specifically e-mail marketing can be used to support customer loyalty and encourage repeat business with existing customers, as well as to deliver information and offer promotions to both existing customers and prospects via newsletters and other forms of communication.

7.1.2 Components of E-mail Marketing

E-mail Marketing Software

Good e-mail marketing software is a key component of a successful e-mail marketing system. The software should enable the company to manage its e-mail subscription lists, allowing recipients to easily subscribe or unsubscribe; send e-mails to subscribers or to recipients on a purchased list successfully with minimal delivery issues; provide predefined templates to enable streamlined e-mail creation; and, provide an auto-responder to manage recipient replies. The software should also track the effectiveness of e-mail marketing campaigns and provide regular reporting to measure various performance criteria including messages delivered, click rates, and bounce rates. Companies that have the in-house technical expertise and resources may prefer to develop their own system rather than rely on a third-party provider for this service. If a company chooses a hosted service provider, it should perform due diligence to ensure the provider has the right expertise and a good track record with its customers. When choosing a service provider, it is important to consider many factors like deliverability rate, features and tracking capabilities, available support, and the overall cost of the service.

Reputable e-mail marketing service providers try to ensure that customers' e-mails are not blocked by major ISPs. However, it is sometimes difficult to control whether or not the e-mails arrive in the recipient's inbox or the spam box. Although most e-mail marketing service providers designate a quality score to help indicate the likelihood of the e-mail being delivered, getting whitelisted is the most effective way to ensure that e-mails get delivered properly. Whitelisting specifically allows e-mails from a certain source or sender to be delivered into an e-mail inbox. Adding trusted e-mail addresses to a personal whitelist lets the e-mails from that source pass spam and junk mail filters. Different e-mail client and Internet security platforms have a variety of methods that allow users to create whitelists.

Example of E-mail Marketing Software:

- A large vitamin supplement distributor decides to sell its products through its website rather than through retail stores. The company allocates a large percentage of its marketing efforts and budget to e-mail campaigns to increase the reach of its website. Because its sales success depends on the effectiveness of these e-mail marketing campaigns, the company requires sophisticated e-mail supporting software. Its sales support team spends considerable time reviewing the statistics generated by this software and making both technical and messaging changes based on each review. As the company targets large, mass audiences, it needs to ensure that its e-mails are not considered spam. It will put forth a good deal of effort to maintain a high quality score and avoid being blocked by major ISPs. The company will also include a request in its initial e-mails to customers to whitelist the company's e-mails. This is usually a simple procedure and guarantees that future e-mails will not be directed to a recipient's spam folder.

E-mail List or Database

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Another component of e-mail marketing is the e-mail database itself. A company needs to collect the e-mail addresses of its customers to enable the company to run e-mail campaigns. A list developed in this way is commonly referred to as a “house list” and is derived from the company's own database of current customers, previous customers, inquirers, responders, contest entrants, and so on.

In addition to gathering the e-mail addresses of existing customers and prospects from the internal database, a company can employ other means to send e-mails to prospective customers who are currently unknown to the company. Companies can buy or rent e-mail lists of prospective customers from third parties. When working with a list broker, companies pay for the usage of names and therefore select only the names that fit their usage criteria and target profile. The target profile can include certain demographics, lifestyles, known or ascribed data, vertical interest, and so on. Generally, there are two types of purchased lists:

1. **Response Lists**—These lists include the names of previous responders to offers from other companies such as publishers (recipients accepted subscription offers to magazines); mail order marketers (recipients ordered from a catalog); book, CD, or DVD marketers (recipients purchased a series of books); or charities (recipients contributed to a charity). While more expensive than compiled lists, the main advantage of response lists is that they may generate a greater response due to the predisposition of the audience to respond (people on these lists have a proven track record of responsiveness). Response lists are typically rented for one-time use for a specific campaign and are frequently updated.
2. **Compiled Lists**—These lists include names aggregated due to common characteristics, professional affiliation, or interest, such as consumer databases (names collected from the white page directory, consumer surveys, consumer shows, and so on) or business databases (names collected from the yellow page directory, credit bureaus, professional and industry directories, memberships, trade shows,

seminars, and so on). These lists may be licensed for either one-time or for repeat use. Each list typically has a base cost per thousand (e.g., a list cost may range from \$100 to \$200 for direct mail and telemarketing, and \$250 to \$350 for e-mail lists). Additional charges may be added depending upon data selected (e.g., \$10 per thousand for age-select).

When renting or purchasing lists, it is important to consider whether the list is being acquired directly through the list owner (e.g., the actual publisher, catalog marketer, fundraiser, association, or compiler) or through a list broker.

As well, businesses often test several lists against each other and against the company's customer database to determine the best list for future use. If a list is purchased for one-time use, companies can typically only incorporate e-mail respondents from their e-mail campaign into their company databases. When purchasing a list from a list broker it is important to understand who owns the list, how the list was compiled and over what period of time, how often the list is used, how long the list has been in use, the deliverability guarantee, and the responsiveness of the recipients on the list, which can be measured using percentage response rates or response rate per type of offer.

One of the most effective ways of collecting prospective customers' e-mail addresses is by having an opt-in subscription form on a landing page on the company website. Visitors to the site provide their e-mail addresses and agree to accept offers or information. Most e-mail marketing services provide functionality to integrate subscription forms on a website. To increase the number of subscribers, companies may offer free newsletters, e-books, reports, or white papers as an incentive for people to join their lists. A company should provide something relevant and valuable to the audience in order to encourage them to subscribe.

Example of E-mail List or Database:

- The previously mentioned vitamin supply company understands that only a small portion of its contacts will become customers. To increase the number of sales, it will need to exponentially increase its number of contacts. The company will maximize every opportunity to increase its prospect database by offering free samples, health-related newsletters, and informative downloads. It will also purchase e-mail lists of potential customers, taking care to ensure that the user profiles associated with those lists correspond with its target segment.

E-mail Content and Frequency

Growing the size of an e-mail list is important, but it is only valuable if there are engaged customers on the list. Companies need to build strong, trusted relationships with their subscribers. Repeated e-mail messaging that does not engage customers will be ignored and customers will eventually unsubscribe from the list. Sending high quality, relevant content is extremely important. If a company always sends advertisements or promotional e-mails, subscribers may feel like they are being too "marketed to" and tune out the messages or unsubscribe.

When designing e-mail content, it is important to identify the key messages that the e-mail should communicate and the specific information that will move the recipient from his or her current perception to the desired perception, overcoming any barriers to conversion. In particular, marketers should highlight the benefits of the product or service as they relate to key messages; focus on specific proof points; and provide details, facts, and features that support the selling premise.

E-mails must have a clear call to action (CTA). Marketers must be clear on what they want the recipient to do and why the offer is of value to the recipient, providing incentives for the recipient to respond immediately. Incentives can include a deadline for ordering; a pending price increase; an introductory period, during which recipients are entitled to a special deal, extra service, or lower price; a free gift or premium; a “no risk” trial; or something that is not available in stores.

Once the recipient completes the requested action (e.g., click to visit a landing page or download a coupon), it is important to decide what will happen next (e.g., what the recipient will see on the landing page) and what will follow to accelerate the marketing process. Additionally, marketers must consider whether a confirmation or transactional e-mail should follow.

Marketers should also ensure that offers in e-mails allow adequate response time. Offers that provide too little time to respond may not allow the recipient enough time to make a purchase decision. Conversely, offers that provide too much time to respond will likely create inertia. Marketers should also ensure that offers are specific. For example, an offer advertising a savings of \$100 on installation will not be meaningful to recipients if it is not clear how much the company charges for installation. Additionally, offers that imitate the competition and do not differentiate the company, offers that are too good to be true, and over-complicated offers are less likely to elicit responses from recipients.

Even when sending valuable content, the frequency of the delivery must be carefully monitored. While there is no rule that works for all companies and audiences, weekly sends tend to be an observed industry standard. If a company has a high number of messages it needs to deliver to its customers (e.g., servicing, informational, and marketing messages) it should have a coordinated release schedule to avoid over sending e-mails. This can be aided by establishing frequency guidelines for each department.

Example of E-mail Content and Frequency:

- The marketing team for the vitamin distributor is aware that consumers are inundated with sales e-mails. They decide to send only one sales e-mail per month. Each of these e-mails will offer a limited time sale or special deal. To support these less frequent e-mails, a bi-weekly informational e-mail will be sent. These e-mails will be focused on promoting the health benefits of regular vitamin supplements. While these e-mails will not be directly selling products, they will contain links back to the company’s website.

7.1.3 Types of E-mail Marketing

Promotional E-mails

The main focus of promotional e-mails is to deliver offers or invitations or to promote products or services that are relevant to a subscriber's preference settings to result in a sale or some other predetermined action. E-mails that are promotional in nature are the most marketing focused. It is important to make sure the e-mail is relevant to recipients and well-crafted to ensure that they will want to continue to receive and pay attention to such e-mails.

Confirmation E-mails

Confirmation e-mails are sent to customers confirming the receipt of a customer request. Some common types of confirmation e-mails may include subscription confirmations, e-mail address verification, login details, auto-responses to customer e-mails, updates to subscription preferences, unsubscribe requests, and so on.

Informational E-mails

Informational e-mails are sent to educate subscribers on topics relative to their preference settings with the provider. This type of e-mail is often in the form of a newsletter. For example, a travel guide publisher may send an e-mail about the latest events in a particular place or interesting places around the globe.

Lifecycle E-mails

Lifecycle e-mails are sent to customers to support acquisition, conversion, growth, retention, and reactivation of subscribers. When an online retail company sends e-mails to customers about pending orders in the cart, it supports the earliest stage of the customer lifecycle, which is the conversion of prospects to buyers. E-mails greeting customers on their birthdays, for example, support the retention stage of the customer lifecycle.

Transactional E-mails

Transactional e-mails are usually trigger-based e-mails that are sent based on a customer's action with a company, often to acknowledge that a business deal has been completed. Purchase receipts are the most common type of transactional message. As these e-mails are usually opened and read by the customer, transactional e-mails provide an opportunity to cross-sell or up-sell by including promotional messages within the body of transactional e-mails.

Examples of Types of E-mail Marketing:

- Companies usually employ a combination of different types of e-mails for both current customers and prospects. An online clothing retailer may send a weekly newsletter describing the latest fashion trends to all customers and prospects who have opted-in to receive the newsletter. The company may also have a lifecycle marketing plan where, after an order is received, it sends an e-mail thanking the customer and promoting other products it anticipates would be of interest to that customer based on the previous purchase. The company may send subsequent e-mails at regular intervals to promote other products or provide fashion tips. These e-mails are intended to continue communication and engagement with the customer. This same retailer will also send other transactional- or servicing-type e-mails to customers. The company might need to communicate information about a pending order, changes to accounts, or servicing/policy changes.
- Corporate sales will also use e-mail marketing to maintain contact and relationships with existing and prospective clients. These e-mails require high levels of personalization due to the one-on-one nature of the sales relationship, but can still use templates and be delivered through a scheduled, automated system. The contact list may be separated into user profiles such as decision-maker, user, or prospect.

7.1.4 Benefits of E-mail Marketing

E-mail marketing has proven to be one of the most effective digital marketing channels. When well executed, e-mail marketing can benefit many types of businesses for many different purposes. Through e-mail marketing, a company is able to keep in touch with customers and prospective customers easily and efficiently. It is a cost-effective way to transmit valuable information relevant to a customer's interests. The major benefits of e-mail marketing are listed below.

Low Cost

E-mail is a relatively inexpensive direct marketing channel compared to direct mail or telemarketing, which typically involves a great deal of resources in terms of both money and time. With direct mail or telemarketing, there is a cost for every contact. While e-mail marketing generally has set-up costs, the cost of sending each e-mail is very low, making it a desirable way to communicate to a large audience. The cost to create an e-mail is also lower than a direct mail piece, and there are no printing or postage fees. E-mail marketers managing e-mail distribution in-house will need to subscribe to a service that automates, tracks, and evaluates their e-mail campaigns, but the cost is typically a nominal monthly fee. Despite the cost savings, it is still important for marketers to consider their goals, products, and audience to determine if e-mail marketing is the right choice.

Example of E-mail Cost Consideration:

- A residential painting company, sub-contracting to local home developers, may evaluate the cost and expertise required to start and maintain an e-mail marketing strategy. It may decide that its efforts are better served by phoning developers directly, as the market size is not large enough to take advantage of the volume discounts that e-mail marketing provides.

Speed of Execution and Fast, Robust Tracking

Organizations may need to distribute critical information to customers in the wake of a current event or a company crisis. In these cases, there may not be time to write, design, print, and send a direct mail piece, nor would direct mail necessarily be appropriate for the situation. A phone campaign to contact and inform the customer base may not even be feasible in the required time frame. The immediate nature of e-mail communication allows a company to be nimble and respond to issues in a matter of hours or even minutes.

In other direct marketing channels, there can be a response lag time of several weeks, or even months. Businesses often wait weeks before seeing changes in sales revenue as a result of print or broadcast campaigns. After that much time, it may be difficult to determine the marketing factors that led to the purchase. E-mail typically returns eighty percent of total responses within forty-eight hours of a mailing. Because e-mail is so rapid, a business can see results within minutes of e-mails being sent, and it is an effective way to inform customers about limited-time offers. These campaigns can create a sense of urgency, prompting subscribers to act immediately. Due to the short average response time, the effectiveness of these campaigns can be accurately measured.

Examples of E-mail Speed of Execution and Fast, Robust Tracking:

- A company experiences a site outage that might negatively impact its customers. Calling the customers individually would not be quick enough to mitigate issues, but the company can quickly draft a message and send an e-mail notification to all impacted customers.
- A real estate firm believes that interest rates will be increasing within the next few months. It wants to quickly reach out to homeowners and home-buyers and advise them to refinance or establish a new loan before rates rise. The firm does not have much time before this change occurs, so it decides to send two different e-mails with individualized messaging to measure which one receives the best response. It sends the e-mails to a sample of its list, and within hours it can see the open rates and track clicks or calls. Within a couple of days, it can evaluate its results, make necessary changes, and send the most effective e-mail to the rest of its customers and prospects. This quick cycle of measuring the effectiveness of a marketing message would not be possible with a direct mail campaign.

Ease of Creation

E-mail marketing campaigns can be relatively easy to create. Effective e-mail campaigns have engaging content presented in a short and digestible manner with visually appealing, strategically chosen graphics or photos. The leading e-mail marketing software providers have built-in templates that help marketers create visually appealing campaigns quickly and easily. Companies that distribute regular e-mails to customers are able to build in-house expertise over time, also enabling them to create attractive and effective e-mail campaigns with little effort.

Call to Action Responsiveness

One of the greatest advantages of e-mail marketing is that it allows customers to respond to a call to action immediately. Offline marketing channels do not enable customers to transition from seeing an offer to purchasing the item with little more than a couple clicks of a button. By linking a persuasive call to action to the right landing page for the product, e-mail marketing can drive engagement and sales like no other channel.

Ease of Tracking

E-mail marketing can provide critical insights and enables easy tracking of performance metrics. E-mail marketing software enables a business to track open and click-through rates on both e-mails and links within them. As a result, companies can quickly and easily analyze the effectiveness of the messages and campaigns, and immediately identify opportunities for improvements, including adjustments to mailing lists, changes in the timing or frequency of messages, and revisions to copy or graphics. Once the improvement opportunities are identified, they can be implemented almost immediately for subsequent e-mail marketing campaigns.

Segmentation, Personalization, and Testing of Offers

E-mail marketing allows a company to send personalized messages to its customers. If a company can gather information about its customers or subscribers, it can easily segment the e-mail list based on any number of factors, including demographics, interests, past history, and more. It can then send targeted personalized messages and offers based on this information. For example, an online retail company such as Amazon can send personalized e-mails to customers based on their search or purchase history. If there is a sale on a particular product category, the message can be sent only to those who have shown an interest in that product category.

E-mail marketing allows a company to test different messages on different segments of the e-mail list quickly and inexpensively. E-mail messages can be fine-tuned based on the test results before they are sent to the entire list.

E-mail testing can include examining various lists and list segments; varying timing and frequency (e.g., day of week or time of day); and varying the subject lines, offers, or calls to action.

It is important for marketers to understand who responded to e-mail marketing messages (as indicated by a click-through, a purchase, or a download, for example) and the criteria that characterize those respondents in terms of geo-, demo-, or psychographics as well as behavior. This information will help marketers assess whether or not they should target the same group of people going forward. Marketers can also use response data to create predictive models that will forecast how different segments will behave.

Example of Segmentation, Personalization, and Testing of Offers:

- A retail bank promoting a new credit card to new and existing customers might create several e-mails based on gathered data. Some messaging might emphasize rate and time to pay, while some might say more about the high credit limits and rewards program. The bank can then further personalize the e-mails with the customer's name, any introductory rate offers, and the specific interest rates. Such sophisticated e-mail campaigns result in many different versions, all promoting the same product, but in different ways.

Ease of Sharing

When subscribers like deals and offers, they can easily forward them to their friends; oftentimes, this takes little more than a click of a button. Few other types of marketing communication can be shared this easily. Attractive offers can encourage subscribers to become brand ambassadors, helping a business expand its reach into potentially new markets.

Return on Investment (ROI)

E-mail marketing can provide a very good Return on Investment (ROI)—in many cases better than that of other channels. While the ROI can be high for e-mail marketing, marketers must still consider their targets and ensure e-mail marketing campaigns are delivering the right results and revenue to justify the costs.

7.1.5 Important Metrics of E-mail Marketing

E-mail marketers use a number of metrics to help determine the success of campaigns and provide guidance on how to improve e-mail marketing efforts. Among the most common metrics are the following:

Open Rate—This metric refers to the percentage of e-mails in an e-mail campaign that are opened. A high open rate is an indication of high engagement. Oftentimes, high engagement is the result of a strong and appealing subject line.

Hard Bounce/Soft Bounce—A hard bounce occurs when an e-mail fails to be delivered as a result of a permanent issue, such as a non-existent address. A soft bounce occurs when an e-mail fails to be delivered as a result of a temporary issue, such as a full mailbox or an unavailable server. This metric provides an indication of list quality.

Click-through Rate (CTR)—This metric represents the number of unique clicks on a given URL divided by the number of times the e-mail is opened. An even better indicator of engagement than open rate, a high CTR indicates that the content was compelling to the reader.

Conversion Rate—This metric indicates the number or percentage of recipients who respond to the call to action in an e-mail marketing campaign or promotion. A measure of an e-mail campaign's success, conversions can be measured in sales, phone calls, appointments, and more.

Cost per Thousand (CPM)—This metric refers to the cost per 1000 e-mail addresses on a purchased or rented list. A rental list priced at \$100 CPM indicates that the list owner is charging \$0.10 per individual e-mail address.

Opt-in Rate or Subscribe Rate—This metric measures the growth of the e-mail list. Opting-in or subscribing to an e-mail list requires an individual to choose to receive e-mail communications by supplying an e-mail address to a particular company, website, or individual. Customers who opt-in or subscribe accept inclusion on the list and grant permission to the company to send them e-mails. Subscribers can often indicate areas of personal interest and/or indicate which types of e-mails they wish to receive from the sender. A growing opt-in rate is an indication of expanded reach.

Opt-out Rate or Unsubscribe Rate—Opting-out or unsubscribing from an e-mail list is the result of someone choosing not to receive communications from the sender by requesting the removal of his or her e-mail address from the mailing list. Regulations regarding the use of e-mail lists vary from region to region. It is generally not acceptable to send list-generated e-mails to receivers without their permission. Unsubscribe options are often mandatory on subscription e-mails.

Example of E-mail Marketing Metrics:

- Customers who register for program loyalty cards usually have the option to join an e-mail list. They can be given further options to receive e-mail offers and information from associated companies. A customer agreeing to participate in all e-mail lists after registering for a department store loyalty card can anticipate follow-up e-mails from the department store and other consumer product distributors. The department store will want to track its opt-in rate to measure the consumer's perceived value of receiving ongoing correspondence from the store. The opt-out rate will help to quantify the actual quality of the correspondence being sent. Regularly sent e-mails that do not provide value to the customer will have a high opt-out rate.

7.2 Web Analytics

Web analytics involves the collection, measurement, and analysis of web data to understand the impact of digital marketing activities on customers and potential customers. Online businesses use several web analytics tools to track user activity on their websites. These web analytics applications measure metrics such as the number of website visitors, the number of unique visitors, sources of website traffic, keyword queries used on the search engine, time duration of visitors on a page or website, the number of pages visited, the navigation path of website visitors, and the pages from which visitors left the website.

Web analytics is often used with websites to monitor site performance, improve users' website experiences, and achieve higher conversion rates. Web analytics helps in determining sections of the website that receive high numbers of visitors but do not result in conversions or in driving users to perform actions that would take them to the next stage of the customer life cycle. This data is useful in identifying opportunities for website improvement.

7.2.1 Digital Marketing Targets

Among the outputs of the Marketing Strategy are the marketing objectives and the selected Aspects of Marketing that will help the company successfully reach its overall goals. Digital Marketing is just one of the several Aspects that the company can use to reach its objectives. The process of establishing marketing objectives is described in the *SMstudy® Guide* series book on Marketing Strategy (MS). From the marketing objectives, the team derives specific digital marketing targets that will be used to measure the success of digital marketing activities. The process of defining digital marketing targets is described in chapter 3, Plan and Develop DM Channels.

An e-commerce website, for example, might have a digital marketing target of increased revenue from online sales of a product line, while a news channel's website might have a target that relates to providing engaging content. Once digital marketing targets are established, Web Analytics is then used to measure digital marketing success by comparing data derived from various web analytics tools against the specific targets that have been set. Digital marketing targets, therefore, provide the team with an indication of the type of web analytics data against which to measure ongoing digital marketing performance.

7.2.2 Digital Marketing Metrics

Measuring the performance of a digital marketing channel can be done by identifying metrics that determine the digital marketing channel's relationship with the overall business goals and marketing objectives. The following key metrics can provide most of the information needed to track the performance of a website.

- **Visits**—This metric provides information on a website's effectiveness in reaching out to the target audience. This shows how many times in total a particular website has been viewed.

- **Page Views**—The number of page views helps to monitor the website content and provides information on popular pages and engagement of the visitors. For example, if certain website pages receive more visitors, web analytics users can investigate the reasons and apply a similar strategy to improve traffic for other pages. A high number of pages viewed indicates that users are spending more time on the site. This may be for positive reasons (e.g., users are engaged and seeking more content) or for negative reasons (e.g., users are unable to find what they are looking for).
- **Traffic Sources**—This metric provides an overview of various sources that generate traffic to the website. Most of the analytics tools categorize the traffic sources into:
 - Direct Traffic—People who visit the website by entering the website URL or use their bookmark page function.
 - Search Traffic Including Paid and Organic—Traffic from search engines; this includes the traffic from paid ads.
 - Referral Sites—Traffic from other websites including blogs, forums, banner ads, and other affiliates that direct traffic to the website.
 - Others—This could include traffic from other promotional activities such as e-mail marketing and SMS marketing.
- **Referral Sites**—Data on referral sites gives an indication of the type of people who visit the website based on the sites they are coming from. For example, for websites selling home appliances, the top referring websites could be product review sites. Based on this information, web analysts can identify methods to target this audience. For small and mid-sized businesses, referral sites can be very useful for driving additional traffic. Usually, small businesses try to partner with businesses or websites that can promote their websites and generate traffic. Web analytics tools can identify the referral sites that generate the most visits. Efforts can then be made to increase promotion on those websites.
- **Bounce Rate**—Bounce rate refers to the percentage of visitors who visit the website and then exit the website without going to any other page. Some analytics tools consider visitors who leave the website even before the website completes loading. This information helps to understand if the right audience is visiting the website, and if the information provided on the website meets their expectations.
- **Exit Pages**—These pages refer to the last page a customer visits before leaving the website. Knowing this helps to identify the pages where visitors decide to leave or drop off the site. The pages that are displayed after a successful order or conversion are usually shown as exit pages. However, if product pages are among the top exit pages, these pages should be re-examined to determine whether incomplete product information, high prices, or any other factors are causing visitors to exit the website.

- **Keywords**—Keywords are terms and phrases associated with a company's product. Keywords that will help drive customers to a company's website are those terms and phrases that potential customers are most likely to search for on search engine websites.

Example of Keywords:

- Website content can be modified to incorporate keywords and improve search rankings from popular search engines such as Google, Bing, and Yahoo. For example, a local gift shop's website might want to rank highly on Google for keyword searches containing "Christmas gifts." To make the website content more relevant to these searches, the gift shop's owner can add pages specifically for gifts during the Christmas season and include the phrase "Christmas gifts" in the website's metatags and in the content on the web pages.

7.2.3 Web Analytics Tools

Web analytics professionals use various tools to collect data and monitor customer visits. For websites, the following methods are primarily used to capture data:

Web Logs

A web log file is created on the server that hosts the website. This file stores all the website request information including the IP address, the date and time of the request, the time taken to process the request, the number of bytes of data transferred, and the referral URL. Each entry is typically one line of text for every request made. Some of the primary reasons to use web logs for analytics include the following:

- Traffic history of website visitors is available for analysis. This includes information about time spent by users on the site, navigation history per user of the website, bounce rates, and other valuable information.
- Traffic information from both humans and bots is collected in the web logs. Understanding the behavior of bots and search engine spiders helps in dealing with difficult issues related to optimizing websites for search results.
- Information on all possible site errors is also tracked, which helps in identifying any broken links, missing pages, or other errors.

Tagging

This method of data collection involves adding a small code snippet in all pages of the website. Most of the analytics tools use this method. For every page visit, the code snippet is activated and data is sent to the

tool's server. These tools usually tag every visitor with a cookie. Advantages of using this method include the following:

- Data is collected from every website visit, unlike web log data that can be affected by cached pages by the browser. If a page is cached on a user's machine, visits to that page will not be registered in the server log file. Recording of repeated visits to cached pages increases the accuracy of information gathered from log files.
- Events on the web page that do not require a request to the server, such as mouse clicks, mouse overs and other multimedia elements, are tracked.
- Additional information of the browser or user's system such as screen size, resolution, and operating system is captured.
- Information of bots or search engine spiders, which generate high traffic but are not representative of genuine visitor behavior, is not captured.
- Operating costs are low because the traffic data is captured and maintained by external service providers. This also reduces the time spent on maintaining and handling any issues related to data storage.

Example of Web Analytics:

- Google Analytics uses a JavaScript tagging method to collect data from every web page. Along with tracking the important metrics, this provides information on visit frequency; conversion rates of different pages; behavior of different types of visitors, including new versus returning visitors and visitors from different traffic sources; and much more. There is a function to analyze customer data based on a selected date range, which can provide useful information in determining the effectiveness of specific digital marketing campaigns.

7.2.4 Mobile Analytics

Many companies design mobile specific sites for visitors accessing the website through smartphones and other mobile devices. Analytics of data from mobile and other devices differs from analytics of website data mainly in terms of metrics and tools used to measure the performance. Some data collection methods are similar to those used for websites: For example, tagging methods are very useful for both channels. Companies that develop mobile apps use software development kits (SDKs) that include web analytics tools. Mobile app developers add code with analytic functionality to mobile apps to capture app-related metrics data.

Metrics used to track performance usually include page views, number of visits, geographic data, and information related to mobile devices such as screen size, operating system, data service provider, and device model. Data collected is measured against the mobile channel objectives, targets for performance, and ROI. Some of the metrics specific to mobile apps include the following:

- **Screen Views**—Mobile apps do not have pages that are the same as mobile websites. Rather, content is displayed in multiple screens. The number of screen views for an app is equivalent to the number of page views for a mobile website.
- **User IDs**—Instead of using cookies, mobile apps tend to identify users via user IDs. This helps to understand the behavior of visitors individually, and data can be analyzed for these individuals for different versions of the mobile apps. The user IDs also help to analyze the customer experience across multiple applications.
- **Offline Data**—For some mobile apps, users do not always require an Internet connection to access the information. Mobile app developers can store the analytics data on the mobile device and only transfer the data to the server periodically.

7.2.5 Social Media Analytics

Social media analytics assists in measuring the performance of social media activities by gathering information from social networking websites, blogs, and discussion forums. Key information that is tracked using these tools include the following:

- **Customer Information**—This provides rich personal data and insights about customers including gender, age, relationship status, interests, educational background, and socio-economics.
- **Reach**—This refers to the potential target size a given activity (e.g. post, tweet, etc.) can reach within the company's social media network. For example, a company may only have 1,000 followers on a particular social media site; however, its potential reach would be measured as the number of followers multiplied by the number of shares by those followers.
- **Reputation**—This can be measured by tracking the number of mentions about the company or its products on social networking sites. This metric needs to be qualified with information regarding the type of mentions being received. Social media monitoring tools also track sentiment—either positive, negative, or neutral. A negative event may trigger as many or more mentions than a positive one.
- **Consumer Behavior**—This refers to tracking users' online behavior and analyzing the content they like, share, and comment on. This also provides insights into customer purchase behavior and other factors that drive conversions. Based on this information, businesses can modify campaigns and

content to encourage sharing and commenting by users. This also helps companies to develop strategies that can provide referrals and engage more users.

Examples of Social Media Analytics:

- A mutual fund company with 5,000 followers on its Twitter account monitored activity regularly and did not find a substantial number of tweets being retweeted. To increase reach beyond its 5,000 followers, the company posted a link to a tax preparation checklist a month ahead of the income tax deadline. Due to the valuable information provided, the link was retweeted with greater frequency, increasing the company's reach.
- A golf course in a tourist area understands that people who make golfing reservations are often from out of town. Thus, many potential customers do not have the opportunity to see the course or hear feedback from friends who have been there prior to making reservations. A review of browsing patterns shows a high percentage of users link from the golf course description to the associated user reviews. Therefore, positive reviews from other customers are highly desired by potential customers. The golf course may offer discounts in its pro shop to guests who complete online reviews or like it on Facebook.

7.3 Search Marketing

7.3.1 Overview

Search Marketing is the overall method of driving traffic to a company's website through the use of search engines, and includes both organic search engine optimization and paid search strategies. Organic search is the free listing on search engine result pages (SERPs) and is governed by the algorithm of the particular search engine. A company's effectiveness at being ranked high in an organic search can be optimized with various Search Engine Optimization (SEO) practices. Search Engine Marketing (SEM), or paid search, is the way in which advertisers obtain a prominent listing for their company through the paid auction model, whereby the company bids for specific terms or phrases, called keywords.

Both paid and organic listings on SERPs show up when users search for a particular keyword. The users will then click to go to the websites or product pages of the company from the listing. There is no fee charged to the company if a user links to a company through the organic results. Organic search is therefore less expensive, but it can be difficult for a company to optimize its site adequately enough to be discovered by customers. SEM allows companies to create targeted advertisements, which are shown to users when they search for the keywords based on a predetermined bidding algorithm. Companies pay the publishers for clicks; this model is also known as pay-per-click (PPC).

$$\text{PPC} = \frac{\text{Advertising Cost}}{\text{No. of Ads Clicked}}$$

There are two methods to determine the advertising cost for the PPC—Bid-based and Flat-rate.

- **Bid-Based**—This practice is the way in which most search engines price paid search. The ads that appear on the right side and on top of the SERP are purchased on a bid-based PPC model. In a bid-based PPC model, advertisers bid on the highest price they are willing to pay for a click on specific keywords. The actual PPC paid and the ad's rank is then determined by the search algorithm, based on several factors, including the bid and ad quality, landing page quality, other advertisers bids, and other undisclosed factors.
- **Flat Rate**—In this model, companies and publishers decide on a set rate for each click. Publishers establish fixed rates for different keywords based on the level of competition or demand for the particular keyword. Thus, the higher the demand for the keyword, the higher the rate. Different publishers have different rates for the keywords, and companies can choose to pay more for increased visibility. This model is commonly used by comparison shopping websites.

7.3.2 Search Engines

There are various search engines in the market that support SEM. These search engines generally have advertising programs that allow companies to create simple, effective ads and display them to people who are already searching online for information related to their businesses. Advertisers can purchase ads, which generally appear on the right side of the page, and sometimes above the search results. The programs offer pay-per-click (PPC) advertising, cost-per-thousand (CPM) advertising, and site-targeted advertising for text, banner, and rich-media ads. It can include local, national, and international distribution. Both organic and paid results appear in response to the same user query, even though the rankings are calculated independently of each other. The ranking of one type of search result may not affect the ranking of the other. An advertiser can rank high in the paid listings even if its site is not present in the top organic search results.

Example of Search Engine Marketing:

- A company entering the market with a new line of root beer finds it challenging to compete with established brands in an organic search result. By purchasing ads, the new line can increase its visibility for the launch of the business, while working toward establishing the quality score and SEO factors to increase its organic search effectiveness. It can use various advertising programs such as Google AdWords and Bing Ads to create and display ads.

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SEM Targets

SEM campaigns primarily seek to achieve some or all of the following objectives:

1. **Increased Revenues**—The ultimate objective of nearly every business is improving the top line and, as a result, most marketing efforts try to maximize revenue. Higher impact and greater reach lead to more conversions and increased revenues. It is important for the digital marketing team to closely pay attention to the conversion data and update their campaigns to improve it.
2. **Advertising Effectiveness**—Another objective of SEM is to improve advertising effectiveness. Advertising effectiveness can be calculated as follows:

$$\text{Advertising Effectiveness} = \frac{\text{Total Revenues}}{\text{Total Advertising Budget}}$$

As demonstrated in the formula, increased revenues for a given advertising budget will increase advertising effectiveness. The purpose of this metric is to judge the strength of the SEM campaigns. To increase advertising effectiveness, the primary focus should be on increasing revenues and not on decreasing the advertising budget. Ideally, the advertising budget should grow to reach even more potential customers per dollar. While using this formula, one should always remember that it takes some

time to yield revenues once the budget is increased, so the metrics should be cautiously monitored for a period of time before making any inferences.

3. **Increased Traffic**—Many campaigns are directed toward increasing traffic to the company's website. Such campaigns will closely monitor clicks and click-through rate (CTR) to see if they increase at the targeted rate. Frequent review of search terms and maintenance of a robust keyword list are good ways of increasing clicks and CTR.

7.3.3 Key SEM Metrics

Some of the key metrics used to track SEM campaigns are as follows:

1. **Cost**—The total amount spent on search advertising, which should fall within set budgets. Cost cannot be evaluated in a vacuum, and one must also consider reach, ROI, and other factors to determine if the cost is justified.
2. **Maximum Cost-Per-Click (CPC)**—This defines the maximum amount a business is willing to pay when a potential customer clicks on an ad. A maximum bid is set for each keyword individually and also for a particular Adgroup (default Max. bid). An ad's average position or rank is most heavily determined by two factors—quality score and maximum bid. While efforts should be constantly directed toward increasing the quality score, Max. bid is a key tool to change the average ad position. This should be used in such a manner that the top performing keywords in any campaign always fall into the desired range of average ad position.
3. **Click-Through Rate (CTR)**—Click-through rate is one of most important metrics to measure the performance of digital marketing campaigns. CTR is defined as the number of clicks an ad receives, divided by the number of times an ad is shown. CTR reflects the effectiveness of a keyword and the advertisement that goes with it. CTR can be improved by doing any of the following:
 - writing effective ads that are highly relevant to the keywords
 - improving quality scores
 - creating appropriate landing pages, site links, and extensions
 - using testimonials and ratings/certification badges from partners and authorized entities
4. **Quality Score**—A quality score is the search engine's measure of the relevance of keywords and ads. It is an important metric because it ensures that users see relevant ads for their searches. Improving the quality score maximizes the effectiveness of a campaign, as CPC drops and average ad position increases. Also, a good quality score is a reflection of effective landing pages, therefore, the conversions are also likely to increase. There are a variety of factors that affect the quality score. Some of those factors are listed below:

- the click-through rate (CTR) of the keyword and corresponding ad
- the relevance of the keyword and ad to the search query
- the relevance of the keyword to its ad group
- the CTR of the display URLs in the ad group
- the quality of the landing page

5. **Conversion Rate**—Conversion rate is perhaps the most important digital marketing metric to track. This metric shows the ratio of number of people who clicked on an ad and went on to complete the desired action (goal completion) on the website or mobile app to the total number of people who clicked on the ad (total clicks). The desired action can be a purchase, a trial, a sign up, or a form completion. Conversion rate is calculated using the following formula:

$$\text{Conversion Rate} = \frac{\text{Goal Completion}}{\text{Total Clicks}}$$

7.4 Popular Social Media Platforms

As discussed in section 3.3, the rapid change in social media trends combined with the complexities and challenges of measuring the impact of social media marketing and the increasing number of social media platforms makes planning and developing the social media channel a challenging task. It is important for a business to have a good understanding of social media trends, research the applications of each platform, and understand their use, both currently and as they evolve. This knowledge will help the digital marketing team choose the best available platforms for maximum reach, relationship, and reputation for the business. When used properly, social media can be a valuable addition to a company's marketing and communications strategy.

The majority of businesses today invest in social media, and its usage is growing at a significant rate. Companies are allocating budgets to social media and other digital marketing strategies, seemingly at the expense of budgets spent on traditional marketing and advertising methods.

A strong social media presence can contribute significantly to the success of the Marketing Strategy. Therefore, it is important to ensure that the social media strategy aligns with other Aspects of Marketing and that all activities are designed to complement other marketing activities and support the achievement of the overall marketing objectives. Listed below are a few popular social media platforms that are commonly used to maximize the reach, relationship, and reputation of a business.

7.4.1 Social Network Marketing

There are several social networking sites that a business can use to reach customers for effective digital marketing. Various social networking sites provide B2B and B2C solutions for companies. However, not every social networking site is right for every company. Research on the different sites will help the company identify each site's unique benefits, audience profile, potential ROI, the traffic the site can deliver, retention rates, and more. This information will help the company narrow down the sites that seem best suited to their needs and goals for online marketing.

Example of Social Network Marketing:

- Facebook, Google+, Twitter, YouTube, LinkedIn, Instagram, Pinterest, Vine, Tumblr, Blogger, and WhatsApp are social networking sites that rank among the most popular. These platforms cater to different user interests, demographics, and categories, and use various types of content such as text, image, video, and short messaging.

7.4.2 Video Marketing

Video marketing is a fast-growing trend in social media marketing, and it is believed that video use will continue to increase. Consumers are watching more video content on digital devices than ever before. While video marketing includes video hosting sites, it extends far beyond that. In addition to video hosting sites, micro-video platforms are also popular and this trend is also likely to increase.

Video marketing is an integrated part of many social media sites, and most sites encourage video posting and sharing. The viral nature of social media creates a prime opportunity for a company to get good video content distributed more widely, as people happily share the videos they like with their networks.

Videos can be used for a wide variety of purposes, including product reviews, product promotions, lead generation, education, storytelling, and more. It is also important to remember that videos do not necessarily require significant production capabilities and big budgets. Picking up a camera and recording something simple, but professional, can be quite effective. Companies must figure out what is right for them and their brands.

Example of Video Marketing:

- Video marketing includes video hosting sites such as YouTube and micro-video platforms such as Instagram and Vine which provide popular options for companies that share videos with their customers.

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7.4.3 Image Marketing

An image is worth a thousand words. Image-centric social networks are generally very popular and have an impressive retention rate. These sites focus on the posting and sharing of images and short videos. For a successful social media marketing campaign, it is important to stay up-to-date on trends, and image marketing is one of the biggest trends.

The consumer attention span is ever shrinking. In today's information age, audiences are flooded with content available at a single touch. This abundance of content makes it harder for good content to cut through the clutter and get noticed, but images capture the attention of consumers. They must be presented with engaging content quickly, or viewers will quickly move on to the next item.

If a social media post has multiple paragraphs of text, there is a chance it will be ignored by people who feel they do not have time to read it. However, images stand a better chance of capturing people's attention, and therefore, a post with an image has a much better chance of engaging readers just long enough to pique their interest. Once viewers have noticed the image ad, they may then want to learn more and consume the content in more detail.

Examples of Image Marketing:

- Pinterest, Instagram, Tumblr, and Snapchat are some of the popular image centric social networks which focus on the posting and sharing of images and short videos. These image-centric networks have millions of users and a loyal user base.
- Facebook ads are a great example of image marketing and native marketing at the same time. The ads, or “Suggested Posts,” are seen by Facebook users within their news feed and are presented in a way that is woven in with their friends’ posts and shares. They provide a large image and brief line of text that is visually appealing and engaging, and hopefully well targeted to be of interest to viewers. The result is an ad that really does not look or feel like advertising, which is arguably the best kind of all.

7.4.4 Blogs for Business

Driving traffic to a company website is generally one of the primary objectives of most marketing activities. This can be done in multiple ways, including e-mail marketing, display ads, native advertising, social media marketing, and search engine marketing. Blogs also can be a very effective way to promote a website and attract traffic. A link to a blog can be promoted through social media platforms and thus drive traffic to the website. In addition, each blog article is a new index page on the website. This additional, relevant content informs the search engines that the website is active, updated, and relevant and that search engines need to look at the content and display it in search results. Blogs are also especially well-suited to provide information on a particular industry trend or to discuss a specific business question. This is helpful for readers, and readers tend to share valuable content, which not only increases reach but also contributes to brand credibility. The traffic that comes to the website through blog posts can be highly qualified.

Another benefit of blogs is that they can help maintain and grow relationships with both potential and existing customers as blogs often encourage a dialogue. Readers can post comments to express their opinions on the blog and the author can respond. This way, customers experience a personal relationship with the brand and may refer to it in other industry or special interest conversations. Word-of-mouth marketing, too, becomes a by-product of quality blogs.

7.5 Affiliate Marketing

Companies may wish to partner with entities (publishers that are individuals or other companies) that can be beneficial to the brand. This can be a productive way for a company to expand its reach and marketing efforts.

There are two ways affiliate marketing is approached: companies offer affiliate programs directly to other companies/individuals, or they can sign up to be an affiliate through another organization. The company that is offering or controlling the affiliate program will pay a commission for every lead or sale the affiliate delivers to the company's website.

Affiliate marketing is performance-based marketing where customers or partners (affiliates) are rewarded for designated actions that help market the brand. For example, a customer might mention in a social media post that he or she purchased a product and gain a certain number of reward points for the post. The affiliate marketing program may be structured so that when more than ten friends like or comment on that post, the individual earns more points. The affiliate can then redeem these points against the company's products or some partner brands. Affiliate marketing helps widen a company's reach exponentially using the most credible medium—existing customers. Websites offering price comparison services, coupons, shopping directories, and virtual currency platforms are the most popular affiliate marketing websites.

To look at affiliate marketing in a simple way, it is a cycle consisting of three or four key entities. These entities are the “merchant,” which is the brand whose product is being marketed, the “publisher” who is the affiliate, and the “customer.” Some may argue for a fourth entity, which includes the “network” that contains the offers. In simple words, the advertiser pays a certain commission to the publisher for bringing new customers to the business.

Through affiliate marketing, merchants or companies gain a wider reach to sell their products or services, which is usually a key element to any marketing strategy. This approach can also allow the company to build a strong image or brand name. One of the main advantages of affiliate marketing is that companies can gain more customers with limited budget, since the approach is commission or points based. However, there is the possibility that some merchants may incur high commission, maintenance, and initial setup costs, depending on the nature of the business.

Affiliate marketing is different from referral marketing in the way that it uses online marketing platforms—social media, search engine marketing, and more—to market the product while referral marketing is primarily based on word-of-mouth and relies heavily on trust and personal relationships between existing customers and prospects.

Affiliate marketing can be a powerful tool for a product brand because, in addition to helping grow the customer base, it can also aid brand presence in the market and create a buzz around the brand and its respective brand identities.

Attracting the right partners is very important for the affiliate program to be a success and in determining the volume that can be expected from the program. Updating content regularly and staying up-to-date with

recent trends is equally important to help ensure that individuals respond to the company's offers. A product or service does not have to cater to a niche market. Common-place brands, even consumer packaged goods brands, can benefit greatly from affiliate marketing with the help of the right offers and efficient partners. Getting products onto as many sites as possible is not necessarily the most important goal. Marketers must also consider the relevance, value, and traffic of the sites and platforms that one is able to reach.

There are some common mistakes affiliates tend to make, and businesses need to be aware of them. The job of the affiliate is to "market" the product, not "sell" the product. Selling is the job of the advertiser (brand) itself. Trying too hard to push people to buy the product may only push prospective customers away. Partnering with too many affiliates can be another mistake that brands need to carefully consider. Being everywhere can serve to dilute the customer perception about the brand and undermine its credibility. A crucial component to help ensure success with affiliate programs is to have robust analytics capabilities in place and to use them regularly. This will enable the company to understand which affiliates bring in more business, the value of that business, and where they should increase or decrease their efforts and investments in affiliate marketing.

Example of Affiliate Marketing:

- An online audio books retailer decides to establish an affiliate program to increase sales. A book blogging site becomes an affiliate of the book company by registering with a third-party affiliate provider to place banners or links on its site that will lead visitors, who click a link, to the book company's site. There is a unique code in the link to track back to each individual affiliate so that the individual affiliate can receive commissions. The book blogging site will then receive its commission—a predetermined percentage—based on the transactions that ultimately occur as a result of its referrals.

7.6 Search Engine Optimization

7.6.1 Overview

The Internet has become the primary source of information for the majority of consumers. Keywords and phrases are typed into a search engine on a computer or mobile device, and a vast volume of related content is presented to the consumer. Once the results are displayed (in order), the user can click on any of the displayed links to visit any particular website or web page for the information needed. Studies suggest that when using search engines, most people do not go beyond the listings mentioned on the first couple of pages of the search engine results list. It has been noted that ninety percent of all users do not look past the first thirty results. This means a high-ranking website has a much higher probability of getting traffic from search engines than a lower ranking website. Obtaining high rankings for relevant keywords and phrases in search engines is a critical factor in increasing traffic to the website.

Search Engine Optimization (SEO) involves a number of activities and initiatives that businesses can implement to achieve high search engine rankings. Such activities address both on-page and off-page ranking factors that can impact a website's or web page's search engine rankings for specific search terms, resulting in a high placement in a search engine's "organic," or "natural," or "unpaid" search results.

7

7.6.2 Types of Search Engines

Most search engines can be divided into two common groups:

1. Spider- or Crawler-Based Search Engines

This refers to an Internet-based tool that searches the index of documents or web pages for a particular term, phrase, or text specified by the user, and produces results that are collected, sorted, and automatically indexed based on a defined algorithm.

A software program known as a "robot," "spider," or "crawler" scans web pages, follows links between pages and sites, collects information about websites, and indexes this information. This index is a large database of all the websites the crawler has scanned. When a search is performed using a spider-based search engine, the results are provided based on the information in the search engine's index. To rank high in search engine results, therefore, businesses need to optimize their websites and web pages to ensure that they are being properly indexed by the search engines. Several activities can be initiated in order to impact the information gathered and indexed by robots, spiders, or crawlers. For a complete description of these tools, see section 4.1.2.5.

When a search is performed in a spider-based search engine, the results show both unpaid "organic" listings and paid listings (if any) for the keyword searched. Search engine optimization affects only organic search results. Paid or "sponsored" search results, are not impacted by SEO. Sponsored results

are ads purchased through search engine services. See section 4.1.2.3 for further details on paid search engine advertising.

Examples of Spider- or Crawler-Based Search Engines:

- There are many crawler- or spider-based search engines available on the Internet. Some of the popular search engines are Google, Baidu, Bing, and Yahoo. Advertising services such as Google AdWords or Bing Ads are used to purchase paid or sponsored listings.

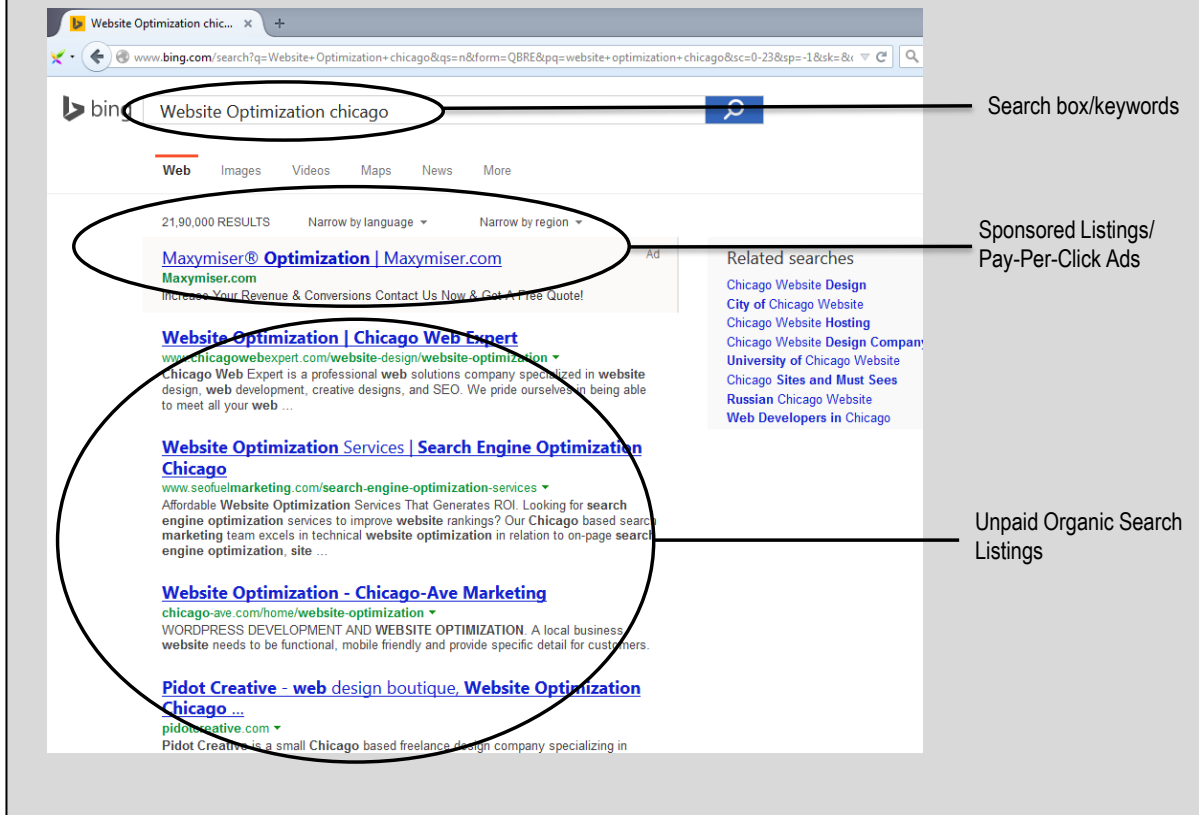
The anatomy of Google search engine results is given below:

The screenshot shows a Google search results page for the query "website optimization". The search box at the top contains the text "website optimization". Below the search box, there are several search results. The first result is a sponsored listing from Dynatrace.com, titled "Website Optimization Test - Dynatrace.com". Below this, there are several organic search results, including "SEO Website Analyzer - WebsiteAnalysis.com", "Front End Optimization - Akamai.com", "Web Page Analyzer - 0.98 - from Website Optimization", "Web Site Optimization: Speed Up Your Site website ...", and "What is Website Optimization? Wikipedia".

Annotations on the image include:

- A circle around the search box with the text "Search box/keywords" pointing to it.
- A circle around the sponsored listings with the text "Sponsored Listings/ Pay-Per-Click Ads" pointing to it.
- A circle around the organic search results with the text "Unpaid Organic Search Listings" pointing to it.

The anatomy of Bing search engine results is given below:



2. Human-Edited Web Directories

These directories are Internet search tools that search for information by subject categories. Rather than “robots” or “spiders,” which create directories automatically, human editors create these web directories. A short description along with the URL of the website is submitted to the directory for approval. The search directory then assigns the website to a category enabling the URL to display in search results for that category.

With web directories, the HTML page coding and content of the website often do not directly affect the listing. Directories often provide much more targeted results than spider-based search engines.

For SEO purposes, a website should be optimized to gain high ranking in spider-based search engines. However, listings of the website in human-edited web directories also help in the overall SEO ranking.

Example of Human-Edited Web Directories:

- Some examples of popular human-edited web directories for businesses include Dmoz, Business.com, Best of the Web Directory, and Starting Point Directory.

7.6.3 Benefits of SEO

As previously mentioned, search engine optimization is a critical component of digital marketing success for any business establishing a web presence. Research studies show there are numerous benefits to SEO. Among these are the following:

- Eighty-five percent of all traffic on the Internet is referred from a search engine.
- SEO is six times more effective than a banner ad.
- SEO delivers qualified leads.
- Fifty-five percent of online purchases are made on sites found through search engine listings.
- Many websites are not even indexed. If they are poorly optimized, they will be overlooked by search engines.
- Ninety percent of all users do not look past the first thirty results, and most only view the top ten.
- It is cost-effective marketing.
- It demonstrates clear and measurable ROI.

7.6.4 Basic SEO Guidelines

Optimizing a website first involves editing the content, HTML, and associated coding. Constructing a website with appropriate keywords used in the content and the coding structure increases its relevance for those specific keywords. This enables the indexing activities of search engines. The website is then promoted in other websites by publishing or mentioning the website links in those sites. This increases the number of backlinks, or inbound links, which is another factor search engines use when indexing.

SEO activities can be grouped into two broad categories: On-Page Optimization and Off-Page Optimization.

On-Page Optimization

This refers to the optimization activities performed on the website itself. Some of the common on-page optimization tasks include the following:

- **Creation of Unique, Accurate Page Titles**—Having proper title tags for each web page in a website is very important. A title tag describes the topic of a particular page to web page visitors and search engine crawlers. The title tag should be optimized to contain critical keyword(s) related

to the contents of the page. The title tag should also be optimized for length. The optimal length for a title tag may vary from search engine to search engine, but it is usually within sixty-four characters.

Example of Creation of Unique, Accurate Page Titles:

- Google typically displays the first fifty to sixty characters of a title tag. At least ninety-five percent of titles less than fifty-five characters will be displayed properly to the users.

- **Creation of Proper Meta Tag Descriptions**—Meta descriptions are HTML attributes that provide concise explanations of the contents of web pages. Meta tags give search engines a summary of what the page is about. Search engines usually use the meta description as the displayed description for the pages. The meta descriptions section provides an opportunity for a website owner to showcase content to searchers and to let them know whether the given page contains the information they are seeking. Including important keywords in the meta description is important, but care should be taken not to populate the content only with keywords. This practice of “stuffing” keywords into a meta description negatively impacts the web page reputation. The key is to create a compelling and relevant description that a searcher will want to click. Best practices suggest that the meta description for each page should be unique and relevant for the page content. The optimal length of the meta description is between 150–160 characters, as a search engine usually shows this amount of the meta description when displaying the search results.
- **Optimization of URLs**—A URL (uniform resource locator) is a web address. Both search engines and users prefer websites with consistent, easy-to-read URLs. The URL of a web page should be relevant, compelling, and accurate from an SEO perspective. It should be descriptive and brief. A visitor who only sees the URL should have a reasonable understanding of what he or she can expect to see on the page. For example, after searching for “contact lenses” the following two links are displayed:
 - www.abc12345.com/contact-lenses
 - www.xyz12345.com/fsfwf_sefhfahjh232399/8dfhdfh34999923sdhsdhsd2e8ebhh_contact_lenses/sdsdhhh_color.htm

The first URL is short, clear, and easy to understand. When seen on a search engine results page, a clear URL reassures readers that the page will deliver what they are searching for and increases the percentage of clicks on those links. The second URL is so complex that users may not recognize its relevance to the search. Best practices dictate that when multiple words are used in a URL, hyphens should be used to separate words. These are more readable than underscores, spaces, or other characters. However, the overuse of hyphens in URLs to load a URL with keywords is not a good practice and can be detected by spiders as spam. It is best, therefore, to

limit hyphen use. In addition, a URL should be no longer than 2,048 characters; some browsers cannot load pages exceeding this limit. The use of dynamic parameters and session IDs should be avoided as much as possible. If parameters need to be used, they should be limited to one or two..

Ultimately, search engines use URLs in determining relevancy and computing rankings. Therefore, a URL should contain appropriate key words, be relevant for the page content, and be as readable as possible.

- **Ease of Navigation**—A logically structured website is very important for search engines. Easy navigation not only helps visitors find the relevant content, but also helps search engines understand what content is important. Usually two sitemaps are prepared—one for the site visitors, which displays the structure of the website, and another for the search engine in XML format. Creating an XML sitemap file for a website helps ensure that search engines discover the pages on the website. The XML sitemap can be submitted to most search engines.
- **Optimization of Content**—Good quality content is the most important factor in website optimization. This influences the overall SEO of a website more than any other factor. The content should contain important keywords but avoid artificially stuffing the content with keywords. This practice negatively impacts the reputation of the website. The content should be created primarily for the users and not for the search engines. To create value for the users, the content of a web page should be relevant, easy to read, organized, unique, and fresh. If users like the content in a page, they are likely to direct other users to it through blog posts, social media services, e-mail, forums, or other means. This helps build the website's reputation with both users and search engines.
- **Anchor text**—The clickable text that appears when a hyperlink is displayed as a result of a search or is visible on a referring website is the anchor text. An anchor text containing relevant keywords improves the ranking of a web page and informs the user of the link's relevance.
- **Optimization of Images and Videos**—Search engines cannot read the content of an image or video. Therefore, the filename of this content is very important. Rather than having a generic filename—such as image001 or video_123—the filename should be a description of the image or video content. Keywords should be used; however, the filename should be relevant and as short as possible. Another way to provide information about image-related files is by using the “alt” attribute. The “alt” attribute allows a website owner to specify alternative text for the image if the image cannot be displayed. The alt text describes the missing image. Many times, images or thumbnails are used as a link. When these images cannot be displayed, the alt text acts as the anchor text. Creating a sitemap with image and videos and submitting them to search engines is good SEO practice.
- **Use of Heading Tags**—A site containing proper H1, H2, and H3 tags is likely to rank better than a similar site without heading tags. The H1 tag is the most important tag and should contain a

relevant keyword. Excessive use of heading tags should be avoided. They need to be relevant to the content and make sense to the user.

- **Use of robots.txt**—A robot file instructs a search engine spider whether it can access a page or not. Most websites contain pages that the owner does not want the search engine spider to index in its database, and therefore are not displayed to users. Using robots.txt file can prevent a search engine spider from crawling through a website.
- **Creation of Mobile Site**—Having a mobile site and informing search engines about the site are very important. The number of people visiting a website through mobile devices and other web-enabled devices is increasing. When a separate website for mobile devices is created, search engines should be notified. A mobile site should be submitted to search engines manually, so it can be indexed accurately. There should be correct redirection of users when a site is accessed using a mobile device.

Off-Page Optimization

The goal of off-page optimization is to promote a website in the right ways to improve its reputation, so the ranking of the website rises. Off-page optimization refers to off-site factors that have an effect on a website that are not controlled by coding on the website. Some of the factors that deal with off-page SEO are:

- **Search Engine Submission**—The website needs to be submitted manually to the most popular search engines to get listed for free and quickly.
- **Directory Submission**—The website needs to be submitted to high quality directories.
- **Social Networking**—A presence in social networking sites, and creation or involvement in online communities, increases the reputation of a website considerably. Search engines place a higher ranking on sites that are active in social networking.
- **Blog and Forum Posting**—This is one of the most powerful ways to promote your company's website. Writing quality blogs and participating in public user forums is a great way to increase the online reputation of a website. It is also a good idea to create a blog and forum as part of the website itself.
- **Link Building**—Link building is a standard off-page optimization technique. There are several ways to increase backlinks to a website. However, it is important to note that search engines are very strict with respect to unethical Link Farming. A site that has thousands of links, often to unrelated sites, will be considered spam by the search engines. Reciprocal linking is common and generally accepted if it is not excessive and provides value to the site visitor. Public blogs, forums, and directories are great sources for backlink building.

- **Article Submission**—Writing industry-related articles and submitting them to popular article sites help to establish an online reputation and can also be used to increase links to the website.
- **Press Release Promotion**—PR submissions in popular online PR websites increase a company's online reputation considerably.
- **Document Sharing**—Sharing business documents, information brochures, and presentation slides in document sharing websites helps to increase online brand visibility.
- **Questions and Answers Sites**—Participating in popular questions and answers sites is another great way to increase website link popularity.
- **Business Reviews**—Participating in business review sites increases online reputation.

In addition to the activities mentioned above, other off-page optimization activities such as Social Bookmarking, Photo and Video Sharing and Promotion, Search Engine Local Listings, Yellow Pages, Maps, Social Shopping Networks, and other activities help to increase the online reputation of a website leading to improved search engine listing.

It is also important to note that different search engines assign different weights to the various SEO activities. These change over time as new standards and formats are developed.

Examples of Off-Page Optimization:

- Submitting industry-related articles to popular article sites such as ehow, Ezine, Go Articles, Hubpages, and Buzzle can help a company establish online reputation as well as increase links to the company's website.
- Some popular online PR websites include PRLog, PRWeb, Market Wire, PR Newswire, 1888pressrelease, 24-7 Press Release, Open PR, and PR Leap.
- Some popular online document sharing sites include Google Docs and SlideShare.
- Some popular online question and answer sites include Quora, Google Questions and Answers, Yahoo Answers, Wiki Answers, and Stack Exchange.
- Some popular business review sites include Google Reviews, Yahoo Local Listings, Consumer Search, Trustpilot, and RateitAll.

APPENDIX A.1: EVOLUTION OF SALES AND MARKETING

Since Sales and Marketing has evolved significantly over time, it is important to present a high-level overview of the history of the subject in order to understand and appreciate its relevance in the world today.

Figure 1-2 depicts the timeline for the Evolution of Sales and Marketing.

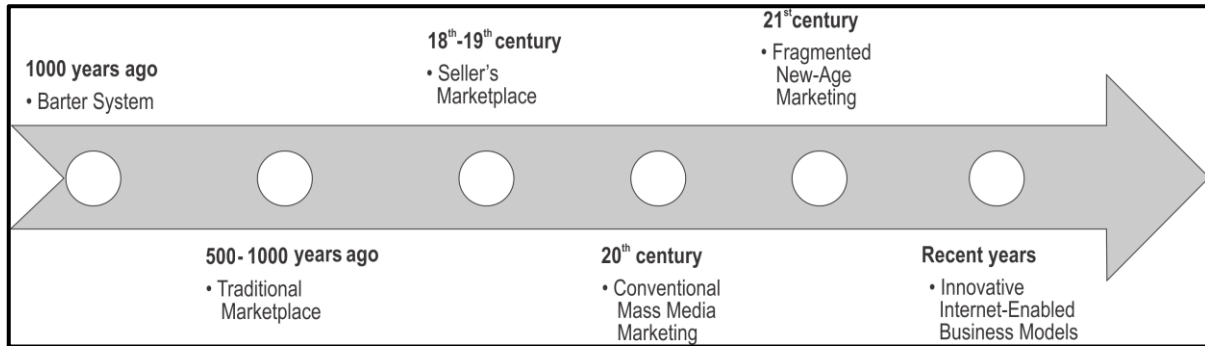


Figure A.1-1: Evolution of Sales and Marketing Timeline

A.1.1 Barter System

More than a thousand years ago, when coins and other forms of money were not yet popular, the typical and most common way people procured their products or services was through the barter system—the direct exchange of goods or services without the use of money. For example, a farmer might exchange some of his harvest with a carpenter for some wooden furniture. Sales and Marketing with the barter system is dependent on having access to the appropriate persons with whom things can be exchanged for mutual value to both parties.

Barter continues to be used today—people and countries still exchange some goods and services without the use of money. The barter system may replace money in times of monetary crisis, when the usual exchange currency is unavailable, or when currency is unstable (e.g., due to high inflation).

Examples of Barter System:

- A tradesperson, such as a carpenter or electrician, operating his or her own business, might provide services free of charge to his or her accountant in exchange for professional accounting services.
- Today, many websites provide a space for individuals to offer goods for bartering purposes. An individual planning to relocate to a crowded downtown location might offer his or her car in exchange for a more appropriate vehicle for downtown transportation, such as a motorcycle or a scooter.

A.1.2 Traditional Marketplace

Five hundred to thousand years ago, coins and other forms of money started becoming popular as a medium of exchange between people. This led to the creation of the traditional marketplace where producers, such as farmers, craftsmen, and carpenters create products, stay in their shop with their wares, and shout out to a crowd of potential customers in the marketplace in order to promote and sell their products.

Traditional marketplaces are usually small markets where price negotiations and other decisions related to sales are made quickly—often by one or two persons. There may be significant flexibility regarding discounts and additional product benefits. The focus is more on short-term gains and less on long-term transactions and relationships. There is negligible branding and advertising; rather the objective is to sell what has been produced.

Example of Traditional Marketplace:

- The traditional marketplace is still in use today, in some cases, under unique labels such as the bazaars of Turkey, the haats of India, the floating markets in Thailand, the wet markets in Hong Kong, the flea markets in Germany, the souks of the Middle East, the farmers' markets in the US, and the tianguis of Mexico.

A.1.3 Seller's Marketplace

The Industrial Revolution in the eighteenth and nineteenth centuries marked a shift to mass production in factories (e.g., textile manufacturing). During this time, transportation infrastructure improved significantly with inventions such as the steam engine and more efficient ships. The banking system was further developed and the exchange of money became easier. Communication was also substantially improved through the development of the postal system and the use of telegraphs. Furthermore, goods were produced more efficiently and economically in factories and could be sold to a wider market. This created the seller's marketplace.

The main objective of the seller's marketplace is to establish a supply chain to procure products and then establish a distribution channel to sell the products to a wide variety of customers, often referred to as "mass marketing." Emphasis on branding and advertising is minimal in a seller's marketplace.

Examples of Seller's Marketplace:

- The seller's marketplace continues to be used today in some countries where agricultural produce is often procured by the government. The government in turn manages the distribution of the produce to the different markets.
- The seller's marketplace is also prevalent in industries where the government controls the competition of private companies, for example, the distribution of petroleum products, or licenses that allow only a select few companies to manufacture a particular product in the country.
- If a natural disaster or unfavorable weather conditions caused widespread crop failure, a seller who had stores of that particular crop would be able to capitalize on a seller's marketplace because there would be more buyers than available product.

A.1.4 Conventional Mass Media Marketing

In the twentieth century, as the number of manufacturers or industries for specific products grew, consumers had the option to buy from multiple manufacturers. Unlike a seller's marketplace where sellers have the advantage over customers, mass media marketing features multiple manufacturers, thus shifting the balance of power in favor of consumers. Manufacturers created differentiated perceptions for their products by developing brands or names for their specific products or services with a specific message or positioning. They also began advertising their products or brands for a wider reach.

Primary channels used for mass media marketing are print advertising (newspapers, magazines, inserts, or run of paper), mass mailers (flyers, postcards), television (network, cable, or syndication), radio (national, local, satellite, or podcast), and outdoor advertising (billboards, bus shelters, stadiums). The viable channels for conventional mass media marketing may be restricted in some instances (i.e., some channels may be cost prohibitive or simply unavailable in some markets); however, a company can reach a wide segment of consumers using one or more channels effectively. For example, a company may choose to use only newspaper advertising and mass mailers to advertise the launch of its new business. It is also important to note that identifying the revenue generated from mass media marketing spend can help assess the success or failure of specific mass media marketing campaigns.

The objective of conventional mass media marketing is for organizations to create strong brands and differentiated brand perceptions so that consumers will desire and purchase their products rather than those available from competitors. Thus, mass media marketing usually uses cumulative repetition over time to influence consumer attitudes and purchase actions. Mass media marketing also involves creating distribution channels and appropriate pricing and positioning strategies to ensure that desirable products are available to customers at specific price points.

Example of Conventional Mass Media Marketing:

- Conventional mass media marketing continues to be used today, particularly by companies with established brands with relatively high marketing budgets and a broad target market. Companies such as PepsiCo, Coca-Cola, Procter & Gamble, Unilever, McDonald's, and Walmart, continue to primarily use mass media marketing for marketing their products and brands. In recent years, some of these companies have decreased their budgets for conventional mass media marketing, and have in turn increased allocations towards fragmented new-age marketing and/or innovative Internet-enabled business models. One of the key drivers for this change is the fact that consumers generally spend significantly more time online (i.e., using computers, tablets, and mobile phones) than they used to, so targeting them through conventional mass media marketing would be sub-optimal.

A.1.5 Fragmented New-Age Marketing

This is described in section 1.3.2.

A.1.6 Innovative Internet-Enabled Business Models

This is described in section 1.3.3.

A.1.7 Sales and Marketing as a Continuum

This is described in section 1.3.4.

APPENDIX A.2: MARKETING STRATEGY OVERVIEW

All successful products or brands need well-planned marketing strategies in place to ensure that they satisfy the goals set by the corresponding Business Unit or Geographic level, and in turn the overall Corporate Marketing Strategy. Marketing Strategy is one of the most crucial Aspects of Sales and Marketing. It defines a product or brand's unique value proposition, target markets, and strategies to connect with defined audiences. It also specifies the overall pricing and distribution strategies of the product or brand, and outlines the metrics, objectives, and budgets for all its marketing activities. The Marketing Strategy includes a set of outputs from the eleven processes detailed below. These outputs are incorporated throughout strategic planning to help provide an overall direction for the marketing initiatives designed to support the promotion of the company's products or brands.

Figure A.2-1 provides an overview of the important processes and outputs related to Marketing Strategy.

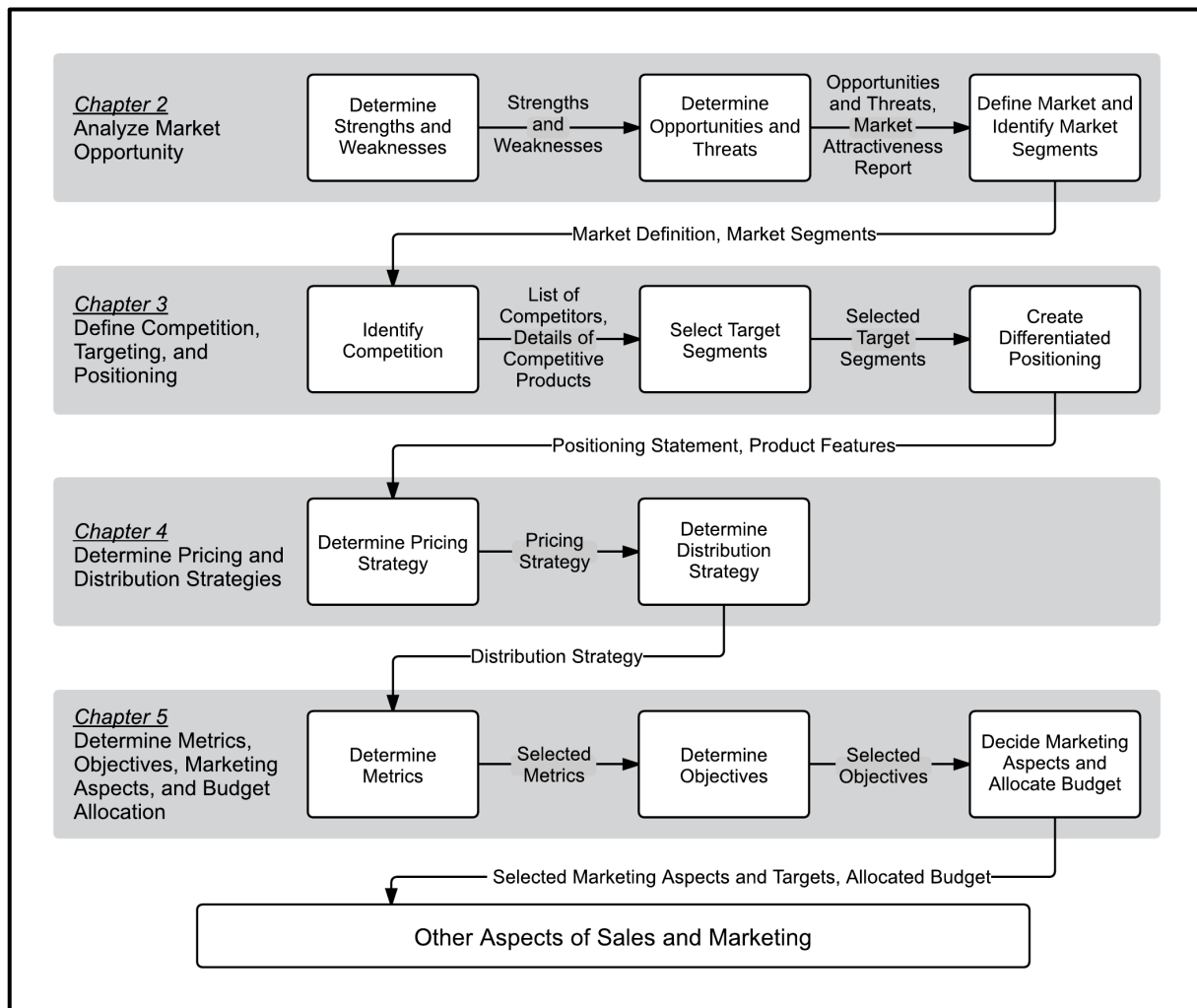


Figure A.2-1: Summary of the Marketing Strategy Processes

A.2.1 Analyze Market Opportunity

Analyze Market Opportunity is the second chapter of the Marketing Strategy book. This chapter discusses concepts related to analyzing the external environment and evaluating the internal capabilities of a company. An analysis of market opportunities is important because businesses operate in dynamic and constantly evolving environments, so understanding the changing landscape and trends that are impacting the business helps in developing an effective Marketing Strategy. This chapter also explains the crucial factors to consider while analyzing market opportunity, such as defining the market within which a company intends to operate, and segmenting the market to identify potential customers for the company's product portfolio.

The processes associated with Analyze Market Opportunity are: *Determine Strengths and Weaknesses*, *Determine Opportunities and Threats*, and *Define Market and Identify Market Segments*. Each process is explained in detail through its associated inputs, tools, and outputs. Analyze Market Opportunity helps an organization understand what it can deliver so that it can fulfill customer needs.

Figure A.2-2 provides an overview of the processes pertaining to Analyze Market Opportunity, which is discussed in detail in chapter 2 of the *SMstudy® Guide* book on Marketing Strategy (MS).

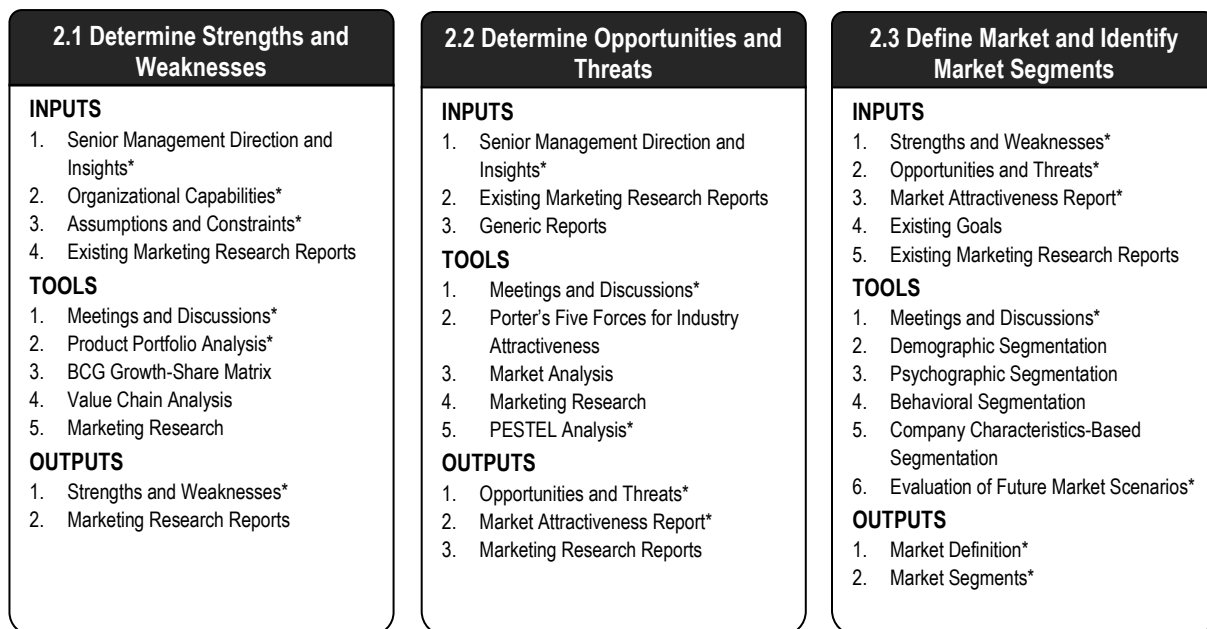


Figure A.2-2: Analyze Market Opportunity Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

A.2.2 Define Competition, Targeting, and Positioning

The third chapter of the Marketing Strategy book is Define Competition, Targeting, and Positioning. This chapter first explores identifying the competition, understanding industry trends, and creating future competitive scenarios that help in selecting target market segments. It then looks at creating a differentiated positioning statement for the company's products or services for the target segments selected. Competitive positioning tools help define how a company can differentiate its product offerings to create value in the market by fully understanding its target segments and the competitive landscape.

There are three processes outlined that help an organization understand market competition, target appropriate market segments, and define product features that help create a differentiated positioning statement for the products or services of the company. The processes discussed in this chapter are *Identify Competition*, *Select Target Segments*, and *Create Differentiated Positioning*.

Figure A.2-3 provides an overview of the processes pertaining to Define Competition, Targeting, and Positioning, which is discussed in detail in chapter 3 of the *SMstudy® Guide* book on Marketing Strategy (MS).



Figure A.2-3: Define Competition, Targeting, and Positioning Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

A.2.3 Determine Pricing and Distribution Strategies

Determine Pricing and Distribution Strategies is the fourth chapter of the Marketing Strategy book. A Pricing Strategy properly prices a company's products or services so that the company can sustain profitability while maintaining or growing its market share. Developing a Pricing Strategy involves assessing the value of the company's products based on their features; analyzing the pricing and features of competitive products in the market; analyzing the consumer mindset, which takes into account demand and price expectations for the products; and considering anticipated unit costs, sales, and, in turn, profitability. A Distribution Strategy defines how a company moves a product from creation to consumption in a cost-efficient manner while focusing on end users' needs. The Distribution Strategy is important because understanding and addressing the needs of the entire distribution channel external to the company ensures that products or services are delivered and sold to customers in the most efficient and effective manner possible for the business to succeed.

This chapter explains the two processes associated with Determine Pricing and Distribution Strategies. These are *Determine Pricing Strategy* and *Determine Distribution Strategy*. The Pricing Strategy is determined for the various products or services of a company. The end objective is sustainable profitability while growing or maintaining a healthy market share. The Distribution Strategy ensures the most efficient delivery of a company's products or services to the customer and that the selected strategy is based on the company's assessment of several alternative distribution channels. These processes are explained with the help of their associated inputs, tools, and outputs.

Figure A.2-4 provides an overview of the processes pertaining to Determine Pricing and Distribution Strategies, which is discussed in detail in chapter 4 of the *SMstudy® Guide* book on Marketing Strategy (MS).

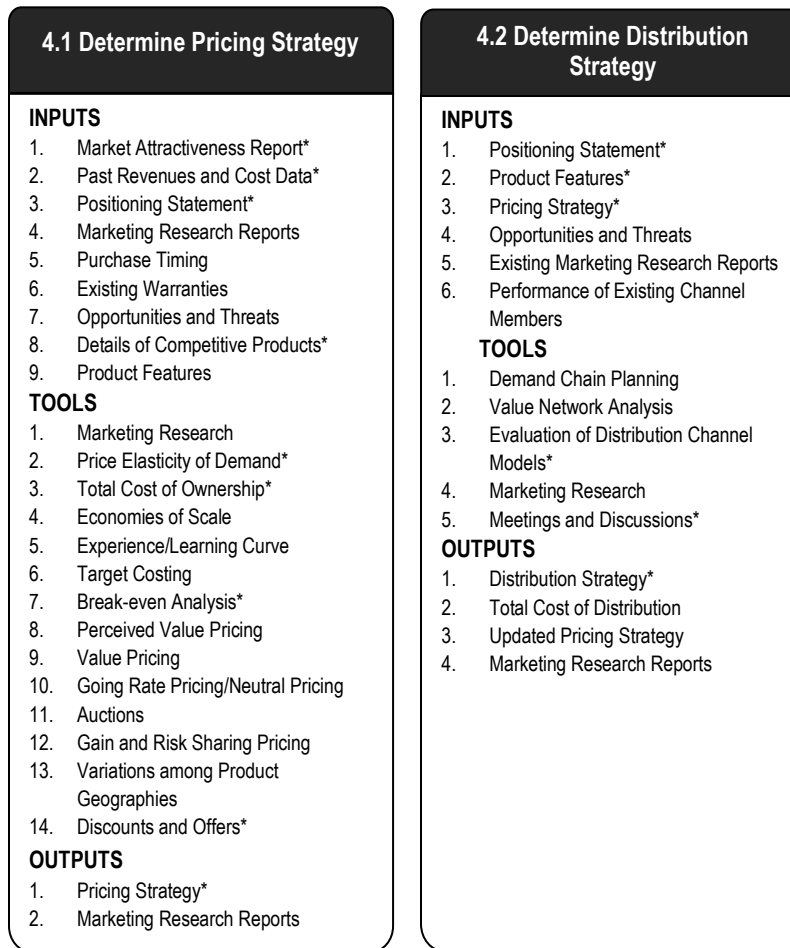


Figure A.2-4: Determine Pricing and Distribution Strategies Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

A.2.4 Determine Metrics, Objectives, Marketing Aspects, and Budget Allocation

This chapter discusses the various metrics and objectives used for Sales and Marketing such as reach, brand perception, product availability, sales, and profitability. It also provides an overview of various Sales and Marketing Aspects, including Marketing Research, Digital Marketing, Corporate Sales, Branding and Advertising, and Retail Marketing, and presents a framework for allocating targets and budgets for each of these Aspects.

This chapter describes three processes and their corresponding inputs, tools, and outputs. The processes are *Determine Metrics*, *Determine Objectives*, and *Decide Marketing Aspects and Allocate Budget*. In the first process, *Determine Metrics*, various Sales and Marketing metrics such as reach, brand perception, product availability, sales, and profitability are determined. These metrics help to measure the success or failure of the Marketing Strategy. In *Determine Objectives*, attainable, quantifiable, and time-based objectives are determined for all of the metrics selected in the previous process. In the final process, *Decide Marketing Aspects and Allocate Budget*, the Sales and Marketing teams select the Marketing Aspects that will help the company reach its overall Sales and Marketing objectives. Subsequently, specific targets are determined for each Marketing Aspect, and a marketing budget is also allocated for each.

Figure A.2-5 provides an overview of the processes pertaining to Determine Metrics, Objectives, Marketing Aspects, and Budget Allocation, which is discussed in detail in chapter 5 of the *SMstudy® Guide* book on Marketing Strategy (MS).

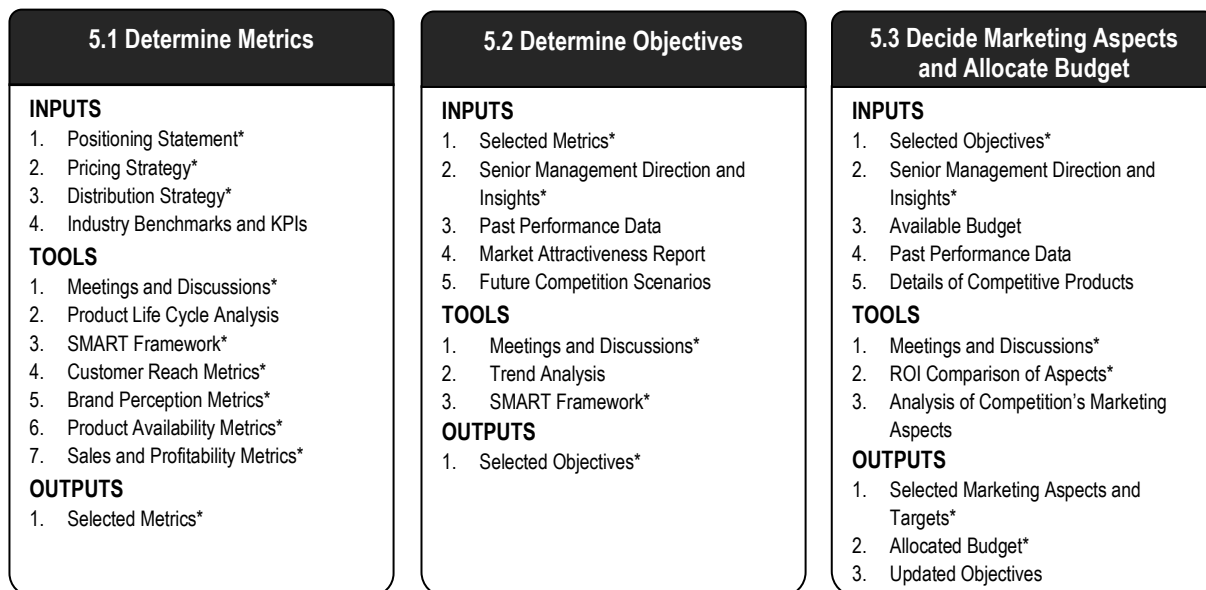


Figure A.2-5: Determine Metrics, Objectives, Marketing Aspects, and Budget Allocation Overview

Note: An asterisk (*) denotes a highly recommended input, tool, or output for the corresponding process.

APPENDIX B. AUTHORS AND REVIEWERS OF THE SMBOK® GUIDE

This appendix lists the names of those individuals who contributed to the development and production of the *SMBOK® Guide*.

SMstudy® is grateful to all these individuals for their continuous support and acknowledges their contributions towards the development of the *SMBOK® Guide*.

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GLOSSARY

A/B or Multivariate Testing

Search engines may enable businesses to experiment with two or more ad options in order to identify the more attractive one; this is referred to as A/B or multivariate testing. The business can track the response rate from these ads and decide on the best ad for its product.

Active Users/Visitors

This metric determines the number of daily or monthly active users of a site or app.

Affiliate Marketing

Affiliate marketing is performance-based marketing where customers or partners (i.e., affiliates) are rewarded for designated actions that help market a brand.

Anchor Text

The anchor text is the clickable text that appears when a hyperlink is displayed as a result of a search or referring website.

App Retention Rate

The average number of times an app is used by the same user.

App Screens/Pages Per Session

This provides an understanding of which screens people are using and if they are accomplishing what the company intended them to accomplish on those screens.

App Store Optimization (ASO)

App Store Optimization (ASO) is the equivalent of Search Engine Optimization (SEO) for mobile apps. Apps that are optimized for their applicable app stores are displayed high in search results when users search for keywords related to the app in the respective app store.

App Store Reviews

App store reviews is the most obvious and basic method of collecting user reviews. The app store reviews are collected in the form of star ratings and written text reviews. Star ratings reflect how much the users like the app in general while text reviews are important to understanding the specific pain points and strengths of the app.

Application Programming Interfaces

Application Programming Interfaces (APIs) allow programmers to create apps without requiring access to the proprietary underlying code developed by the mobile app platform companies.

Aspects of Sales and Marketing

The Aspects of Sales and Marketing are based on the six most common and often distinct career fields related to Sales and Marketing—Marketing Strategy (MS), Marketing Research (MR), Digital Marketing (DM), Corporate Sales (CS), Branding and Advertising, and Retail Marketing (RM).

Barter System

The barter system—the direct exchange of goods or services without the use of money—evolved over a thousand years ago, when coins and other forms of money were not yet popular.

Bid-Based PPC

This practice is the way in which most search engines price paid search. The ads that appear on the right side and on top of the SERP are purchased on a bid-based PPC model. In this model, advertisers bid on the highest price they are willing to pay for a click on specific keywords.

Blogs

Blogs are content created by individuals, groups, or companies to express their opinions or to provide information or insights on specific topics of their choice.

Bluetooth and Wi-Fi

Bluetooth and Wi-Fi can be used to detect when individuals using mobile devices are close to a business outlet and to send marketing messages to them once they are in reach. To receive messages, individuals must have these technologies enabled on their mobile devices, and the company must set up Bluetooth or Wi-Fi transmitters at locations that can reach the maximum number of consumers with targeted messages, which may include text, links, videos, or images.

Bounce Rate

This metric measures the percentage of visitors who exit a website or mobile site after visiting just one page. A high bounce rate indicates a low level of engagement with customers, suggesting the consumer did not find value in the website or the mobile site.

Brand Reputation Management

Brand reputation management is the process of monitoring the Internet to analyze online mentions of a brand. It includes not only monitoring mentions of a brand but also deciding on and implementing appropriate response mechanisms to ensure that any negative mentions do not spin out of control.

Branding and Advertising

Branding is the process of creating a distinct image of a product or range of products in the customer's mind. Advertising is any paid form of non-personal communications to existing and potential customers that promote the company's products through all media—such as radio, television, and print.

Business Unit Strategy

The Corporate Marketing Strategy, is further divided into various Business Unit or Geographic Strategies, which in turn is further divided into particular Product or Brand Strategies for each product or brand.

Citations

Citations refer to the mention of a company, brand, or product on another website. A citation can be just the name of the company, or it can contain complete information, such as name, website link, phone number, and e-mail address.

Click-Depth/Crawl-Depth

Click-depth or crawl-depth refers to the minimum number of clicks required of a website visitor in order to get from the “root” web page to a desired web page. The root web page is the page that displays when only the domain is in the URL (i.e., no path information is included).

Click-Through Rate (CTR)

CTR is defined as the number of clicks an ad receives, divided by the number of times an ad is shown. CTR reflects the effectiveness of a keyword and the advertisement that goes with it.

Collaborative Websites

These websites are created by groups of people working together to build content on a particular topic. Some provide the raw content, others review it, and others format the content.

Competitor Website Analysis

Analyzing competitors' websites can serve as a useful means of assessing a company's own digital marketing channel efforts. For companies that are launching their online channels, it is important to understand what works and what does not in their business and industry when it comes to setting up a company website. Since competitors are selling similar products and services to the same target audience, an important part of the planning process before starting a website design is to analyze competitors' websites.

Compiled Lists

These lists include names aggregated due to common characteristics, professional affiliation, or interest, such as consumer databases (e.g., names collected from the white page directory, consumer surveys, or consumer shows) or business databases (e.g., names collected from the yellow page directory, credit bureaus, professional and industry directories, memberships, trade shows, or seminars).

Confirmation E-mails

Confirmation e-mails are sent to customers confirming the receipt of a customer request. Some common types of confirmation e-mails may include subscription confirmations, e-mail address verification, login details, auto-responses to customer e-mails, updates to subscription preferences, unsubscribe requests, and more.

Content Creation and Distribution Plan

The Content Creation and Distribution Plan contains two subsidiary plans. The content creation plan identifies the type of content the business intends to create in order to connect with the target audience. The distribution plan charts how the organization intends to ensure that the created content reaches the intended audience by highlighting the chosen social media channels and detailing how each will be used to ensure maximum response to the content.

Content Discovery Sites

These are sites where people share content they find interesting or useful so that others can also access the same content. Because the focus is on content discovery, the homepages of such websites generally contain content shared by others.

Content Response Mechanism

This is a well-structured response mechanism for businesses to deal with different types of engagement with customers. Because content on social media can spread so quickly, a negative activity by a brand can result in a reduction in brand image for a company; thus a content response mechanism is important.

Contextual Advertising

Contextual advertising refers to online and mobile marketing whereby marketers make use of user information such as recent search keywords or browsing activity in order to target ads to an engaged consumer. The goal with contextual advertising is to present ads to users representing products and services that the users have already expressed an interest in.

Conventional Mass Media Marketing

Primary channels used for mass media marketing are print advertising (newspaper, magazine, insert, or run of paper), mass mailers, television (network, cable, or syndicated), and radio (national, local, satellite, or podcast), and outdoor advertising (billboards, bus shelters, stadiums).

Corporate Finance Strategy

This strategy defines how the company will manage its finances, attain funding, and financially sustain its operations. The Finance Strategy should include forecasts and projections and summarize costs, income, and investments.

Corporate Human Resource Strategy

This strategy maps the human resource capabilities within the company and considers talent management and acquisition needs to sustain growth.

Corporate Marketing Strategy

This strategy defines how the company will target, position, market, and sell the planned products, and defines metrics, targets, and budgets for all marketing activities.

Corporate Operations Strategy

This strategy defines how the company will manage operational activities, manufacture its products (or provide services), and provide the corresponding customer support and warranty.

Corporate Product Strategy

This strategy defines the products or services the company offers, and the research and development efforts required to create them.

Corporate Strategy

Corporate Strategy is the overall direction of the company (as defined by senior management) that takes into consideration an assessment of the existing capabilities of the company and external opportunities and threats.

Cost-Per-Click (CPC)

CPC is the cost incurred when a customer clicks on an ad in a pay-per-click campaign. In a bid-based PPC model, advertisers bid on the highest price they are willing to pay for a click on specific keywords. The actual CPC paid and the ad's rank is then determined by the search algorithm, based on several factors, including the bid and ad quality, landing page quality, other advertisers bids, and other undisclosed factors. In a flat rate PPC model, companies and publishers decide on a set rate for each click.

Cross-Platform Development

This method involves developing an app once on a cross-platform app development framework and then running it on multiple platforms after making suitable adjustments for each platform. The apps are listed on the mobile app store of each platform and can be accessed and downloaded.

Customer Feedback

Customer Feedback includes improvement suggestions, compliments, and complaints collected from different channels. Complaints and improvement suggestions highlight areas where a company needs to make changes and adjustments and where its current positioning might not be working as desired. Compliments highlight areas where a company is doing well.

Customer Support Systems

A company can manage its reputation by implementing effective and responsive customer support systems. The most common options for a customer to interact with a company for support regarding its website, mobile site or app are online chat, e-mail, online forms, and sometimes even the phone. These systems typically consist of a large number of frequently asked questions, instructional videos and manuals, and discussion forums where customers can help each other out as well as ask for specialized help from the company.

Digital Marketing

Digital Marketing includes all marketing activities that use electronic devices connected to the Internet to engage with customers (e.g., computers, tablets, smartphones). These include activities related to creating and managing effective websites and mobile apps as well as promoting a company's products and brand through various online channels that help meet marketing objectives.

Discussion Forums

These are websites used for discussing issues related to a specific topic. Participants in such forums may be asked to register. They are encouraged to ask each other questions, answer questions, and share information.

Distribution Strategy

The Distribution Strategy for a product or service identifies the key areas involved in delivering the product or service to customers.

Digital Marketing (DM) Channels

These are online channels that can be used for marketing a product or service. These channels include websites, mobile sites and app, and social media sites.

E-mail List or Database

A company needs to collect the e-mail addresses of its customers to enable the company to run e-mail campaigns. A list developed in this way is commonly referred to as a "house list" and is derived from the company's own database of current customers, previous customers, inquirers, responders, contest entrants, and so on.

E-mail Marketing

E-mail marketing is a form of direct marketing that uses e-mail as the delivery medium for communicating a marketing message to a group of people. E-mail marketing can have many different styles or levels of personalization, but any e-mail sent to existing or prospective customers can be regarded as e-mail marketing.

E-mail Marketing Software

Good e-mail marketing software is a key component of a successful e-mail marketing system. The software should enable the company to manage its e-mail subscription lists, allowing recipients to easily subscribe and unsubscribe; send e-mails to subscribers or to recipients on a purchased list successfully with minimal delivery issues; provide predefined templates to enable streamlined e-mail creation; and, provide an auto-responder to manage recipient replies. The software should also track the effectiveness of e-mail marketing campaigns and provide regular reporting to measure various performance criteria including messages delivered, click rates, and bounce rates.

Essential Marketing Aspects

Marketing Strategy and Marketing Research are referred to as Essential Marketing Aspects. Both of these Aspects are mandatory and should be used to define, measure, and provide direction for the overall marketing efforts of a company.

Exclusive Distribution

Exclusive Distribution is a strategy whereby a company uses only one distribution partner to sell its product in a certain market.

Exit Pages

These pages refer to the last page a customer visits before leaving the website. Knowing this helps to identify the pages where visitors decide to leave or drop off the site.

Exit Rate

The exit rate for a page is defined as the ratio of the number of visitors who exited a website from a page to the number of visitors who visited that page, expressed as a percentage. The target exit rate should be the exit rate of similar pages.

Flat Rate PPC

In this model, companies and publishers decide on a set rate for each click. Publishers establish fixed rates for different keywords based on the level of competition or demand for the particular keyword. Thus, the higher the demand for the keyword, the higher the rate.

Fragmented New-Age Marketing

In recent times, the media has become increasingly fragmented with several hundred television and radio channels, as well as a large variety of print media, including newspapers, magazines, and trade publications. Moreover, since the late 1990s, with the increasing popularity of the Internet and, more recently, smartphones, many options now exist for advertisers to reach a global audience using digital marketing channels such as website, mobile, and social media. With all of these options, many marketers find it beneficial to use an integrated approach to marketing by leveraging the strengths of various types of media.

Geographic Strategy

The Corporate Marketing Strategy (which is a component of the overall Corporate Strategy) is further divided into Business Unit or Geographic Strategy, which in turn is further divided into Product or Brand Strategy for each product or brand.

Guest Blogging

Guest blogging is a method used by companies to increase website traffic and support the brand and reputation of the business through the use of guest postings (e.g., industry expert). Guest blogging involves the creation and posting of content to be published on related blogs.

Hard Bounce/Soft Bounce

A hard bounce occurs when an e-mail fails to be delivered as a result of a permanent issue, such as a non-existent address. A soft bounce occurs when an e-mail fails to be delivered as a result of a temporary issue, such as a full mailbox or an unavailable server. These metrics provide an indication of email list quality.

Human-Edited Web Directories

These directories are Internet search tools that search for information by subject categories. Rather than “robots” or “spiders,” which create directories automatically, human editors create these web directories. A short description along with the URL of the website is submitted to the directory for approval. The search directory then assigns the website to a category enabling the URL to display in search results for that category.

Image Ads

Image ads enable marketers to include relevant images, customized layouts, and background colors. For some companies, visually displaying their products may be more effective as an advertising technique than text ads. This is particularly relevant for websites selling consumer goods where the products are visually appealing enough to drive audiences to the website.

Image Marketing

It is the use of images or pictures through social media platforms to promote products or services. There are many image centric sites that focus on the posting and sharing of images and short videos.

In-app Feedback

One of the most effective methods of collecting reviews, in-app feedback allows developers to collect feedback in the app itself. There are a number of turn-key plug-ins available that make it simple to prompt the user to review an app.

Informational E-mails

Informational e-mails are sent to educate subscribers on topics relative to their preference settings with the provider. This type of e-mail is often in the form of a newsletter.

Integrated DM Channel Plan

It is important to understand that Digital Marketing is often used effectively in conjunction with other forms of marketing such as direct mail campaigns and mass media advertising. As well , when developing a Digital Marketing Strategy, multiple tactics should be considered and most often a combination of social, mobile, web, and other similar digital channels will integrate and work together to form a complete campaign that more effectively drives sales conversions more effectively.

Intensive Distribution

Intensive Distribution is a strategy whereby a company places its products and services in as many outlets or distribution channels as possible.

Interactive Public Relations

Unlike press releases and articles on media-friendly sites, which consist mostly of articles highlighting the information delivered by the company, companies are also making use of interactive PR media to gauge consumer response to the press release information, respond to queries, and enhance the brand reputation. Blogs and Social Media are a few of the popular interactive media used by companies.

Keywords

Keywords are terms and phrases associated with a company's product. Keywords that will help drive customers to a company's website are those terms and phrases that potential customers are most likely to search for on search engine websites.**Landing Page**

It is the web page where customers arrive after clicking on a search result or an online advertisement.

Levels of Sales and Marketing Strategy

The Corporate Marketing Strategy, which is a component of the overall Corporate Strategy, is further divided into various Business Unit or Geographic Strategies, which in turn is further divided into particular Product or Brand Strategies for each product or brand.

Lifecycle E-mails

Lifecycle e-mails are sent to customers to support acquisition, conversion, growth, retention, and reactivation of subscribers. When an online retail company sends e-mails to customers about pending orders in the cart, it supports the earliest stage of the customer lifecycle, which is the conversion of prospects to buyers.

Link Popularity

Link popularity provides another indication of a website's performance in terms of its ability to maximize reach. It can be thought of as the "value" of a website as measured by the quantity of "quality" inbound links (also called backlinks) to the website's pages.

Local Listings

If a company is targeting specific local markets, it may consider listing its products and websites on online services sites that specialize in organizing information about local products and services. Such listings are beneficial when consumers search for products in the company's product category within a specific geographic area.

Market Segments

The output of using any of the segmentation tools is a description of the various market segments a company wants to consider. The descriptions should contain the characteristics of each segment that differentiate one segment from another.

Meta Tags

Meta descriptions are HTML attributes that provide concise explanations of the contents of web pages. Meta tags give search engines a summary of what the page is about.

Mobile App

Mobile Apps are software applications for mobile devices. Some apps are available free of charge while others demand a fee. Free apps are generally used by a company to generate interest and engage customers on a wide scale, or in instances where the app is used to sell the company's products. Paid apps or apps that have paid sections are generally used if the app is providing a significant benefit to customers and the company has invested a great deal of resources in developing the app or in delivering content through the app.

Mobile SEO

It is important for organizations to ensure that their websites are optimized for mobile devices. Also, since many consumers use voice search features, websites and keywords must also be optimized to account for this changing trend among mobile users.

Mobile Site

A mobile site is a website designed specifically for mobile devices. Mobile devices have a number of characteristics that make them very different from laptops and desktops. Their screens are smaller; their screen orientation changes from portrait to landscape depending on how the user holds the device; their inputs are mostly touch-based, making them different from keyboard and mouse-based inputs; and they have additional capabilities such as geo-location. Given these differences, and the fact that mobile traffic now forms a significant proportion of overall traffic to websites across industries, it has become important for companies to make sure their websites display and perform well on mobile devices.

Mobile Site and App Analytics

Web analytics can be used to analyze visitor behavior on mobile websites and help to determine the most effective elements of the website or App for meeting the needs and preferences of mobile audiences. Consumers are increasingly using mobile devices to consume data online and to make purchases. As a result, mobile devices have become an important advertising medium for companies globally. In order to measure the effectiveness of mobile media, companies constantly collect data about consumer activities on company sites and apps. Some relevant metrics include average number of pages viewed by users, number of daily unique visits to the site, demographic profile of users of the site, geographic distribution of users, and average revenue generated per visit.

Mock-ups/Wireframe

A wireframe is a type of mock-up that marketers use to visually map out the proposed structure, content, and functionality of a website. A wireframe separates the content components of the website from the functional components of the website, thus allowing the marketing and website development teams to visualize, understand, and explain how users will interact with the website. A typical wireframe includes key pages and their locations; page layout including placement of side bars, main content, and navigation bars; navigation links, page titles, and content labels; and place holders, content text, and images.

Native Advertising

Native advertising is a form of online advertising that blends in with its surroundings. The objective is to promote a company's product or service in a way that is 'native' to the platform in which the message appears. Native ads are promotional pieces that are attempting to look like the material to which they are adjacent.

Native App Development

Native App Development is an app development method which involves developing apps directly on a specific mobile app platform using the platform's programming language and native code. The apps are listed on the mobile app store of a platform and can be accessed and downloaded.

Near Field Communication (NFC)

Near Field Communication is a set of standards for mobile devices, such as smartphones, that allows two endpoints, which are NFC enabled, to communicate directly over short distances (typically less than ten centimeters) using radio waves. NFC-enabled devices can be powered or unpowered in order for communication to take place. Unpowered devices are NFC chips, called tags, which can contain a variety of data, including website URLs. Powered devices include smartphones that have NFC technology enabled on them.

Non-Paid Activities

Non-paid activities include increasing a company's website rank on search engines through search engine optimization (SEO), increasing a company's mobile app rank on searches within mobile app stores, and creating interesting and useful content that is shared willingly by the target market and featured in news outlets.

Number of Clicks

This metric represents the number of clicks on the links within content shared by the company. These links may take users to the company's website, to a company page within a social media platform, or to a resource or asset shared by the company.

Number of Replies and Comments

This metric represents the number of replies and comments that the company's content has generated. These replies and comments may be directed to the company asking for more information or providing feedback; they may also be discussions among the target audience members who are inspired by the content that the company has shared.

Number of Shares

This metric represents the number of times content provided by the company is shared by its customers or subscribers. Consumers share content they like or find useful; thus, a high number of shares indicates that a large number of customers or potential customers perceive the company as helpful and knowledgeable and, by extension, may be more likely to purchase the company's products or services.

Off-Page SEO

Off-page SEO for a website refers to all optimization activities in which a company engages outside of its own website, and does not involve making changes to the company's website. A company's or product's website search engine rank is affected primarily by the following off-page factors: the number of other websites that have a link to the company's website and the reputation of the other websites that link to the company's website or that cite the company's website

Online Classified Sites

These sites help people find information on a wide variety of products and services, generally in a specific geographic area. Companies can submit their ads or listing to these sites.

Online Marketplaces

Several e-commerce companies have created global online marketplaces for selling books, consumer goods, and other products. In such business models, customer acquisition is usually initiated through the company's website. The company coordinates with its multiple suppliers to source products, demos and product reviews are provided on the website, customers make their purchases online, and items are shipped directly to customers.

Online Networking

The Internet has made the world a smaller place. People can now have access to their networks at all times. These changes have significantly impacted the way in which people communicate with each other and, in turn, have created new possibilities for innovative business models.

Online Press Releases

A company may issue press releases to news websites when a major event occurs, such as the launch of a new product or expansion into a new geographic area. The company can issue press releases directly to news outlets, or it can submit the releases to a press release agency that issues the press releases to multiple news outlets.

Online Public Relations (PR)

Online Public Relations (PR) is broadly defined as using technology to effectively communicate with stakeholders over the Internet.

On-Page SEO

It refers to the activities and content that website developers use to ensure a company's site is recognized by search engines.

Open Rate

This metric refers to the percentage of e-mails in an e-mail campaign that are opened. A high open rate is an indication of high engagement.

Opt-In Rate or Subscribe Rate

This metric measures the growth of the e-mail list. Opting-in or subscribing to an e-mail list requires an individual to choose to receive e-mail communications by supplying an e-mail address to a particular company, website, or individual. Customers who opt-in or subscribe accept inclusion on the list and grant permission to the company to send them e-mails.

Opt-Out Rate or Unsubscribe Rate

Opting-out or unsubscribing from an e-mail list is the result of someone choosing not to receive communications from the sender by requesting the removal of his or her e-mail address from the mailing list.

Page Views

The number of page views helps to monitor the website content and provides information on popular pages and engagement of the visitors. For example, if certain website pages receive more visitors, web analytics users can investigate the reasons and apply a similar strategy to improve traffic for other pages.

Paid Activities

Paid activities include advertising on various digital marketing channels such as search engines, other websites, other mobile apps, social media, and paid news releases.

Positioning Statement

It is generally a short sentence or phrase that captures the essence of the value a company's product offers to its target customers.

Press Releases

A press release is a written communication by a company directed at viewers of news media for the purpose of making a newsworthy announcement. Commercial, fee-based press release distribution services, such as news wire services, hold a repository of press releases that are used to promote a company's news to consumers across geographies.

Pricing Strategy

The Pricing Strategy for an organization should be oriented towards creating a sustainable brand perception and sustainable profitability for the brand while growing and maintaining a healthy market share. It typically includes the following information—

- the recommended pricing for products or services over a period of time in different target market segments and a rationale for the price point
- an indication of how the Pricing Strategy aligns with the products' positioning statement and the company's overall Corporate Strategy
- the number of units that must be sold to break even, the projected units the company anticipates it will sell, and the expected profitability of the product
- the strategy to deal with possible changes in the environment, such as changes in prices offered by competitors and increases in production costs
- the strategy for any discounts, special offers, or rebates, and the costs associated with these
- the Total Cost of Ownership, including cost of warranties and after-purchase servicing

Process-Oriented Approach

In order to facilitate the best application of the *SMstudy® Guide* framework, the *SMstudy® Guide* defines a process-oriented approach to Sales and Marketing, which provides specific guidance to Sales and Marketing professionals about how to most effectively and efficiently manage their sales and marketing activities. The *SMstudy® Guide* defines Sales and Marketing in terms of processes that comprise a series of actions that leads to a particular result. Each process requires specific inputs and then uses tools to create specific outputs.

Product or Brand Marketing Strategy

Each Product or Brand Marketing Strategy (also referred to as ‘Marketing Strategy’ in the *SMstudy® Guide*) defines Sales and Marketing objectives for each product or brand, which drive specific tactics that align with and often rely on other Marketing Aspects (i.e., Marketing Research, Digital Marketing, Corporate Sales, Branding and Advertising, and Retail Marketing).

Professional Networking Sites

These sites relate to people, groups, or companies sharing professional updates, content, and discussions generally related to an organization, a company, a product, or a profession. These sites are used to build an individual’s personal brand as well as to raise awareness of businesses’ brands and their products or services within the online community.

Promotional E-mails

The main focus of promotional e-mails is to deliver offers or invitations or to promote products or services that are relevant to a subscriber’s preference settings to result in a sale or some other predetermined action.

Push Notifications

Push notifications refer to a type of mobile marketing whereby communications to customers are initiated by a company’s server, as opposed to “pull” activities, in which the request for information comes from the customer. Push notifications are often based on preferences given by the customer in advance and are usually permission-based, requiring the customer to opt in.

Quality Score

A quality score is the search engine’s measure of the relevance of keywords and ads. It is an important metric because it ensures that users see relevant ads for their searches. Improving the quality score maximizes the effectiveness of a campaign, as CPC drops and average ad position increases. Also, a good quality score is a reflection of effective landing pages, therefore, the conversions are also likely to increase.

Quick Response (QR) Code

A Quick Response Code is a standardized code consisting of black and white squares, which can be read by mobile devices that have a QR code scanning app installed. The QR code typically stores a URL, and when one scans the code with a QR scanning app, the mobile device opens the website linked to the URL.

Referral Program

A referral program is used to promote products or services and acquire new customers through word-of-mouth marketing. Although such referrals may happen on their own, companies can also influence referrals through appropriate online marketing strategies. Online referral programs can prove more reliable than offline models by tracking customer behavior through the use of cookies and related tools.

Remarketing/Retargeting Ads

Sometimes an individual visiting a website may be interested in purchasing a product but may not be ready to purchase it. The user's behavior depends on where he or she is in the purchase cycle or funnel. Remarketing enables businesses to reach consumers who have already visited their site. After the visitors leave the business' site, the business follows up with related ads when the user visits other similar and relevant sites. Remarketing ads are displayed to the consumer by the search engine on websites he or she visits later.

Response Lists

These lists include the names of previous responders to offers from other companies such as publishers (recipients accepted subscription offers to magazines); mail order marketers (recipients ordered from a catalog); book, CD, or DVD marketers (recipients purchased a series of books); or charities (recipients contributed to a charity). While more expensive than compiled lists, the main advantage of response lists is that they may generate a greater response due to the predisposition of the audience to respond (people on these lists have a proven track record of responsiveness).

Responsive Design

Responsive design is used to create pages that "respond to" the type of device on which they are being viewed. This response typically requires the site to resize itself to fit the appropriate device format; however, in some instances, the response includes the use of easier-to-read fonts and graphics. The result of the responsive design approach is one site containing elements that display differently on devices with varying screen sizes.

Retail Marketing

It includes all marketing activities related to persuading the end customer to purchase a company's products at a physical retail outlet or store, and efficiently managing the supply chain and distribution channels to improve the reach and sales for a company's products.

Rich Media Ad

A rich media ad is an image ad that incorporates animations or other elements that provide users with ways to interact with the ad. Such elements are often customized to match user behavior. The targeted and personalized nature of the ads is intended to generate greater engagement, resulting in more views and clicks.

Rich Site Summary (RSS) Feed

RSS feeds use standard web feed formats to publish blog posts and syndicate data automatically. RSS feeds are a convenient way for users to receive timely updates from their favorite websites or aggregate data from many sites without constantly checking websites for new content.

Return on Investment (ROI)

Return on Investment (ROI) is a widely used tool that measures the benefits a company receives from a specific investment—like launching a product—against the cost of the investment. It is a highly flexible tool where the benefit and the cost can be represented by any metric that is suited to the analysis at hand. ROI is represented by the following:

Return on Investment = (Benefit from Investment – Cost of Investment) / Cost of Investment

Root Web Page

The root web page is the page that displays when only the domain is in the URL (i.e., no path information is included).

Screen Views

Mobile apps do not have pages that are the same as mobile websites. Content is displayed in multiple screens. The number of screen views for an app is equivalent to the number of page views for a mobile website.

Search Engine Advertising (SEA)

Commonly referred to as paid search or pay-per-click (PPC) advertising, SEA involves a company paying to have its ad appear on search results pages of search engines.

Search Engine Marketing (SEM)

Search Engine Marketing or search marketing refers to all marketing activities that use search engine technology for marketing purposes. SEM promotes a business and its products by ensuring the company appears in search engine result pages. SEM includes search engine optimization (SEO), paid listings, and other search engine related services and functions that are designed to increase reach and exposure of a website, resulting in greater traffic.

Search Engine Optimization (SEO)

Search Engine Optimization is an Internet marketing tactic that takes into consideration how search engines function and “rank” websites, how people search for keywords, the keywords that are most frequently searched, and the kind of searches (text search, image search, video search) that consumers are likely to use to learn more about the products, services, and business as a whole. SEO involves a number of activities and initiatives that businesses can implement to achieve high search engine rankings. Such activities address factors that can impact a website’s or web page’s search engine rankings for specific search terms, resulting in a high placement in a search engine’s organic (unpaid) search results.

Search Engine Ranking

The rank at which a particular website appears in search results for specific keywords.

Search Engine

A search engine is an Internet-based tool that searches for and provides information based on a particular term, phrase, or text specified by a user.

Selective Distribution

Selective Distribution is a middle of the road approach whereby a company uses a few delivery channels to distribute a moderate volume of products.

Seller's Marketplace

The Industrial Revolution in the eighteenth and nineteenth centuries marked a shift to mass production in factories (e.g., textile manufacturing). During this time, transportation infrastructure improved significantly with inventions such as the steam engine and more efficient ships. The banking system was further developed and the exchange of money became easier. Communication was also substantially improved through the development of the postal system and the use of telegraphs. Furthermore, goods were produced more efficiently and economically in factories and could be sold to a wider market. This created the seller's marketplace. The main objective of the seller's marketplace is to establish a supply chain to procure products and then establish a distribution channel to sell the products to a wide variety of customers, often referred to as "mass marketing." Emphasis on branding and advertising is minimal in a seller's marketplace.

Senior Management Direction and Insights

This is provided by senior management based on their experience and insights related to the business.

Sentiment Analysis

Sentiment analysis is the science of inferring insights from data generated in social media and goes beyond social media metrics such as the number of likes, shares, mentions, and followers. Sentiment analysis is a significant component of social media analytics; it involves processing consumers' opinions, conversations, and sentences to detect and understand consumer emotions and mindsets toward brands or topics. The data gathered might be from blogs, forums, social media posts, reviews, wikis, and more. Sentiment analysis uses parameters such as context, tone, and emotions among others.

Session Interval

This is the time interval between the consecutive sessions and indicates the frequency with which users launch the site

Session Length

This is the average time period between when the site is opened and closed (or when the session is ended) and helps identify the time spent by users on the site.

Short Message Service (SMS) and Multi-Media Messaging Service

Short Message Service, also called Short Message System, and the closely related Multi-Media Messaging Service (MMS) is the technology that enables phones to send text and other media via the messaging functions on the smartphone. A company can promote information on its website by sending customers SMS or MMS messages that contain a link to the relevant page on the website.

SMstudy® DM Evaluation and Improvement Tool

The SMstudy® Digital Marketing Evaluation and Improvement Tool is used to evaluate the suitability and effectiveness of various digital marketing channels for achieving the overall performance targets as defined in the Marketing Strategy for a product or brand. The tool is used for identifying conversion hierarchies for the different channels, estimating Return on Investment (ROI) for each channel, and then allocating the Digital Marketing budget among those channels based on ROI and the number of projected customers from each channel.

Social Media

Social media is an umbrella term that includes web-based software and services that bring users together online and allow them to exchange ideas, discuss issues, communicate with one another, and participate in many other forms of social interaction.

Social Media Analytics

Social media analytics assists in measuring the performance of social media activities by gathering information from social networking websites, blogs, and discussion forums.

Social Media Relationship Data

The collected social media relationship data should provide the number of users engaged across the various social media platforms, the time spent by users on each platform, and the frequency of interaction of users with the company across each platform.

Social Network Marketing

There are several social networking sites that a business can use to reach customers. The use of these sites to promote products or services is known as social media marketing. There are various social networking sites that provide B2B and B2C solutions for companies.

Social Networking Site

This is a site that allows people or groups to share personal updates about themselves or about a topic. These updates are generally shared with friends, relatives, or acquaintances, but they may also be shared with the general public.

Spider- or Crawler-Based Search Engines

This refers to an Internet-based tool that searches the index of documents or web pages for a particular term, phrase, or text specified by the user, and produces results that are collected, sorted, and automatically indexed based on a defined algorithm. A software program known as a “robot,” “spider,” or “crawler” scans web pages, follows links between pages and sites, collects information about websites, and indexes this information.

Tagging

This method of data collection involves adding a small code snippet in all pages of the website. Most of the analytics tools use this method. For every page visit, the code snippet is activated and data is sent to the tool’s server. These tools usually tag every visitor with a cookie.

Target Segment

Once a company has identified all market segments, explored the competition, and then compiled the details of competitive products, it should then analyze the various segments and the strengths, weaknesses, opportunities, and threats faced by the company in order to identify the target segments in which the business would be most competitive. This process involves identifying the type of customers a company plans to target and the product categories under which it intends to create products.

Text Ads

These are simple ads that highlight the product features and/or offers using only words. The message length is generally restricted and the digital marketing team must ensure that the relevant call to action is present in the message to prompt viewers to inquire further about the product or service.

Third-Party Advertising

Search engine advertising places online advertisements on the search results pages from search engines and their partner sites. Companies can further expand their reach beyond search engines to advertise to more niche audiences available on third-party websites, such as popular blogs and news channels that can help drive relevant traffic to the company’s website.

Traditional Marketplace

Traditional marketplaces are usually small markets where price negotiations and other decisions related to sales are made quickly—often by one or two persons.

Traffic Sources

This metric provides an overview of various sources that generate traffic to the website. Most of the analytics tools categorize the traffic sources into—

- Direct traffic—People who visit the website by entering the website URL or use their bookmark page function.
- Search traffic including paid and organic— Traffic from search engines. This includes the traffic from paid ads.
- Referral sites—Traffic from other websites including blogs, forums, banner ads, and other affiliates that direct traffic to the website.
- Others—This could include traffic from other promotional activities such as e-mail marketing and SMS marketing.

Transactional E-mails

Transactional e-mails are usually trigger-based e-mails that are sent based on a customer's action with a company, often to acknowledge that a business deal has been completed. Purchase receipts are the most common type of transactional message.

Uniform Resource Locator (URL)

A URL (uniform resource locator) is a web address. Both search engines and users prefer websites with consistent, easy-to-read URLs.

Use Cases

A use case is a list of steps that defines the interactions between the user and the product or service.

User IDs

Instead of using cookies, mobile apps tend to identify users via user IDs. This helps to understand the behavior of visitors individually, and data can be analyzed for these individuals for different versions of the mobile apps. The user IDs also help to analyze the customer experience across multiple applications.

User Interface

This factor refers to the quality of design, ease of navigation, and responsiveness of an app or mobile site. An app or mobile site might perform all the functions and have all the features that customers want. However, if the graphic quality is low, or navigation is not intuitive, or the app or mobile site is slow to respond, then the perception of the app or mobile site from a user's perspective is negatively impacted.

User Personas

User personas depict typical customer profiles. A user persona may include age, gender, occupation, type of mobile device owned, personality type, and any other features that are relevant for defining customers for a mobile app. It also helps to name user personas so that the team can think of a persona as a real person.

Video Ads

Video ads are an engaging way to create energy and excitement about a product. They can be used in individual display units but are commonly embedded at the beginning of other videos available on third-party websites. News agencies and video hosting sites enable advertisers to include video ads that play in the initial seconds before a user watches the video.

Video Marketing

Video marketing is the use of videos for promoting products and services through social media. There are various video hosting sites and micro-video platforms that can be used for video marketing.

Video Sharing Site

This is a site that allows users to share videos, audio, infographics, or images with other people. Such content can be shared with any person or group. In most social media channels that are focused on sharing such content, people can vote on or rank audio-visual content or add their comments. Thus, these channels integrate the discussion forum element into audio-visual sharing.

Visitor Activity and Profile

Useful information can be gathered about the visitors who are using competitor websites. Information such as each competitor's traffic estimates, pages per visit, time on site, bounce rate, percentage of traffic from search engines, and the demographics of website visitors are all very useful in providing a reference point for comparison with the company's own website.

Web Analytics

Web analytics involves the collection, measurement, and analysis of web data to understand the impact of digital marketing activities on customers and potential customers.

Web App Development

Web apps may be accessed through an Internet browser by any device and on any platform. The app runs on a central server and generally does not need to be customized for different platforms. For a long time, web apps could not use any features of the device or operating system, or run offline, but recent developments have made this functionality possible. However, the performance and user experience is generally not as good using this method in comparison with apps developed using the native app development method or the cross-platform framework method.

Web Logs

A web log file is created on the server that hosts the website. This file stores all the website request information including the IP address, the date and time of the request, the time taken to process the request, the number of bytes of data transferred, and the referral URL.

Website

Website is a group of connected web pages that can be accessed through a URL. A company's website is the online face of the company and reflects the company's brand messaging and positioning; it is used as a means of informing the target segments about the company, new updates, and offers that the company is running.

Website Architecture Design

Website architecture design involves planning the layout and design of the website, identifying the pages to be included, determining how consumers will navigate the site, and planning how these pages will link together.

Website Creation Tool

A website creation tool is a web-based tool that allows users to create web pages using a variety of templates. These tools are user friendly and allow businesses to create web pages simply by dragging and dropping various page elements.

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The SMstudy® Guide series is developed by VMEdU, Inc., a global education and certification course provider that has educated over 500,000 students world-wide in more than 5,000 companies. It is the result of a collaborative effort from a large number of Sales and Marketing experts with extensive experience, knowledge, and insights from a variety of industries and disciplines.

This third book in the SMstudy® Guide series focuses on Digital Marketing, providing a unique process-oriented framework that, when effectively used, ensures a thoughtful and methodical approach to building and implementing digital marketing initiatives, and yields a Digital Marketing Strategy that is comprehensive, aligned across all departments and functions of the business, and designed for success.

Digital Marketing is one book in a series of six. Others in the SMstudy® Guide series that can be used to complement the initiatives and tools detailed in this book are Marketing Strategy (MS), Marketing Research (MR), Corporate Sales (CS), Branding and Advertising (BA), and Retail Marketing (RM).

