

DIGITAL MARKETING AND SOCIAL MEDIA

LECTURE 1 – INTRODUCTION

CLASS OBJECTIVE

- What is digital marketing?
- Difference between traditional and digital marketing
- Subject structure and assessment

TRADITIONAL MARKETING

- **Traditional marketing** → a broad category that incorporates long-established strategies, such as print, broadcast, direct mail and telephone

MOST POPULAR FORMS OF TRADITIONAL MARKETING

- Newspaper advertising
- Magazine advertising
- Radio and television commercials
- Fliers, postcards, brochures, catalogues
- Calling consumers on the phone

NEGATIVES OF TRADITIONAL MARKETING

- It is difficult to know if traditional marketing efforts are effective
 - When working with magazines, newspapers and radio stations, the reach of each company is often exaggerated
- It is difficult to measure return on investment (ROI)
 - **Return on Investment (ROI)** → a performance metric used to evaluate the efficiency of an investment, it measures the amount of return on an investment relative to its cost

DIGITAL MARKETING

- **Digital marketing** → the marketing of products or services using digital technology, like the internet, smartphones, and other emerging devices

MOST POPULAR FORMS OF DIGITAL MARKETING

- Email campaigns
- Mobile phones
- Company websites
- Display advertising
- Social media posting and advertising

DRAWBACKS OF DIGITAL MARKETING

- To many customers, digital marketing efforts are less personal
- Easy for consumers to target products and services through social media
- Vulnerable to spammers and scammers

BENEFITS OF DIGITAL MARKETING

- Owning your own channel of content on your website, blog and social media
- Tracking every step of the customer's journey, including clicks, purchases, device access and email views
- Getting real-time analytics of your customer base and tracking them with ease → social media analytics, data analytics
- Increasing conversion rates → a recent report by Quora found digital marketing increases conversions by 24%
 - Conversion → the amount of people who goes on the website and who actually buys something

TODAY'S CONSUMER

- Always-on, digitally connected world
- Customer buying process isn't linear → shift from awareness to purchase
- Customer journey → increasingly self-directed and made up of erratic micro-moments
 - Shift from push to pull marketing
 - **Push marketing** → the idea is to promote products and persuade customers to buy products eg. sales displays at your grocery store
 - **Pull marketing** → attempts to establish a loyal following and draw consumers to the products eg. airline frequent flyer programs, loyalty card programs, social media promotions

WHAT DOES THIS MEAN FOR YOU?

- Opportunities

OBJECTIVE OF THE SUBJECT

- Introduction to key digital marketing concepts and applying these concepts using real world data
 - Make informed choices of higher level subjects
 - Use in your job search

TASK 2

- Now visit the site “twitonomy” and track the same brand and answer the following
- Note → You may use twitonomy to collect data for your project. The site may not allow you to download data as pdf/excel files but you can copy and paste

Which social media site does twitonomy track?

- Twitter

Can you view conversations related to brands?

- Yes

What are the advantages and disadvantages of using twitonomy?

- Disadvantage → only tracks twitter
- Advantage → gives an overview of useful statistical information, updated frequently

What metrics does the website track?

- Tweet history
- Tweets per day
- User mentions
- Links
- Tweets retweeted
- Replies
- Hashtag
- Users most replied to
- Users most mentioned
- Hashtags most used
- Favourites
- Tweets most retweeted
- Tweets most favoured
- Actual tweets
- Followers

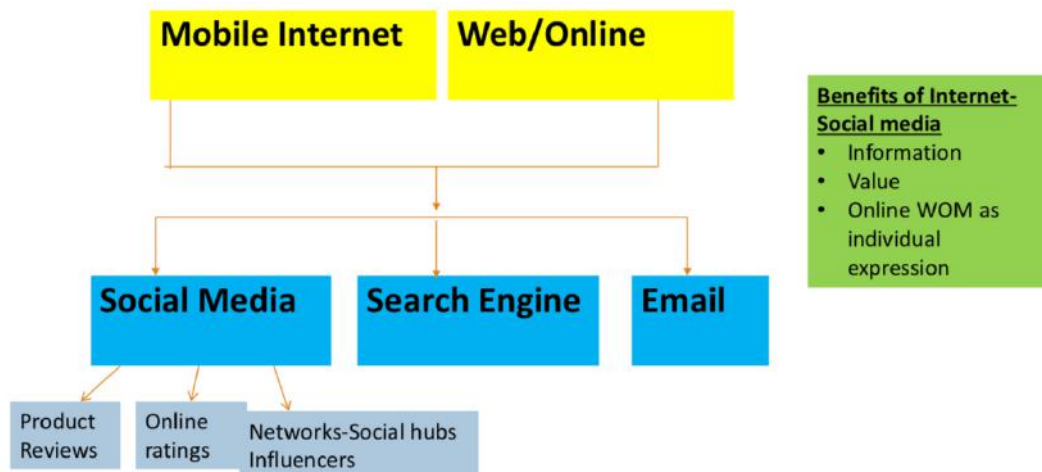
TASK 3

- After completing this template, discuss the insights related to your researched brand with your group members. This is an opportunity to review the brand you have selected for your project.

LECTURE 3 – SOCIAL MEDIA MARKETING

RECAP

EVOLUTION OF DIGITAL CHANNELS



- Search engines → reduce information overload
- Websites become more technologically advanced with comparisons of other metrics
- Social media → initially as a marketing intelligence tool for social listening
- Changes
 - Firms optimise their content to mobile websites because that's where they know today's consumer is
 - Firms are proactive on social media and engaging consumers in many different ways
- Social media → for engaging consumers and broadcasting their messages to consumers

OBJECTIVES

- Social media zones
- Social media marketing
- Characteristics of social networks
- Brand engagement in social networks
- Blogging
- Case study → Burberry

WHAT ARE SOCIAL MEDIA?

- **Social media (Oxford dictionary definition)** → websites and applications that enable users to create and share content or to participate in social networking
- **Social media** → a collective term for various networks and community sites (including such online applications such as blogs, podcasts, reviews and wikis) which are composed of user generated content

What is the difference between brand communities and brand pages?

- **Brand community** → membership is restricted, very small groups that interact with one another – people who are interested in the same thing eg. Apple user community
- **Brand page / fan page** → anyone can join eg. Mecca fan page
- Difference
 - Everyone can like the brand page, but not everyone can get access into the community
 - Brand page has a larger audience reach
 - Strong tie vs. weak tie
 - Relationship between the community is much stronger – more loyalty, stronger connection – very receptively taken by all members, everyone pays attention to what they say → strong tie
 - Because brand pages reach such a large audience, the relationship between the users are weak because they don't really know each other → weak tie

Many brands organise “like us on Facebook” actions. Does “liking” a Facebook page affect brand evaluations? If so, why?

- Yes → in the study the people who were already following the brand displayed positive brand evaluations, the study compared the new followers – demonstrated that their brand evaluations were positive after liking the post for research
- Virtual like does indicate actual like → when they interact with the brand over a period of time
 - Informal / impersonal posts → viewed more like a human rather than a separate entity – then start liking the brand and develop positive feelings towards the brand
- This is why firms always talk about engaging consumers → instead of a corporate entity, they want to be seen as a human entity

Are there any differences across brand page followers (those who “like” a page) in their brand evaluations?

- Existing followers vs. new followers
 - Existing followers → already had a positive brand evaluation
 - New followers → higher increase in evaluation of new followers – exposed to a lot of new information, deals and knowledge about the brand, interaction was more human
- Need to keep renewing content to keep interest among existing consumers high – creativity engagement is one of the important aspects

COMMERCIAL BLOGGING

BLOGS

- **Blogs** → “virtual diaries created by individuals and stores on the web for anyone to access” (**Sharada and Ponnada 2007**)
- Blog search engines → Google, Twingly, blogsearchengine.org

TYPES OF COMMERCIAL BLOGS (CHAPTER 9)

- The company evangelist
 - Less formal presentation
 - Used to talk about new products, uses for existing ones or problem solving
 - Eg. **Dell** → dedicated blogging site for new arrivals and how they are working to solve any previous problems
- The product blog
 - Conversation about product uses and attributes while still allowing users to respond via feedback facility
 - Eg. **YouTube** → unboxings, first impressions, reviews
- The CEO / Director blog
 - More formal than company evangelist
 - Employs the use of ghost writers
 - **Ghost writer** → hired to write literary or journalistic works, speeches, or other texts that are officially credited to another person as the author
- The event blog
 - Used in the run up to / during an event / part of a wider promotional strategy
- The promotional blog
 - Usually employed by small business owners
 - Not so popular anymore



TYPES OF CONTENT

- Blog posts
- Feature articles
- Microblog posts
- Press releases
- White papers
- Case studies
- Newsletters
- Videos
- Webinars
- Presentations
- Podcasts
- Photos
- More

CONTENT MARKETING

- **Content marketing** → “any marketing format that involves the creation and sharing of media and publishing content in order to acquire customers. This information can be presented in a variety of formats, including news, white papers, e-books, infographics, case studies, how-to-guides, Q&A articles, photos, etc.”
(Wikipedia)

WHAT IS CONTENT MARKETING?

- **Content marketing**
 - A marketing technique of creating and distributing valuable, relevant and consistent content to attract and acquire a clearly defined audience – with the objective of driving profitable customer action
(The Content Marketing Institute, Forbes.com)
 - A marketing strategy where brands create interest, relevance and relationships with customers by producing, curating and sharing content that addresses customer needs and delivers visible value
(Skinner, 2014)

OBJECTIVE OF CONTENT MARKETING

- “So as to attract, acquire and engage a clearly defined and understood target audience with a view to driving profitable customer action” (Content Marketing Institute)

COCA-COLA “SHARE A COKE” CAMPAIGN

WHAT WAS UNIQUE ABOUT THE CAMPAIGN?

- Coke took the 150 most popular names in Australia and added them to the side of their bottles
- Campaign was used in over 80 countries because of its success

WHY “SHARE A COKE” CAMPAIGN?

- Coca cola was no longer deeply connecting with Australians
- The brand had lost relevance and its “cool” factor with Aussies
- 50% of teens and young adults hadn’t tasted a coke
- Australian consumers are more health conscious → consumption of carbonated drinks in Australia is pretty low
- Needed to create social currency → talk about their brand and share information
- Created apps where consumers can share virtual cokes → emotional connection between consumers and the brand

RESULTS OF THE CAMPAIGN

- 7% increase in young adult consumption
- 5% more people were drinking coke
- 3% increase in sales transaction
- 870% increase in Facebook traffic (social currency)
- 12 million earned media impressions
- 76,000 virtual Coke cans shared

WHY WAS IT SUCCESSFUL?

- Personalisation → provide the product you're looking for and develop that connection
- Coke revolutionised emotional connections by asking people to “share” its product → became a viral campaign in a bottle

ELEMENTS OF CONTENT MARKETING

AUTHENTIC – DUNKIRK

- Use of the heartbeat
- Based on a true story – authentic content
- Brings up horrors of war – relatable
- None are overemphasises as a hero or protagonist of the movie – ordinary people like us, makes it compelling
- Should be very real but also unique

CONFLICT – HARRY POTTER

- Escapism → taking you into a different world
- Plot keeps you guessing about what lies ahead
- Always some sort of tension throughout the movie – element of tension that creates conflict in your minds → way to grip the audience but is difficult to achieve

ENGAGE THE AUDIENCE – JUNGLE BOOK

- Famous actors are the voices
- Remake of the classic movie
- Special effects → visually stunning
- Still went to the theatres even if they’ve already seen the original movie

TUTORIAL 6 – CORRELATION

CORRELATION

- **Correlation** → a measure of the degree of relatedness of two variables
- Usually scale (interval or ratio) variables
- Statistical measure of correlation is correlation coefficient (r) → falls between -1.00 and 1.00
- Direction of the relationship → depends on the sign of the number
 - The closer r is to +1 → the stronger the positive correlation
 - The closer r is to -1 → the stronger the negative correlation
- Strength of the relationship → depends on the value of the number
- Use scatterplot to examine the relationship between two variables eg. bivariate associations

EXAMPLES

- Interpret $r = 0.25$
 - Indicates a positive linear relationship → relationship is weak
- Interpret $r = -0.75$
 - Indicates a negative linear relationship → the two variables are highly negatively correlated
- Interpret $r = 0$
 - Indicates the absence of a linear relationship → the two variables are not linearly correlated
 - 0 can be a non-linear relationship

HOW TO COMPUTE CORRELATION IN EXCEL

- Data tab → data analysis tab → select 'correlation' → select the input range i.e. variable data for which you are calculating correlation → select output range → ok

TASK 1 → USING PRACTICE DATASET AND EXAMINE THE FOLLOWING

- Describe the variables (mean, median, mode and standard deviation) → mobilesearch, desktopsearch, gender, age and shopping preference
- The correlation of age and shopping enjoyment
- Is age and search in different digital channels (namely mobile and desktop) correlated?

LECTURE 7 – DIGITAL STRATEGY

IS A SEPARATE STRATEGY REQUIRED?

- A separate digital marketing plan is not necessary as part of the marketing planning process – digital marketing can and should be integrated into existing marketing plans
- What do you think?

DIGITAL

- Internet and digital
 - Placed consumer in control → focus on customer-centricity – experience / journey
 - Personalisation
- “It is not about doing “digital marketing”, it is about marketing effectively in a digital world” (**Diageo’s CEO Ivan Menzies**)
- 98% of marketers say online and offline marketing is merging (**Gartner 2015 – 2016 CMO Spend Survey**)
- “10% of marketers say they have moved beyond digital marketing techniques and are expanding marketing’s role to create new digitally led business models”
- “Thanks to years of bad banner ads and pop-ups, many consumers are irked. They are embracing ad blockers. This means you need to be prepared to move beyond display advertising and start thinking about creating more value for your customers – no matter what the medium” (**Cramer, May 2016**)

AMANDA RENDLE

- We need to avoid digital silos → Amanda Rendle has gone so far as to ban the word ‘digital’ to encourage her team to think beyond organisational silos
- “We need to go back to what marketing is, and the product is marketing. More people need to remember that, get off the drug of digital being something separate and get back to what we do best”

REVIEW WHERE YOU ARE AT → INSIGHTS – MACROENVIRONMENT

- **Technological forces** → changes in technology which influence marketing opportunities, create new product development opportunities, introduce new ways to access target markets through channel integration, create new forms of access platforms and applications
 - This includes identifying and understanding changes in technology such as digital security – major concern for online marketers considering an increase in fraudulent transactions, hacking etc.
 - Technology convergence and social location based marketing through mobile
 - SMS messaging and applications
 - Mobile apps
 - QR codes
 - Wi-Fi
 - Other emerging technologies
- **Economic forces** → cause variation in economic conditions, affect trading opportunities, influence consumer spending and business performance, have significant implications for digital marketing planning
 - Eg. employment, interest rates, market growth and emerging markets for digital marketers – different economic conditions in different markets are considered in developing e-commerce budgets
- **Legal forces** → determine the methods by which products can be promoted and sold online – laws and ethical guidelines that seek to safeguard individuals' rights to privacy and business' to free trade
 - Eg. privacy and data protection, distance selling rules, taxation, brand reputation protection such as domain name registration, copyright
- **Social forces** → refer to the cultural diversity among digital communities, which influences the use of the internet and services business provide online
 - Ethical issues eg. need to safeguard consumer privacy and security of details
 - Privacy issues eg. collection and dissemination of customer information, cookies and use of direct email
- **Political forces** → national governments and transnational organisations have an important role in determining the future adoption and control of the internet and the rules by which it is governed

OBJECTIVES – WHERE DO WE WANT TO BE? (CHAFFEY AND CHADWICK, DIGITAL MARKETING, 6TH EDITION)

- This can include the vision for digital channels and setting specific numerical objectives for digital channels eg. projections of sales volumes
- Sell → customer acquisition and retention targets
- Serve → customer satisfaction targets
- Sizzle → site stickiness, visit duration
- Speak → communication, number of engaged customers
- Save → quantified efficiency gains

STRATEGY – HOW DO WE GET THERE? (CHAFFEY AND CHADWICK, DIGITAL MARKETING, 6TH EDITION)

- Segmentation, targeting and positioning
- OVP → online value proposition
- Sequence → credibility before visibility
- Integration (consistent OVP) and database
- Tools → web functionality, email etc.

STRATEGY MODELS – RACE (CHAFFEY AND CHADWICK, DIGITAL MARKETING, 6TH EDITION)

- Plan
 - What's your strategy?
 - Consider different customer touchpoints
 - Goals, strategies, tactics and measurement
- Reach
 - Driving awareness through online visibility of sites to drive visits
 - Increase online awareness across social media, publisher and partner sites through POE awareness
- Act
 - Encourage interaction of prospects with brand's content to drive engagement
- Convert
 - Encourage conversion
- Engage
 - Long-term engagement to drive repurchase or advocacy → recommendation and sharing of brand's content

SOCIAL COMMERCE

- **Social commerce** → uses social media applications to enable online shoppers to interact and collaborate during the shopping experience
- Subset of ecommerce
- Assists retailers and customers during the experience
 - Online ratings and reviews
 - Shopping related apps
 - Deal sites and deal aggregators
 - Social shopping malls and storefronts
- Ecommerce → submit product reviews
 - 67% consumers impacted by reviews (**Moz**)
 - Sharing reviews on social networks → word-of-mouth

TYPES OF SOCIAL COMMERCE

- Buyer communities
- Group buying eg. Groupon, Living Social
- Purchase sharing
- Curation eg. Polyvore, Pinterest
- Social advice
- Co-shopping

CONSUMER DECISION PROCESS



1. NEED RECOGNITION

- Ads to drive need awareness
- Friends sharing purchase and / or use
- Curated images / lists eg. Pinterest
- Location based promotion eg. Foursquare

2. INFORMATION SEARCH

- Ratings and reviews
- Availability of product and pricing info
- Social comments → posts / tweets of experience
- Queries and responses on social platforms
- Deal directories, wish lists

3. EVALUATION OF ALTERNATIVES

- Price comparison
- Recommendations / testimonials
- Referrals

4. PURCHASE

- Shop within platform
- Social stores and social shopping malls
- Group buys

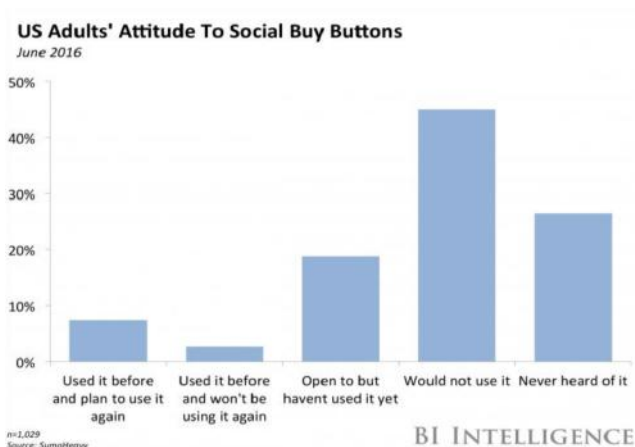
5. POST-PURCHASE

- Share-opinion posts
- Ratings and reviews on review sites / websites
- Reviews and product experience on blogs

SOCIAL COMMERCE PLATFORMS

- Pinterest
 - Shop-able pins
 - Planning on expanding “buy button”
 - Integrated with many US retailers
- Twitter
 - “Buy” button
- Facebook
 - “Buy” button
 - “Shop now” sites

SOCIAL COMMERCE – BUT...



- Two years since, the use of social buy buttons still continues to be low

WHY AREN'T SOCIAL BUY BUTTONS SUCCESSFUL?

- Note → refer to the business article “Are social buy buttons effective?”

CORPORATE SOCIAL RESPONSIBILITY (CSR)

– Corporate Social Responsibility

- A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis (European Commission 2010)
- Voluntary firm actions which benefit society (Sprinkle & Maines, Business Horizons 2010)

CLICHÉS (MARQUES & MINTZBERG, MIT SLOAN MANAGEMENT REVIEW 2015)

- Doing well by doing good
- Win-win solutions
- Good corporate citizen
- Unfortunately some companies cause harm

COMPANIES WITH BEST CSR REPUTATIONS

– GlobalRepTrak, Forbes, 2015

1. Google
2. Bm
3. Walt Disney Company
4. Microsoft
5. Daimler
6. Lego
7. Apple
8. Intel
9. Rolls Royce Aerospace
10. Rolex

– Reputation Institute, Forbes, 2018

1. Microsoft
2. Google
3. Walt Disney Company
4. BMW
5. Apple
6. Mercedes-Benz
7. Volkswagen
8. Sony
9. Colgate-Palmolive
10. Lego

MICROSOFT

- Microsoft CSR is guided by the citizenship mission of the company which is “to serve globally the needs of communities and fulfil our responsibilities to the public”
- Microsoft Supporting Local Communities eg. 4Afrika Initiative
- Microsoft and Gender Equality and Minorities
- Energy Consumption by Microsoft
 - 44% of the electricity used by Microsoft data centres comes from wind, solar and hydro power electricity
- Bill & Melinda Gates Foundation → the charitable activities of Bill and Melinda Gates Foundation founded by Microsoft founder Bill Gates is also associated with Microsoft in the perception of the general public to a certain extent

LEGO

- Lego-Sustainable Materials Centre → “This is a major step for the LEGO Group on our way towards achieving our 2030 ambition on sustainable materials. We have already taken important steps to reduce our carbon footprint and leave a positive impact on the planet by reducing the packaging size, be introducing FSC certified packaging and through our investment in an offshore wind farm. Now we are accelerating our focus on materials” Lego CEO

REPUTATION RISK

- Google hit with record EU fine over ‘unfair’ shopping searches
 - Record breaking €2.4 billion fine by European regulators
 - “Google abused its dominant position in the fiercely competitive and rapidly expanding world of online shopping. As a dominant search engine, Google promoted its own comparison shopping services, search results, and demoting those of competitors”
- Is an individual’s behaviour accountable towards CSR?
 - Eg. Harvey Weinstein

CORPORATE SOCIAL RESPONSIBILITY

- CSR should be integrated into the business
- 2012 Business Roundtable “Principles of Corporate Governance”
 - It is the responsibility of the corporation to deal with its employees, customers, suppliers and other constituents in a fair and equitable manner and to exemplify the highest standards of corporate citizenship