

Module 1 – Internet Marketing Consumers

Why do consumers go online?

- Easy to get information they are interested in
- Experience information as an “experience good”
- Enjoy network effects

Internet “Flow” Experience

Flow: a function of control, content, and motivational characteristics that define four direct determinants of the flow state:

1. Perceived congruence of skills and challenges
2. Focused attention
3. Interactivity
4. Telepresence (consumer is both a sender and a receiver)

Flow and Firm Shopping Strategies

What should firms do:

- Create action points
- Keep high involvement
- Allow social interactions

Omni-Channel Behaviour

Articles:

- “Why the Future of Online Shopping is Multi-Device, Not Mobile”
- “The Multi-Device Path to Purchase: How to Optimise Your Strategy”

→ How people differ in likelihood of purchasing depending on the type of digital device

→ Not everyone acts the same

Solutions:

- Start simple
- Better understand customers

How do consumers shop?

4 Types of Shopping Strategies

1. Directed Buying Strategy

Pros:

- Most likely to purchase!
- Customers know what they want
- Opportunity to suggest “add-ons” (in particular utilitarian products)

Cons:

- Unlikely to search for much else
- Hard to market other products or services

2. Search/Deliberation Strategy

Pros:

- Customers showing interest in product or service
- Can market your product or service, even if customer is interested in competitor

Cons:

- Less likely to purchase on this occasion
- May be too late to get customer interest in your product

3. Hedonic Browsing Strategy

Pros:

- Build customer loyalty
- Can gain customer interest

Cons:

- Customers not in purchasing frame of mind
- Customers unlikely to purchase on this occasion

4. Knowledge Building Strategy

Pros:

- Can market your product or service, even if customer is interested in competitor

Cons:

- Customers less likely to purchase on this occasion

Customer Purchase Journey Funnel

Awareness > Consideration > Purchase

Trade-Off between Full Flow of Information vs. Information Overload

- Ad exposure led to a 20% decrease in the quantity of news consumption (the number of articles viewed) and a 10% decrease in the variety (the number of categories) of news consumed
- Eliminating ads will enhance users' consumption behaviour, resulting in more repeat visits to the website

Email Marketing

Email Content

What makes you look at a company email?

- Sender (from line)
- Subject (Need to catch consumer attention but not sound like spam)
- Greetings (how they address you)
- Content (first line is key!)

- Few images
 - Most get blocked
 - Too many images is an indicator of spam mail

Email Activity Specifics

Who are you targeting:

- Demographics
- Heavy-buyers, light-buyers, non-buyers
- Create:
 - From line (i.e., Name of sender [Mellow Mushroom])
 - Email line (i.e., info@mellowBR.com)
 - Subject line (i.e., Student Night Friday)
 - Header line (i.e., Dear [first name])
 - First line (i.e., This FRIDAY we hope you join us for ...)