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Learning Objectives

Upon completing this chapter the student will be able to:

- Explain the advantages and disadvantages of electronic and Internet marketing.
- Describe the main social media sites.
- List the types of objectives used in electronic and Internet marketing.
- Describe the types of electronic and Internet marketing strategies.
- Describe the main tactics used in electronic and Internet marketing.
- Explain how electronic and Internet marketing efforts are evaluated.

Pre-Test

1. An online customer logs into his account and receives product recommendations based on his previous purchases. Which set below best illustrates the advantages of electronic marketing the online customer experiences?
 - a) Personalized, availability
 - b) Easy to track, personalized
 - c) Global reach, lower cost
 - d) Increased timelines, easy to track
2. What are the “big five” social media websites?
 - a) Facebook, YouTube™, Netflix, eBay, and Twitter
 - b) Google+™ social service, Twitter, eBay, Pinterest, and Facebook
 - c) Twitter, LinkedIn, Facebook, Google+™ social service, and YouTube™
 - d) LinkedIn, Instagram, Facebook, Google+™ social service, and Pinterest
3. What are the key categories of digital marketing customer objectives?
 - a) Like, Share, Pin, Choose, and Use
 - b) Compare, Choice, Share, Learn, and Multiply
 - c) Like, Simplify, Comment, Learn, and Use
 - d) Choice, Learn, Use, Simplify, and Share
4. The key to shaping electronic marketing strategy is
 - a) creating a Facebook page.
 - b) knowing the target market you are trying to attract.
 - c) keeping the message unchanged for a long period of time.
 - d) measuring the success of the strategy.
5. The first step in developing an organization’s website is
 - a) making sure all aspects of the site reflect the brand.
 - b) identifying a Web design company and outsourcing website development.
 - c) securing a domain name that supports the brand.
 - d) ensuring that the navigation, copy, and structure images support other communications.
6. Which is NOT something that website monitoring software can measure?
 - a) The time of day when your site gets the most visits
 - b) What site users visited before and after your site
 - c) The number of visits or hits your website receives
 - d) Users’ opinion of the information on your website

Answers

1. b) Easy to track, personalized. The correct answer can be found in Section 9.1
2. c) Twitter, LinkedIn, Facebook, Google+™ social service, and YouTube™. The correct answer can be found in Section 9.2
3. d) Choice, Learn, Use, Simplify, and Share. The correct answer can be found in Section 9.3

4. b) knowing the target market you are trying to attract. The correct answer can be found in Section 9.4
5. c) Securing a domain name that supports the brand. The correct answer can be found in Section 9.5
6. d) Users' opinion of the information on your website. The correct answer can be found in Section 9.6

Introduction

The authors wish to thank contributing authors Courtney Kingery and Keith McIlvaine for their assistance in writing this chapter.

Jimmy Choo is a high-end luxury shoe retailer whose shoes sell for hundreds and sometimes thousands of dollars. The company uses Facebook, Twitter, and Pinterest to generate interest in the brand. To highlight customers wearing the shoes, the company started its own social network site called “Jimmy Choo Stylemakers” (<http://www.choo247.com/>). Customers from all over the world post pictures of themselves in their Jimmy Choo shoes. Viewers can sort the postings by type of shoe, location, and the time of day the shoes were worn. Today, more and more companies are leveraging electronic and Internet marketing to build their brands.

One can often tell how hot a market segment is by the number of vendors, suppliers, consultants, and self-reported experts in that segment. Using that gauge, the electronic and digital marketing industry is an inferno. Not only are there advertising agencies who specialize in digital and electronic marketing, and software companies who have programs and **applications** (special software that allows users to perform specific tasks; known as apps) to help build and deliver tactics, and hardware companies touting servers to store all the customer insights gained through digital and electronic marketing, there are also top consulting companies like Gartner, Inc. and McKinsey & Company offering services to help clients decide which service provider can best execute the strategy. It seems there are consulting companies helping clients select other service providers. These companies tout the ability to help companies make money through the effective use of social media. Gartner, Inc. estimates that in 2013, spending on electronic marketing will exceed \$1 billion worldwide (Social is here . . . , 2013). According to *Direct Marketing News*, digital marketing makes up about a quarter of an organization's total marketing budget (Prezant, 2013).

Organizations are investing money in digital marketing because that is where customers spend time. Many consumers expect companies to have an electronic presence, have information available on demand, and help them make a buying decision. What is in it for the companies spending over \$1 billion globally? These companies are moving customers and consumers through the



TPX/Prisma/SuperStock

▲ Jimmy Choo leverages electronic marketing to reach customers.

buying process more efficiently, producing more sales and more profits for the marketing unit and company as a whole.

This chapter starts with social media and electronic marketing tactics and covers the development and use of electronic marketing as part of the overall IMC plan. In particular, this chapter will focus on objectives, strategies, and tactics useful in the execution of the electronic marketing plan.

Nicole Kidman Speaks about Being a Spokesperson for Jimmy Choo

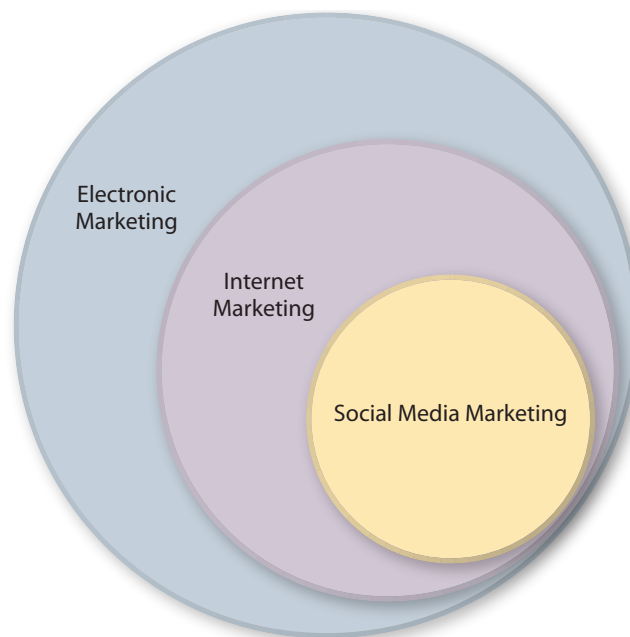
Companies often place advertisements on social media websites. This video from YouTube™ shows Nicole Kidman speaking about the creation of a series of ads for Jimmy Choo:

<http://www.youtube.com/watch?v=QrMwMAFr54M>

9.1 Overview of Electronic and Internet Marketing

You may recall that electronic marketing was defined in an earlier chapter. To refresh your memory, electronic marketing (also called digital marketing) is the use of digital technologies to sell goods and services. Electronic marketing includes e-tailing, CD-ROMs, email, blog development and execution, and electronic data interchange (EDI). Electronic marketing takes traditional marketing and applies it to the online realm. Although electronic and Internet marketing terms are often used interchangeably, Internet marketing is more specific and involves using the Internet to sell products and services. **Social media marketing** is even more specific and uses social media sites to connect with customers and generate website traffic. Figure 9.1 shows the relationship between these three areas.

Figure 9.1 Relationship between electronic, Internet, and social media marketing



An online presence is not enough to ensure a company's success. How well the electronic marketing tactic of the IMC is executed will send a message to customers about the quality of products and how much value and attention is paid to the target market.

IMC planners rely on digital marketing to reinforce the campaign message, drive awareness of the product, support the brand, and achieve the objectives of the overall campaign. Social media and electronic marketing specialist, Keith McIlvaine, believes that electronic marketing will compete for the lead of all IMC tactical executions during the next decade.

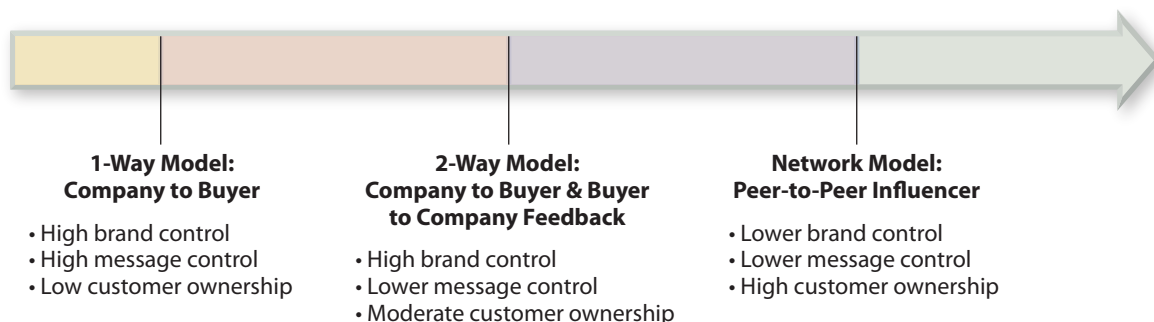
Marketers must decide how electronic marketing will fit into the IMC mix. Digital marketing is an excellent tool for overcoming some of the barriers associated with the other variables of the IMC mix, but it will not solve all problems. As with other elements in the marketing mix, electronic marketing does not exist in isolation, but rather works with the other IMC tactics. Electronic marketing must have clearly defined objectives, be well planned, cleanly executed, and support the other areas of the mix. It has grown to take on increasing importance in marketing plans, replacing some dollars that were spent on traditional media like radio, TV, or print advertising.

Evolution of Digital Marketing

Electronic marketing by its very nature is dynamic, interactive, mobile, on-demand, current, entertaining, and informative. It is opening up opportunities for marketers to push the boundaries in the digital space. These characteristics have impacted the evolution of digital marketing.

Electronic marketing has evolved from a one-way communication model between a company and buyer to a peer-to-peer influencer model (see Figure 9.2). A digital marketing campaign built on the peer-to-peer influencer model compels customers to share the marketing message across their social and digital network in a way that is seamless, easy, and natural (Marketo . . . , 2013). The risk in this is that as a company's brand and message are shared with thousands of customers, the company loses control of how the brand is represented. Why would brands take that risk? A Nielson survey showed that 92% of buyers believe what peers have to say about a brand, compared to 33% who believe what a brand has to say about itself (Marketo . . . , 2013). By implementing a peer-to-peer influencer model, brands are turning their customers into brand advocates, which translates into greater sales. Electronic marketing also increases **consumer-generated marketing**. When a consumer gets directly involved with the marketing activities of a company, it is called consumer-generated marketing.

Figure 9.2 The evolution of digital marketing



Source: Adapted and modified from Edelman (2013) and McKinsey (2013).

Marketers are continually looking toward future trends and at current systems that deliver the best productivity and sales. Some innovative individuals and companies stand out more than others, and they push the limit to test new avenues for undertaking business and try new trends that will drive business. Taking risks is an inherent function of marketing and many involved in electronic marketing take that role seriously. Electronic marketing does not replace a current marketing plan or strategy, but is an additional tool that can be used to generate communication with the targeted markets.

One big misconception about electronic marketing is that it is free. This is not true. Everything companies undertake has associated costs and electronic marketing is no exception. While much of social media is free to access, the people needed to create and manage the sites are paid. Finally, the concept of social media is not new, only the tools used to develop and execute social media have changed.

Before we look at issues involved with developing objectives, let's take an overview of the advantages and disadvantages associated with the use of electronic marketing.

Advantages of Electronic Marketing

Here are some of the advantages of electronic marketing.

Multiplier effect—Albert Einstein once said that compound interest is the most powerful force in the universe. Money's ability to grow amazed one of the smartest men of modern history. Similarly, the **multiplier effect** of digital marketing is when a campaign grows and spreads across peer-to-peer networks beyond the original reach, spreading the message to a larger audience and compounding reach.

Lower cost—Digital is one of the least expensive forms of marketing and advertising. For very little money and with access to the Internet, anyone can put up a virtual storefront, webpage, or mobile application (app). Thousands of pages of information can be published electronically without the cost of printing or mailing.

Increased timeliness—Traditional marketing can be time intensive as one goes through the process to write copy, produce, edit, print, etc. Customers expect digital marketing to be current and timely. With the use of content management software, marketers can update electronic marketing materials quickly, keeping the information fresh. One strategy to leverage this advantage is to keep the printed material fairly general and refer customers to an electronic source of information for the most up-to-date information.

Availability—Content on the Internet is available 24 hours a day, seven days a week regardless of where a customer is located. Unlike other variables, digital marketing is available when the customer is interested and ready to receive the information. The customer is more likely to pay attention to a message when he or she searches for it.

Personalized—Message personalization is a great feature of digital marketing. When there is a clearly identified target market and buying motivators, a company can customize the campaign to each subtarget. During the same campaign, different customers can receive different pieces of information depending on their preferences, buying patterns, and even their geographical proximity to the seller. This is a great way to connect to a customer and build loyalty because the customer is given only the information he or she needs. Amazon.com is an example of a company that personalizes messages. Based on what a person has ordered in the past, the customer will receive purchase recommendations via email or when he or she signs in to the Amazon account.

Easy to track—One of the great advantages of a digital campaign is that the elements can be tracked. Marketers do not need to rely on advertising readership studies, media response rates, or customers mentioning they heard it on the radio. Marketers know exactly how many people downloaded and used the app, visited the website, how long they were on the site, what their favorite blog posts are, and how many responded to an email blast. The information can be added to a customer database to give the company better insight into customers' needs.

Global reach—Technology allows people from all parts of the world to connect. A single digital campaign can go viral, spreading around the world and touching people from countless cultures. While this is a great benefit of digital marketing and social media, it also presents challenges. For example, a global shipping company like United Parcel Service® (UPS) has to overcome the hurdles of developing a unified global website in several languages that is compliant with various countries' electronic and privacy regulations.

Disadvantages of Electronic Marketing

While electronic marketing offers numerous advantages, there are also some disadvantages that need to be taken into account to avoid potential pitfalls. Below are the main disadvantages to the use of electronic marketing.

Multiplier effect—Just as a positive message has the ability to grow beyond the original reach of the campaign, negative messages about the brand or products can also spread quickly in the digital space. Upset customers can post messages on many social media sites where messages are shared. Negative messages can get out of control very quickly if a company is not monitoring social media sites.

Case in Point: United Breaks Guitar

Songwriter Dave Carroll had a gripe with United Airlines. In 2008, on a United Airlines flight from Halifax to Chicago, his \$3,500 guitar was damaged by baggage handling. After months of unsuccessfully trying to get restitution from the airline, Carroll wrote a song and posted it to YouTube™. The video went viral very quickly. Within four days the song had four million views. No one could have imagined the popularity of the video. As of 2013, the video had over 13 million views. The publicity was a public relations nightmare for United. The company was not prepared for the exposure.

United responded by calling the video “excellent” and asking Carroll if the company could use it for employee training. Carroll turned down the \$1,200 in flight vouchers offered by the company and asked them to donate the money to charity. The company responded by donating \$3,000 to the Thelonious Monk Institute of Jazz. News outlets claimed that United's stock value dropped 10% (\$180 million) as a result of the video but this was disputed by the company (Dunne, 2010).

Time™ Magazine listed the story as one of the top ten viral marketing stories of 2009 (Fletcher, 2009). The story was featured on a 2012 documentary by CBS/CNBC called *Customer (Dis)Service* describing how social media has changed the way companies respond to complaints. Carroll capitalized on his instant fame by writing a book published in May 2012. He wrote how one guy used social media to take on a global corporation (Carroll, 2012). He is also a corporate speaker.

Take a look at the video made by Carroll: <http://www.youtube.com/watch?v=5YGc4zOqozo>

Reflection Questions

1. Why is this video so popular?
2. What do you think of United's response? What would you have done differently?
3. What are three recommendations that you would give a company on how to respond to complaints on social media?

Loss of brand control—In a well-developed and well-executed digital marketing strategy, customers become advocates touting the benefits of the brand to their social networks. However, as soon as others start touting a company's brand, the company loses the ability to control the message. The positioning of the company's message may get changed as the target market loses focus. The marketer's goal is to strike a balance between complete brand lockdown and opportunities for customers to embrace and share content (Edelman, 2013).

Data vs. intelligence—One of the advantages of digital marketing is the ability to track the tactics in the campaign. One of the disadvantages is all the data that comes back from the campaign. How do marketers move from data to intelligence? Marketers must coordinate with other teams in the organization (IT, analytics or research, and sales) to develop and execute actionable insights from a digital or social media campaign (Social is here . . . , 2013).

Must be kept current—Digital content is expected to be current, timely, and easy to use. While content is easier to update in the digital space than in printed elements, it must be updated more often to keep customers interested. For many large organizations that usually requires having a dedicated staff member to post, respond, and track comments about the brand or products. For organizations with a smaller digital presence, that task can be outsourced to an agency or freelance writer.

Requires coordination and integration—Customers don't interact with businesses in an exclusively virtual world. Products are shipped, services are provided, complaints arise, and customer service is contacted. Just as marketers must coordinate across teams to move from data to intelligence, all the members on the team must work together to create a seamless customer experience. Companies as a whole must come together across sales, service, IT, and marketing to deliver high-quality service for the entire customer experience (Edelman, 2013). This is a disadvantage because it's difficult to accomplish. Companies want to avoid having a great digital experience and then a real-world experience that doesn't measure up. Customer service channels will need to be integrated across Web, mobile, email, sales, and supply chain (Social is here . . . , 2013). The information technology infrastructure must support the growing user demands across mobile, tablet, and PC platforms so no matter how customers access information it is a positive experience (Social is here . . . , 2013). The goal should be to have a seamless transition from the virtual world to the real world, creating a positive customer experience.

The advantages and disadvantages of electronic marketing are summarized in Table 9.1. As can be seen, electronic marketing is a double-edged sword. While offering tremendous advantages over other elements in the IMC mix, there are also potential disadvantages that need to be planned for in the strategy and executions.

Table 9.1 Advantages and disadvantages of electronic/Internet marketing

Advantages	Disadvantages
• Multiplier effect • Lower cost • Timeliness • Availability • Ability to personalize • Easy to track • Global reach	• Multiplier effect • Loss of control • Data vs. intelligence • Must be kept current • Requires coordination and integration

In the chapter devoted to personal selling, we discussed the sales cycle from qualification to closing. To move from strategy to tactics to revenue, the goal is to move potential customers through that sales cycle as efficiently as possible. Digital marketing can be used to move customers through the buying decision funnel “by showcasing thought leadership in the digital space through every aspect of the buying cycle” (Marketo . . . , 2013). Before the Internet, consumers would rely on recommendations from friends and family or word-of-mouth recommendations. Although those sources are still used today, it’s more often done using the Internet via online reviews, online recommendations, blog posts, discussion boards, couponing sites, publications, and company websites to compare features and prices to get the best value (Edelman, 2013). All the time spent on research and learning about a company’s products and services opens up tremendous opportunities for marketers to be thought leaders in the buying decision process.

› *Learning Check*

Reflect on your learning by answering the following questions:

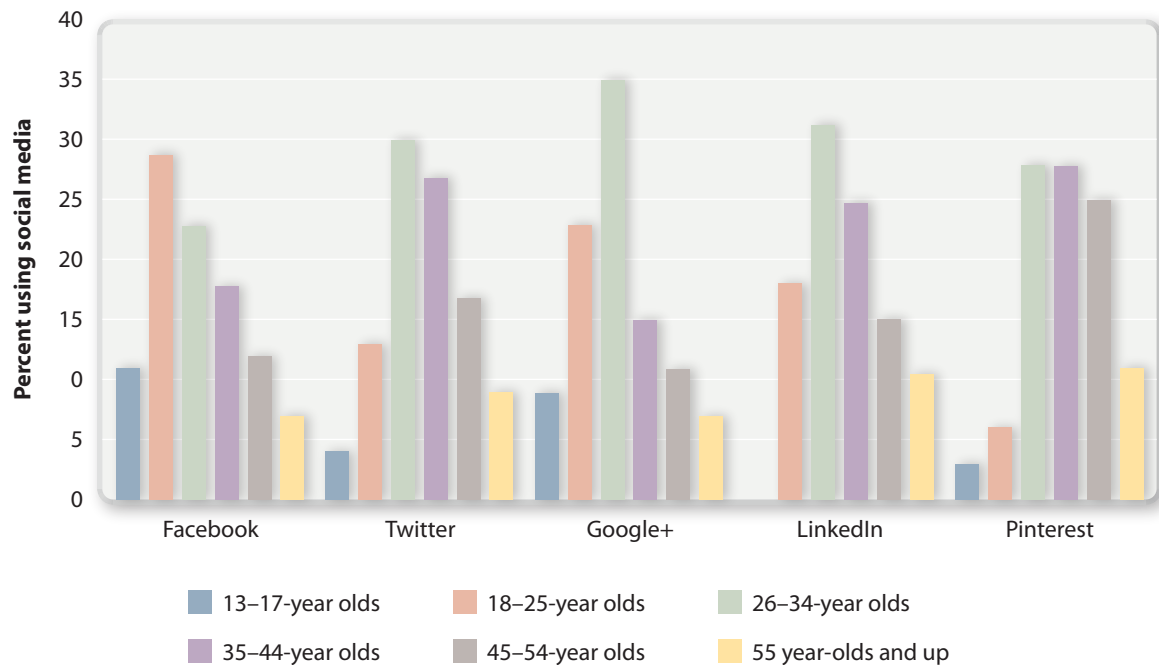
1. What are the advantages and disadvantages of electronic marketing from a business perspective? Consumer perspective?
2. Do you think companies can be successful using only electronic marketing? Why or why not?

9.2 The Biggest Players in Social Media

Social media are forms of electronic communication that allow people to share ideas and content. The phrase “**word of Web**” (as opposed to “word of mouth”) is used to describe communication occurring on the Internet. Known as the “big five” in social media, Facebook, Google+™ social service, Twitter, YouTube™, and LinkedIn are the most widely used social media websites around the world. This is why a majority of companies look to these sites first when developing or creating electronic marketing and social media plans. Of course a presence on these sites depends on objectives, strategy, and tactics, but in general, if a company is seeking to establish a social media presence, the company should have a presence in each of the big five. A company can look at other social media tools and outlets to strengthen overall communications efforts. If a company’s target market does not use the big five sites, they should find sites their customers are using. Marketing research can help determine which segments of the target market are on which sites. This will help determine where to spend time and money. Figure 9.3 shows the age demographics of some of the main social networks.

All electronic and social media channels should be considered; however, only those sites that help meet company objectives should be used. This process is typically a trial and error process because a company often doesn’t know a site’s impact on the bottom line until it’s used.

So what do the big five social media sites provide marketers? Let’s take a closer look at each of these sites.

Figure 9.3 Age profile of social media users

Source: Based on data from Dugan, L. (2012). Facebook, Twitter, Google+™ social service, Pinterest: The Users of Social Media. All Twitter (May 15). Retrieved from http://www.mediabistro.com/alltwitter/social-media-users_b22556.

Facebook

Facebook (www.facebook.com) is the world's largest social networking site and is used by many companies to promote their brands. Here are some statistics concerning Facebook (as of December 2012) (Whittaker, 2012; Tam, 2013).

- 1.06 billion monthly active users
- 618 million daily active users
- 680 million mobile monthly active users
- 1.13 trillion Likes generated
- 140.3 billion Friend connections
- 219 billion photos uploaded (265 billion in all if deleted photos are counted)
- 17 billion location check-ins

Facebook Profiles

According to Facebook, people who joined in July 2010 now have an average of 305 friends (Whittaker, 2012). If a company is able to attract brand evangelists (people who are loyal to a brand) to a Facebook site then their network will see this activity which may lead them to look at the company's Facebook page and Like the brand as well (McIlvaine, 2013). Facebook uses profile accounts to reflect all online activity that a person may go through on a social network (and sometimes includes outside activities as well). These profiles allow a company to better target its brand communications. Facebook profiles have a lot of data that people online are willing to share such as

location, education, work experience, sometimes their age, family status, and their Likes. These data may lead to additional methods of **guerilla marketing** (low-cost marketing) where a planner can target individuals who Like competitors' brands and the planner can then develop and target advertisements specifically toward this audience.

Facebook Engagement

After creating a page on Facebook, brands must have regular activity on their pages to keep followers interested. Having regular activity increases brand engagement and interactions with customers and potential customers. Facebook pages allow brands to repurpose content from other social media channels such as blogs, Twitter, and YouTube™ (to name a few). Cross branding, or repurposing content, is critical because planners never know who is going to see their messages. Facebook ads may range from a very specific audience to a very broad audience. The challenge for marketers is to communicate a message in fewer than 90 characters, which is the limit that Facebook imposes on advertising copy for body ads. The character limit forces advertisers to make their messages simple, a benefit for consumers. It is important to include a call to action for the reader. The more a company spends on a daily basis in advertising and IMC, the greater the chance of adding additional Likes to the page and brand. Ads may be linked to an external URL or to a Facebook page. People who prefer to stay on their Facebook page when logged in are good targets.

Facebook continues to evolve. It is focused on how to allow brands and people to engage in an online atmosphere. Expect new avenues and media to arise and become available for use by marketers.

Google+™ Social Service

Started in 2011, Google+™ social service (sometimes written as Google Plus social service) had over 10 million profiles created during its first month of release making it the fastest growing social media platform ever. In January 2013, Google+™ social service surpassed Twitter to become the second largest social networking site in the world (Waktins and Presse, 2013).

Google+™ social service has many tools, making integration just as easy as installations into websites. Here are a few of the Google+™ social service features.

- Profiles—Google+™ social service has a section called a profile where users can choose information to share with anyone searching on the Internet.
- Streams—Google+™ social service uses live newsfeeds of what your connections are sharing at any given moment in time.
- Circles—Google+™ social service has the ability to create circles, which is a method of grouping friends and users into a more meaningful organization.
- Photos—This system has the ability to upload and share photographs. These may be sent to mobile devices as well.
- Hangouts—Hangouts is a video-conferencing feature that allows video chat for up to 10 other people at one time.
- +1 Button—This Google mechanism allows users to share network updates with others. It also allows others to share their network updates with you.
- Sparks—Sparks is a RSS (Really Simple Syndication) style layout for users to follow news and articles all from one central location on your site.

Twitter

Twitter (www.twitter.com) was created in 2006 and quickly became popular. In 2013, the site had an estimated 200 million active users (Kleinman, 2013). The microblogging site allows users to share information via a tweet, which can be no more than 140 characters. The user can add videos and photos in the tweets and can follow other tweeters.

Companies use Twitter to share information, gather marketing feedback, and build relationships. Twitter is search engine optimized (SEO) meaning that Google, Bing, and Yahoo! are able to pull each individual Twitter message and post them in individual search results. For IMC professionals, this means that those who are not using Twitter or not signed up for Twitter may find branding messages.

Twitter utilizes hashtag technology. Hashtags (which appear as a # sign followed by a subject such as #Gatorade or #NBAFinals or #JustinBieber) allow users to follow a specific conversation and all the associated tweets on a topic. It allows users to go back and search for messages that have the specific hashtag attached. Twitter also allows a URL to be shortened, maximizing a message. Using Twitter, a marketing professional can write an introduction or teaser message with a link which takes the reader to another site with more information. This site could be a Facebook page, YouTube™ channel, company website, or blog entry. Twitter has a website devoted to providing methods for companies to use Twitter to grow their businesses (<https://business.twitter.com/>).

Twitter Celebrates Seven Years

This video was released to YouTube™ by Twitter to celebrate its 7th birthday:

http://www.youtube.com/watch?v=Bl-FpuehWGA&feature=player_embedded

YouTube™

YouTube™ (www.youtube.com) has become one of the most searched and used social media sites and reaches more adults than any cable network (YouTube™, 2013). YouTube™ has become a magnet for individuals, companies, and brands to post video and experiment with new marketing tactics in order to assess audience response. YouTube™ is a great site to generate research and gauge feedback to learn what's working and what isn't working.

The following statistics are reported by YouTube™ (YouTube™ website, 2013).

- more than 1 billion unique users visit YouTube™ each month
- over 6 billion hours of video are watched each month on YouTube™
- one hundred hours of video are uploaded to YouTube™ every minute
- seventy percent of YouTube™ traffic comes from outside the United States
- YouTube™ is localized in 56 countries and across 61 languages
- according to Nielsen, YouTube™ reaches more U.S. adults ages 18–34 than any cable network

Playlists

A YouTube™ playlist is another effective tool in the execution of electronic marketing tactics. An example of a company using a playlist effectively is Old Spice®. Old Spice's YouTube™ page (<http://www.youtube.com/oldspice>) has a number of playlists ranging from a “behind the scenes” video to more specific video titles that help to promote the brand. Creating a custom page, custom URL, and playlists are effective ways of communicating and promoting products, services, and brands. These are helpful in sharing a specific message or a series of similar messages; thus, they work well with other IMC tactical executions. Because YouTube™ is a socially integrated medium, it is easy to share, link, or embed videos into other social media platforms or websites.

LinkedIn

Launched in 2003, LinkedIn (www.Linkedin.com) is a social networking site for business professionals. According to the website, the site has over 225 million members in over 200 countries (LinkedIn–About Us, 2013). LinkedIn allows members to grow their professional networks within an environment that is free of games and has limited advertisements. IMC planners can use LinkedIn to expand their branding and communications efforts. There are two ways for businesses to share messages: individually or as a group.

Individual profiles are used to share both personal and professional information. In addition, it is a good way to develop and share information about brands, products, and services. The status bar allows users to share updates with their network by adding a URL or sharing personal or company news that is relevant to the network. LinkedIn allows users to upload presentations to their profile through the use of SlideShare (<http://www.slideshare.net/>) and Box.net (www.box.com). These add-ons allow individuals to upload presentations that provide viewers information about a company, product, brand, activities, or anything else of professional value.

Video has become an integral part of any IMC campaign. Video sharing on the site is a very effective tactic to generate viewer engagement.

In addition to individual LinkedIn profiles, a LinkedIn group can be created or joined. LinkedIn allows users to join up to 50 groups. These groups allow interaction with people that are not in a user's network. It is beneficial for IMC professionals to create a group or join a group for the purpose of asking questions and trying to understand the thinking processes of customers and competitors.

LinkedIn groups have some disadvantages. For example, if a company creates a group, the company must be able to carry the interest of the brand into over 100+ million profiles. Well-known brands such as Apple®, Pepsi, and Microsoft® have the ability to attract a diverse group of followers based on brand recognition. Smaller, less-known companies should join other groups to build brand awareness.

Company Pages

LinkedIn allows companies to develop and maintain their own sites. While there are fees associated with upkeep, company profile pages serve as a branded location within the LinkedIn network where companies update data, correct any misinformation (great for PR), and share links. LinkedIn is a powerful tool and is becoming the most dominant professional social networking site. The tools mentioned are an example of how LinkedIn is expanding. LinkedIn is growing at approximately one new member every second, positioning them for continuous growth in the professional social networking arena.

LinkedIn Company Page

This video explains the advantages of a LinkedIn Company Page:

http://www.youtube.com/watch?feature=player_embedded&v=bDXFQetJCc4

In addition to the big five in social media, there are other options to consider. Sites are created and deleted every day, so it's important to scan the social media environment. Table 9.2 lists other popular social media sites.

Table 9.2 Popular social media sites

Type	Name/URL	Description
Photo sharing sites: Allows members to organize, post and share images.	Pinterest http://pinterest.com	A social network where members can organize and share images through pins and boards; people can repin (share) photos they find interesting.
	Instagram www.instagram.com	A mobile app that allows the user to take pictures and use filters to create art from the pictures. The app makes it easy to share the pictures on other social media sites.
	Flickr www.flickr.com	A site where people can organize, post, and share pictures and images.
Location-based electronic marketing: Uses GPS smartphone technology to determine where users are and allows additional networking opportunities.	Foursquare https://foursquare.com	A location-based game where users “check in” at various locations in order to earn badges (or other forms of recognition) for varying levels of participation. If, for example, you check-in and are named, “The Mayor,” you receive special discounts.
	Yelp www.yelp.com	Organized by city, Yelp allows users to research local businesses and comment about their various experiences with that business.
	Facebook’s Nearby feature www.facebook.com	Nearby lets users find local businesses based on what the person has Liked on Facebook or where a person has checked in previously.
Other	Tumblr www.tumblr.com	A social media microblog that allows members to post content; users can follow other blogs or make their blogs private. In June 2013 Yahoo! acquired Tumblr for approximately \$1.1 billion (Wortham, 2013).
	Myspace www.myspace.com	A social media site with a music emphasis; owned by Specific Media™ LLC and Justin Timberlake.

› Learning Check

Reflect on your learning by answering the following questions:

1. Which social media sites are you on? Why did you choose these sites?
2. Should social media sites be responsible for crude or unethical content? Why or why not?
3. What differentiates a company that uses social media successfully from those that do not?

9.3 Electronic and Internet Marketing Planning

Electronic and Internet marketing can be a strong addition to IMC. Electronic marketing allows the IMC planner to

- build relationships with current and potential customers,
- listen to the market,
- promote content, services, and brands,
- influence buyers, and reach beyond the customer to the customers' customers or their networks.

It is essential to determine what will be achieved using an electronic marketing plan. Start with objectives, create an overall strategy (or strategies), and develop tactical executions to achieve the objectives. Budgets are required, as are timelines that indicate when and where the tactics will be launched. It is very important to evaluate and control the effectiveness of the plan and integrate it with other tactics used in IMC planning.

Objectives

The primary business objective of any digital strategy should be to influence the path to purchase. Beyond that, the objectives should support the overall campaign and company strategy and objectives. The objectives must be SMART (specific, measurable, attainable, relevant, and have a time frame). Just as digital marketing has evolved beyond the company-to-buyer model to a peer-to-peer model, the best objectives go beyond company or campaign performance to align with the objectives of the target markets. In other words, what do customers want and how can a company use electronic marketing to meet its needs? Customer objectives for digital marketing fall into a few key categories (Dahlstrom and Edelman, 2013; The Hartman Group, 2013) as shown in Table 9.3:

Table 9.3 Electronic marketing objectives

Purpose of Objective	Description	Example
Learn	Customers are looking for information on the product and service. They often turn to electronic media to find answers.	The objective is to inform our customers of our latest service offerings. We will launch the new section of the site by X date and expect 1,500 views in a 6-month period.
Choice	Customers are looking for the information to move beyond learning about a product or service, to choosing the best solution for their need.	We will use Facebook to compare our products to the three main competitors. We expect at least 5,000 views in a 6-month period and at least 1,000 Likes.
Share	Customers want to comment and recommend with their peer-to-peer network about why they made a good choice or about their experience with the business.	We will use three photo-sharing sites to post pictures of our menu offerings. Our goal is to get 300 repins of the photos in a 12-month period.
Use	Customers are looking for new, highly valued services and features deployed to the hardware they already have.	A mobile app will be created to allow our customers to order our products and get new product information. Our goal is to have at least 5,000 customers download the app within one year.

(continued)

Purpose of Objective	Description	Example
Simplify	Customers are looking for digital tools and solutions that are not only easy to use and share, but actually simplify their lives and their jobs.	We will implement a “one-step” ordering system on our website. Our goal is to increase our customer satisfaction scores from 85% highly satisfied to 92% highly satisfied within 12 months.

Once the electronic marketing objectives are developed, it's time to move ahead and create an overall electronic marketing strategy that will provide direction on how the objectives will be achieved.

› Learning Check

Reflect on your learning by answering the following questions:

1. What do you think are the biggest mistakes that companies make when creating objectives for electronic marketing?
2. What happens when companies do not make objectives SMART?

9.4 Strategies

An electronic and social media strategy may sound easy to develop but it is not. Electronic, and in particular, social media marketing strategies, typically include multiple channels. Each channel has a unique approach to conveying messages and interacting while connecting with members of the channel communities. Regardless of the tools chosen, the audience, message, and methods are important. Additionally the impact of that message on the other IMC variables must be determined so that there is consistency across IMC tactics. Consider the message on a billboard or in a television advertisement. Using traditional media the message can remain unchanged for a long period. With electronic marketing and in particular social media, the message needs to be updated daily or even more frequently. The company or brand messages must be relevant. There are five key areas to keep in mind while developing a strategy:

1. Understand the audience.
2. Locate the audience.
3. Create electronic channel(s).
4. Brand each message.
5. Engage the audience.

The key point to remember is that companies need to know whom they are trying to attract. This will help shape strategy. The target market will vary depending on the types of products and services sold and on the campaign. A company can maximize efforts by locating where its audience spends time online. Companies can help create interest so that the audience wants to learn more. This could mean creating a Facebook page, a Twitter handle, a LinkedIn group, a YouTube™ video channel, or an online advertisement that takes the audience to a company's home page (or some other targeted location). Messages can be branded by making sure the feel of the message is

consistent with the brand and contains a logo. Engaging and interacting with the audience will influence them to take some type of action. Electronic marketing often takes experimenting to find the right mix for a message.

As with other elements in the IMC, the electronic and social media marketing strategy should be able to answer a few basic questions:

- Who and where is the target market?
- What is the company's differentiation and value proposition?
- How does the strategy enable the company to meet its goals and objectives?
- How is success measured?
- How does success in the digital space translate to revenue?

Main strategies for electronic marketing are push, pull, or a combination. These strategies have been discussed with other IMC tactics as well. In the realm of electronic marketing, push or pull strategies refer to the way in which the target recipient gains access to the information provided by companies. Is the information pushed to the target recipient via email or app or does the target recipient have to come to a website to pull off the information? In the most successful cases, the information is delivered as a combination of push and pull.

There are advantages and disadvantages to either pushing out the information or requiring target recipients to pull the information. When the information is pushed to the target, it is very easy for the target to access it. **Email marketing** (using email to send marketing messages) is a great example of pushed information. On the other hand, when a consumer comes to a website to pull the information, that indicates the customer is ready to receive the message.

If the information is difficult to find, difficult to download, or requires too many steps to access, the consumer will move on to another website or to another source of information. Often a combination of both push and pull is the best strategy to reach audiences.

› *Learning Check*

Reflect on your learning by answering the following questions:

1. What strategy would you use to launch a new product? Why?
2. How does a company communicate a value proposition using electronic marketing?

9.5 Tactics

Once the electronic marketing strategy is in place, it's time to create the tactics that will be used to execute the plan. Knowledge of the electronic marketing audience is required to generate effective electronic marketing tactics. As in any area of marketing or marketing communications, planners must have a thorough knowledge of who will receive the message, how they want to receive it, and how they interact with communications. Remember, the planner is trying to achieve numerous objectives in order to drive revenue and profits. A planner with information about his or her audience will be much more successful than one who begins to develop tactics in a vacuum.

While technology touches so many parts of our lives, keep in mind that connectivity, usage, and technological ability vary by demographic group. For example, women with children under the age of 13 spend over 15 hours per month on social networking sites, compared to men who spend 8.4 hours per month (Bryant, 2013). If the target market primarily accesses data through mobile devices, this may limit the amount of space available to design graphics and content. If mobile apps are being developed, a decision will need to be made as to the types and versions of mobile devices or tablets that will be supported. Consider too, the amount of time that the audience has to view and engage the message.

Below are some of the tactics used by companies to reach objectives. Typically, samples of the tactics that a company will use are included in the plan. For example, a sample newsletter or mock-up of a webpage will give decision makers an idea of the message and visual appeal of the piece.

Websites and Secure Portals

Many people consider the Internet a primary source of information for company and product information. Often the first stage in developing a website is to secure a domain name or URL. Domain names are secured through paying a registration company, such as Network Solutions, to license the use of a domain name. Domain names should support the brand and are often trademarked. The domain name that best supports the brand may be licensed by another company or a cyber squatter. A cyber squatter is someone who licenses the domain name for the sole purpose of reselling the use of the domain name for a profit. To determine who has the license to a domain name, a *whois search* can be conducted. This type of search is a lookup on domain registration sites that returns the results of who currently has licensing rights, the contact information, and the expiration date of the rights. There are some legal avenues to assert the rights of a company of a trademarked domain name over a squatter, but that can be a costly and time-

consuming task. But, if the brand value is high enough, the cost may be justified. Once a domain name is secured, website development can begin. Often website development is an activity that is outsourced to a Web design and consulting company.

The navigation, structure, images, and copy on a website should reflect the organization's brand and support other communications. For example, if an organization values personal interaction with customers it is important that the website have a feature where the customer can easily convert to a more personal discussion via a phone call or chat feature. If the organization is selling products online, the checkout procedure should be clear and easy to use. All aspects of a site should reflect the brand.



AP Photo/FabKids.com

▲ Company websites should reflect the brand personality. What can you tell about this company's brand by its website?

Emails and Newsletters

Emails and newsletters are some of the most used forms of e-marketing and they offer several advantages.

- Delivery occurs almost instantly and the information is easily forwarded on to other interested parties.
- They are relatively inexpensive to develop and send.
- They allow for filtering and the user can easily scan the message to evaluate relevance. However, this also is a disadvantage, because the message is easily deleted.
- Email and newsletter campaigns are easily measurable through such metrics as open rates and click-through rates.

Due to the rise in email marketing and unsolicited spam, many states and countries have enacted strict email regulations. Unsolicited mail cannot be sent to users. Also, software companies have developed many tools to filter out junk and spam mail from valid emails; therefore, unsolicited emails may not be an effective way to push data out to targets. A better way is to target the emails to specific users via the use of an email subscription process. Customers who choose to receive information via email are more receptive to the message. But even when the user subscribes to an email or newsletter, many states require an “opt-out” process where the user has an easy way to request that the emails or newsletters are no longer sent.

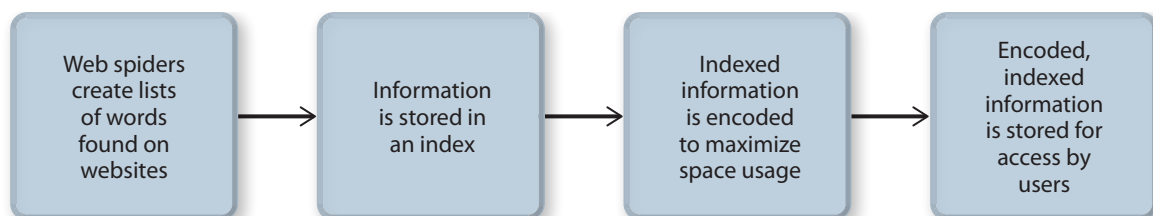
A well-crafted email or newsletter has several key features:

1. It is relevant. Relevance could include timely or important information for the recipient. Knowing the audience is key to ensuring relevance of the content.
2. It is short. Do not send pages of material. Keep messages concise.
3. It leaves the recipient wanting more. The message should entertain and enlighten the recipient, yet make the recipient want more.
4. It supports the overall message and brand. Coordination of timing and the look and feel of an overall campaign is critical to success.

Search Engine Optimization

Since domain names have become longer and less tied to company names, most users rely on search engines to direct them to pertinent websites. Search engines allow users to search the content of the Internet based on key words. Search engines send out spiders (software robots) to build lists of words found on websites. The process of building the list is called **Web crawling**. A website will be ranked according to what the spiders find. Figure 9.4 shows how a search engine works.

Figure 9.4 How a search engine works



Source: Adapted from Franklin, C. (2013). How Internet search engines work. How Stuff Works. Retrieved from <http://computer.howstuffworks.com/internet/basics/search-engine1.htm>.

Generally, users look only on the first page of search engine results to find a website. A good search engine optimization program will dramatically increase the reach of a website and reduce the cost per user. **Search engine optimization (SEO)** refers to actions taken to increase the visibility of a website or page in the results of a search. While the algorithms that search engines use to rank websites are tightly guarded trade secrets, there are some ways that companies can increase page ranking on search engine results.

- **Meta tags**—**Meta tags** are three to five key words that describe the content of a single webpage. The tags are put in the code of a webpage and not visible to users once the page is published to the Internet. Meta tags flag the main key words on a webpage for a spider. The key words in the meta tags should be supported by the text of the page.
- **Text**—It may sound simplistic, but one of the most reviewed sections of websites by spiders is text. The more often a phrase, word, or combination of words are used on a page, the higher that page will rank in a key word search.
- **Nontext content**—Spiders cannot read nontext content like Flash animation, streaming video, or music. This content needs text descriptions or tags associated with it to allow the spiders to rank the content under key words.
- **Links**—Links to and from pages help the spider to determine the legitimacy of the website. Links to the site from highly regarded organizations like public radio, major brand sites, mainstream information sources, or media outlets will raise the rank of a website in search engines.
- **Paid placement and word sponsorship**—Most search engines have a section to the side or top of results pages to display links to those websites who purchase key word placement or advertisement. Most Internet users are unaware that paid placement results are different from the ranked results. There are several rate plans for this placement. For example, rates could be based on the number of click-throughs from the search engine to a website or it could be free for a specified time. Rates vary widely depending on the popularity of key words. Also, the advertising services offered by search engines vary widely. Most search engines have an advertising section where a marketer can locate the costs for specific key word placement and various advertising options.

Internet Advertising

The revenue stream of many websites is rooted in their ability to draw and retain advertisers. This creates a natural synergy between those who want to advertise and those who need advertisers. The advertising principles discussed in the advertising chapter apply to online advertising as well. Internet advertising is a unique blend of print and television advertising in both content and delivery. Many traditional media will also include online advertising as part of the total package.

Ads can be placed as header (called banner ads) at the top of the page, block ads in the center content area of the page, and toward the bottom of the page. The cost for placement usually goes down as the advertising moves down the page. In addition to advertising on the page, users are all too familiar with pop-up ads that appear when a user loads or closes a website. Most Internet browsers have options in place to stop pop-ups, so the reach of that form of advertising may be limited. Streaming media also offer an opportunity for advertisers to place a mini ad prior to media being played.

Internet Advertising Example

On this homepage from Haydenfilms, there are header or banner ads, block ads, and sponsorships. Notice how the ads do not compete with the overall layout and design of the page, yet are still visible.



Source: Haydenfilms Online film Festival. 01/01/08. www.haydenFilms.com. Reprinted with permission.

Social Media and Mobile Marketing

As mentioned earlier in the chapter, social media can be a strong component in an electronic marketing plan. Social media is all about the shared experience and not wanting to miss out on what others are sharing. The desire to belong and share with a larger community is a powerful tool in digital marketing. Companies can leverage the desire to share by providing incentives and rewards to people if they endorse an organization's social media site and share with their circle. The GPS technology available on many phones allows customers to share locations and products that were purchased from a location. These are all ways to leverage the customers' desires to share experiences and promote the organization.

In addition to these tactics, other tactics can be added to the digital marketing mix (Hanbury, 2011):

- Articles or blog posts
- Blogger or influencer outreach
- Infographics
- Videos
- Cartoon drawings
- Tutorials
- Podcasts
- Presentations

Once the ideal content mix is identified, it should be aligned and included with the editorial calendar and copy messaging and joined with the other elements in the mix (Hanbury, 2011).

In addition to the social media impact of the electronic marketing plan, IMC professionals must also understand and use mobile marketing and mobile marketing communications. Mobile devices are becoming ingrained in people's lives. Marketing communicators can reach just about any audience

24 hours a day, seven days a week as long as there is a cellular network. To illustrate the potential for mobile marketing consider the following statistics (Rippetoe, 2013):

- Fifty-three percent of Americans use smartphones to access search engines at least once a day.
- Four out of five consumers use their smartphones to shop.
- Mobile search queries have grown five times in the past two years.
- Mobile is predicted to be bigger than desktop Internet use within the next five years. Sixty-four percent of smartphone owners use their smartphone to shop online.

These data point to a substantial marketplace for branding and advertisement messaging. Social media is a significant contributor to mobile traffic and mobile marketing. IMC professionals need to not only brand messages for traditional web-based marketing, but also adapt their marketing communications for the mobile world. One major issue is the development of the layout for mobile devices. Mobile devices have a smaller viewer screen (typically) than traditional devices, which affects the mobile user's experience with the messaging. It is not easy to transfer communications done in other formats to mobile marketing. Mobile marketing communication won't replace other marketing methods and tactics, but it will add to the value of the communications as well as expand the effectiveness and reach of the overall IMC campaign.

Blogging and Vlogging

Blogs (or web-logs) are becoming a central meeting point for individuals and companies in terms of spreading a message. Some companies have made their blogs the focus of their websites. Consumers desire to learn more about a company, products, solutions, company culture, the types of employees, and other stories. Blogs allow companies to tell their stories in a different, sometimes in an "unmarketing" manner.

Vlogs (or video blogs) are blogs that are presented in a video format. Vlogs allow viewers to see an individual, a company, a solution to a problem, a brand, or a message. It is a show-and-tell format for the Web. Vlogging is not an easy task as people who are being videotaped often do not act naturally. Identify employees who "show" well on camera. On-camera people have to be able to articulate the message and tell an engaging story that will forward the overall IMC message. Relevant topic areas for a vlog may include company history, new products, product solutions, press releases, employees talking about their experiences, testimonials, or a funny or entertaining story about the product, company, or message. Blogs and vlogs don't have to be the focal point of the IMC strategy, but they help provide deeper connections with customers and deeper research meaning for the data.

Crowdsourcing

A new way to generate message exposure and to gain feedback from customers is through crowdsourcing. **Crowdsourcing** involves getting a group of people who are external to the organization involved in funding, idea generation, or content development. Crowdsourcing can show that a company is engaged and vested in audiences' interests. A good example of crowdsourcing is the project developed by Mountain Dew in 2010. Mountain Dew had fans create three new flavors for the drink. The winner of the "taste test" was named as a permanent Mountain Dew flavor. Asking customers what they want is very empowering and provides the customer base with a sense of investment in the product or service and a sense of ownership that may lead to greater brand loyalty.

Advergaming

Another way to help build brand loyalty is to include advergaming in the overall electronic marketing plan. **Advergaming** refers to advertising that has been placed within a video game. These games can be played on a stand-alone machine, computer, tablet, or some other mobile device. The use of advergaming helps to build loyalty among consumers and in particular, male consumers. It also helps to generate greater exposure for the business or brand and shouldn't be overlooked as a possible tactical execution.

Table 9.4 shows common types of e-marketing strategies and specific tactics for the type of strategy.

Table 9.4 Strategies and common tactics

Push	Pull	Combination
• Emails • Newsletters • Text messages • Alerts • Online advertising and banner ads	• Websites and secure portals • Podcasts, apps, downloads • Product or catalog searches • Videos, television shows, expanded television advertisements, movies • Articles or blog posts • Videos	• Website optimization for search engine ranking • Paid placement in search engines or sponsored key word purchases • Contests, games, and surveys • Click-throughs from emails, CDs or media spots • Quick response (QR) codes • Social media

› Learning Check

Reflect on your learning by answering the following questions:

1. To which of the described tactics have you not been exposed?
2. What do you think are the most effective tactics that a company can use?
3. What happens when a tactic used in electronic marketing is not consistent with tactics used in other IMC areas?

9.6 Rationale, Evaluation, and Control

Once the digital marketing tactics are developed, it is time to develop rationales, evaluation, and control methods for each tactic.

Rationale

A rationale must be provided for each activity. How does the use of email blasts help to prospect for new accounts? How are the activities positioning the company as a thought leader through the sales cycle and buying decision? The rationale should extend to include all areas of digital marketing, from website to social media. Provide a rationale for the timetables, budgets, technology requirements, personnel, and prospect qualification criteria. Finally, explain how the tactics and activities impact roles and responsibilities on other teams and fit into the other aspects of the IMC plan.

Evaluation and Control

An advantage of electronic marketing is that it is easy to measure. Website monitoring software can measure the number of hits to a website, the navigational path users take through the website, the time of day that users visit the website, which site users were on before they came to a site, and what site they went to after they left a website. Software can also track click-throughs from email and newsletter campaigns. However, the technology only tracks the data; it does not evaluate the results. It is up to the IMC manager to understand the data and determine if objectives are met or if tactics need to be adjusted. Look for insights in the data as to how the target market is responding to the digital content and make adjustments accordingly.

Listening to customers and understanding their wants and needs are essential requirements in marketing research and the subsequent marketing and marketing communications plans. Because social media can be uncontrollable, many companies monitor their brands on social media sites. Not every negative comment made about a brand needs a response. There are times when remaining silent is the smartest strategy. Letting other consumers reply and defend a company is also a helpful strategy.

Google Alerts is a free and effective method of tracking a brand online. The Google Alerts technology searches the Web and notifies companies of brand mentions on the Internet. A hyperlink is provided to allow managers to see the context of the conversation in regard to their brand. In addition to Google Alerts, other companies offer third-party solutions. Some of these are free but most must be paid for. A few of the more notable third-party solutions are Radian6 (www.salesforcemarketingcloud.com/products/social-media-listening/) and Solarwinds® (www.solarwinds.com). Keep in mind that these services just notify managers of a brand mention, but do not respond or correct any content. Marketing professionals need to understand if, and when, a reply is necessary. We suggest creating strategic replies in advance and placing those within the overall electronic marketing strategy.

Metrics and ROI

In developing an IMC plan, it's important to pay attention to the effectiveness of the program(s). A main method of assessing effectiveness is through the development and use of a system that allows a calculation on the return on investment for the electronic and social media tactics. Although money and sales are the ultimate measure of ROI, when dealing with social media and electronic marketing other areas must be looked at as well. Some factors to consider when assessing your ROI are listed below:

1. Twitter
 - number of tweets
 - number of mentions
2. Facebook
 - number of Likes
 - number of comments
 - number of organic followers
 - number of messages reposted or shared
3. YouTube™
 - number of views

- comments on the views
 - number of “thumbs up”
4. Blogs/Vlogs
- content of comments
 - number of times the blog or vlog was shared
5. Website URLs
- number of clicks on entire website
 - location of clicks
 - how long users are on the page
 - number of clicks on each page

There are a number of ways to track the above measures. Most of these activities are easily monitored simply by looking at each relevant social posting, social media page, or seeing social media activity. Google Analytics or another third-party service can also help the company track activity.

Establishing key metrics to monitor executions is very important. Technology and new social media sites change rapidly. When a company sees a dip in mentions, it is time to review and adapt the electronic marketing strategy.

One good metric to measure monetary return on investment is based on the following formula (Investopedia.com, 2013):

$$\text{ROI} = \frac{(\text{gain from investment} - \text{cost of investment})}{\text{cost of investment}}$$

› *Learning Check*

Reflect on your learning by answering the following questions:

1. Are you concerned with companies using GPS technology to interact with consumers?
2. Why should a company hire a third party to help with tracking marketing efforts?
3. How can evaluation be used as a competitive advantage?

Summary and Resources

In Chapter 9 we looked at the issues of electronic marketing and where it fits into the overall IMC plan. In comparison to the other IMC tactics, electronic marketing is relatively new. New applications and channels are developed every day. As consumers migrate to the use of electronic devices, numerous new methods of marketing communication are available to IMC professionals. Electronic marketing will continue to grow as long as the marketplace has a desire and want for convenience. The concept of electronic marketing and social media were discussed, and methods of taking advantage of the changes in the marketplace were also covered. It was noted that electronic marketing fits well into the overall IMC industry and lends value to the more traditional methods of tactical executions. It also brings companies closer to their customers and allows them to learn

about their customers so that they may create useful products and services that exceed customer needs and wants. We noted that electronic marketing fits well into an IMC model because of its flexibility and its ability to connect with customers and create customer engagement (more so than other IMC tactics).

Because of the amount of rich research available to marketers, it's important to connect and engage customers in an electronic environment. It is necessary to understand these customers and their behaviors, as they are different in cyberspace than in a physical location.

Numerous types of electronic marketing were covered within the chapter. In particular, we paid attention to the big five: Facebook, Google+™ social service, Twitter, YouTube™, and LinkedIn. The use of these sites was also discussed. Because of changes in customers, business, and advances in technology, the new IMC planner must be knowledgeable about electronic marketing. Additionally they must be adept at adapting new technologies and creating new ways for businesses to connect with their target markets and target audiences.

Post-Test

1. An online customer logs into his account and receives product recommendations based on his previous purchases. Which set below best illustrates the advantages of electronic marketing the online customer experiences?
 - a) Personalized, availability
 - b) Easy to track, personalized
 - c) Global reach, lower cost
 - d) Increased timelines, easy to track
2. What are the “big five” social media websites?
 - a) Facebook, YouTube™, Netflix, eBay, and Twitter
 - b) Google+™ social service, Twitter, eBay, Pinterest, and Facebook
 - c) Twitter, LinkedIn, Facebook, Google+™ social service, and YouTube™
 - d) LinkedIn, Instagram, Facebook, Google+™ social service, and Pinterest
3. What are the key categories of digital marketing customer objectives?
 - a) Like, Share, Pin, Choose, and Use
 - b) Compare, Choice, Share, Learn, and Multiply
 - c) Like, Simplify, Comment, Learn, and Use
 - d) Choice, Learn, Use, Simplify, and Share
4. The key to shaping electronic marketing strategy is
 - a) creating a Facebook page.
 - b) knowing the target market you are trying to attract.
 - c) keeping the message unchanged for a long period of time.
 - d) measuring the success of the strategy.

5. The first step in developing an organization's website is
 - a) making sure all aspects of the site reflect the brand.
 - b) identifying a web design company and outsourcing website development.
 - c) securing a domain name that supports the brand.
 - d) ensuring that the navigation, copy, and structure images support other communications.
6. Which is NOT something that website monitoring software can measure?
 - a) The time of day when your site gets the most visits
 - b) What site users visited before and after your site
 - c) The number of visits or hits your website receives
 - d) Users' opinion of the information on your website
7. What is the multiplier effect in electronic marketing?
 - a) When a campaign spreads from person to person across peer-to-peer networks, its reach is compounded.
 - b) When a campaign uses electronic marketing in addition to traditional marketing, it reaches two to three times as many customers.
 - c) Timelines for electronic marketing must be many times faster than for print materials, which do not have to be as timely.
 - d) Adding one form of electronic marketing increases a campaign's touch points by a factor of more than one.
8. Which social media site is useful for researching audience response and experimenting with new tactics?
 - a) Facebook
 - b) YouTube™
 - c) Twitter
 - d) Google+™ social service
9. Which of the following is NOT a way that IMC planners typically use electronic marketing?
 - a) To eliminate other more costly methods of marketing communication
 - b) To influence purchasers and promote products
 - c) To grow relationships with potential and current customers
 - d) To access customers' networks
10. Which of the following is an example of a push strategy for electronic marketing?
 - a) An e-mail communication
 - b) A product website
 - c) A LinkedIn group
 - d) A YouTube™ channel

11. Why is search engine optimization important for companies?
 - a) Search engines pay more money to sites that rank higher.
 - b) Most Internet users do not look further than the first page of search results.
 - c) Search engine optimization allows companies to see what algorithms search engines are using.
 - d) Media outlets will only link to a site that uses search engine optimization.
12. Why is it sometimes better NOT to respond to a negative comment made about your brand on a social media site?
 - a) Allowing other customers to defend the brand can have a bigger impact.
 - b) Negative comments are so common that it is impossible to monitor them.
 - c) Social media users do not expect companies to monitor their social media sites.
 - d) Other users are not influenced by negative comments about a product online.

Answers

1. b) Easy to track, personalized. The correct answer can be found in Section 9.1
2. c) Twitter, LinkedIn, Facebook, Google+™ social service, and YouTube™. The correct answer can be found in Section 9.2.
3. d) Choice, Learn, Use, Simplify, and Share. The correct answer can be found in Section 9.3.
4. b) knowing the target market you are trying to attract. The correct answer can be found in Section 9.4.
5. c) Securing a domain name that supports the brand. The correct answer can be found in Section 9.5.
6. d) Users' opinion of the information on your website. The correct answer can be found in Section 9.6.
7. a) When a campaign spreads from person to person across peer-to-peer networks, its reach is compounded. The correct answer can be found in Section 9.1.
8. b) YouTube™. The correct answer can be found in Section 9.2.
9. a) To eliminate other more costly methods of marketing communication. The correct answer can be found in Section 9.3.
10. a) An e-mail communication. The correct answer can be found in Section 9.4
11. b) Most Internet users do not look further than the first page of search results. The correct answer can be found in Section 9.5.
12. a) Allowing other customers to defend the brand can have a bigger impact. The correct answer can be found in Section 9.6.

Key Ideas

- Electronic marketing takes traditional marketing and applies it to the online realm. Although electronic and Internet marketing terms are often used interchangeably, Internet marketing is more specific and involves using the Internet to sell products and services.
- Social media marketing is even more specific and uses social media sites to connect with customers and generate website traffic.

- Digital marketing tools are tools that IMC planners have to reinforce the campaign message, drive awareness of the product, support the brand, and achieve the objectives of the overall campaign.
- Electronic marketing has evolved from a one-way communication model between a company and buyer to a peer-to-peer influencer model.
- A digital marketing campaign is often built on the peer-to-peer influencer model, which compels customers to share messages across their social and digital network in an easy manner.
- The risk with electronic marketing is that as a company's brand and message are shared with thousands of customers, the company loses control of how the brand is represented.
- One big misconception about electronic marketing is that it's free. While most social media are free to access, the people needed to create and manage the sites are paid.
- Known as the "big five" in social media, Facebook, Google+™ social service, Twitter, YouTube™, and LinkedIn, are the most widely used social media websites around the world.
- Electronic and in particular social media marketing strategies typically include multiple channels, each channel with a unique approach to conveying messages and interacting while connecting with members of the channel communities.
- Search engine optimization refers to actions taken to increase the visibility of a website or page in the results of a search using a search engine.
- IMC professionals need to not only brand messages for traditional web-based marketing, but also adapt their marketing communications for the mobile world.
- Electronic marketing is easy to measure. However, the technology only tracks the data; it does not evaluate the results.

Key Terms

advergaming The placement of advertisements inside of video games (either purchased or provided for free).

applications (apps) Special software that allows users to perform specific tasks.

consumer-generated marketing Consumers who get directly involved with the marketing activities of a company.

crowdsourcing Involves getting a group of people who are external to the organization involved in funding, idea generation, or content development.

email marketing The use of email to send marketing messages.

guerrilla marketing An unconventional way of performing the IMC functions on a very low budget.

location-based electronic marketing Uses GPS smartphone technology to determine where users are and allow additional networking opportunities.

meta tags Three to five key words that describe the content of a single webpage.

multiplier effect The growth of a campaign or marketing effort across peer-to-peer networks beyond the intended reach.

search engine optimization (SEO) Actions taken to increase the visibility of a website or page in the results of a search using a search engine.

social media Forms of electronic communication that allow people to share ideas and content.

social media marketing A marketing tactic that uses social media sites to connect with customers and generate website traffic.

vlog (video blog) Blogs that are presented in a video format.

Web crawling Search engines use Web crawling to build a list of key words.

word of Web Word of mouth communication occurring on the Internet.

Discussion Questions

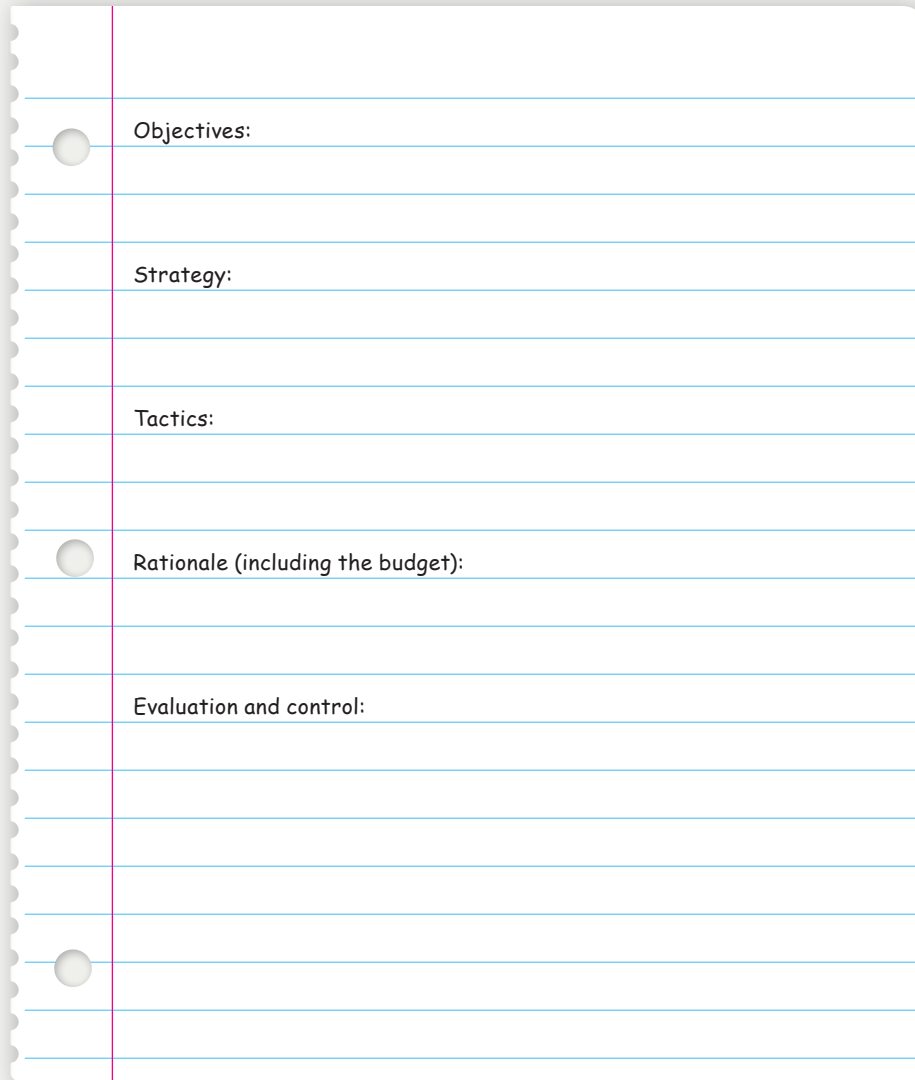
1. Why do you think electronic marketing has become so effective with today's consumers?
2. If you were to develop a new social media application, what would it do? Why? What problems are you solving with your app?
3. Do you think the newest advances in marketing technology are resulting in increased marketing productivity? Defend your answer.
4. Where do you feel the next great advance in social media will take place?
5. Will consumers ever become bored with the new media?

Critical Thinking Exercises

1. List the types of electronic marketing you would use if you were trying to reach a target market of people age 60 and older.
2. Use the Internet to find three examples of how individuals used social media to express a complaint against a business or organization. What were the results?
3. Find three companies that use social media to communicate brand messages. Critique these efforts and make recommendations for improvement.

Continuing Project

Now it is time for you to work on your electronic marketing plan. Fill in the blanks on the following template. State how the plan supports the other areas of the IMC mix. Include a time line for when each activity will be launched; give the estimated reach of each tactic, and the cost and justification for each tactic.



Objectives:

Strategy:

Tactics:

Rationale (including the budget):

Evaluation and control:

Web Resources

Web Marketing Today—A magazine with information on Internet marketing:

<http://webmarketingtoday.com/>

Web Pro World—A discussion forum for professionals who use the Internet for work:

<http://www.webproworld.com/>

Search Engine Journal—Contains articles about search engine optimization:

<http://www.searchenginejournal.com/>

Google Think Insights—Contains articles and industry information:

<http://www.google.com/think/>

Entrepreneur Guide to Online Marketing—Entrepreneur Magazine site:

<http://www.entrepreneur.com/marketing/onlinemarketing/index.html>

Internet Marketing Association—Trade association for Internet marketing professionals:

<http://www.imanetwork.org/>

Digital Analytics Association—Trade association dedicated to better understanding how to measure electronic marketing: <http://www.digitalanalyticsassociation.org/>

Interactive Advertising Bureau—A nonprofit organization dedicated to growing Internet advertising: <http://www.iab.net/>

Information Technology Industry Council—Dedicated to addressing challenges in information technology: <http://www.itic.org/>

Mobile Marketing Association (or MMA)—Trade association for mobile marketing professionals: <http://www.mmaglobal.com/>

Case Study: Redbox: Success with Electronic Marketing

Let's look at how one company, Redbox®, has leveraged the intersection of digital marketing, mobile technology, and total customer experience to successfully move customers through the sales cycle to revenue.

Redbox started out as an experiment when kiosks were placed in a couple of Washington, D.C. McDonald's® restaurants. The purpose was to drive traffic and provide a convenient way to rent movies for McDonald's customers. The popularity of the format spread and in 2005, Redbox became a separate company when Coinstar, known for kiosk technology, bought a piece of the company. Redbox Automated Retail, LLC, a wholly owned subsidiary of Coinstar, Inc. (Nasdaq: CSTR), offers new-release DVDs, Blu-ray Discs and video game rentals through its network of self-service red kiosks (Redbox.com, 2013). Redbox has rented more than 2.7 billion discs and is available at approximately 43,000 kiosks across 36,000 locations nationwide, including leading grocery, drug and convenience stores, and select Walgreens, Wal-Mart and McDonald's locations (Redbox.com, 2013).

According to Redbox they had (as of first quarter 2013)

- 65.7 million average monthly rentals,
- over 8.8 million Droid™ app downloads,
- over 10.6 million iPhone® app downloads,
- over 5 million Facebook fans,
- over 26.2 million marketable email addresses, and
- over 16 million unique monthly visitors to redbox.com.

Part of Redbox's success is electronic and Internet marketing. According to Jayson Tipp, vice president of analytics and customer relationship management at Redbox, "When we reach across channels, including more effective website, mobile, and kiosk marketing, our goal is to drive customer engagement and create potential rental opportunities" (Adobe, 2013). In other words, they use digital marketing to drive revenue.



PRNewsFoto/Redbox Automated Retail, LLC

How are they doing it? For Redbox, it begins with the network and systems infrastructure. Redbox is using a back-end database and cloud-based software to reach its goals of "enabling streamlined site search, promoting products in a more automated and data-driven way, and optimizing every website interaction. The company also aims to deliver synergistic messages and promotions across channels—email, website, mobile, and potentially eventually kiosks" (Adobe.com "Success," 2013).

Customers can reserve movies and games ahead of time through the website or mobile app. Customers can also join the company's email list or the Redbox text club to get information and

(continued)

special offers. The company also has Facebook and Twitter sites that allow people to become part of their social network. The infrastructure is enabling such digital and mobile offerings as texting of monthly freebies, discount codes, new release notifications, and the app that also locates the closest Redbox to the customer. If a customer associates an email address with a debit or credit card, Redbox will email rental and return receipts when transactions are completed. Redbox has developed and implemented digital tactics that are meaningful and valuable to customers. They use digital marketing and easy-to-use, convenient kiosks to create a total user experience that moves customers through the sales cycle to revenue.

Critical Thinking Questions:

1. What is Redbox's target market?
2. Would Redbox be successful without the use of electronic marketing? Why or why not?
3. How would you describe Redbox's strategy?
4. What recommendations would you make for Redbox going forward?

