

Introduction to Digital marketing

1. Digital marketing context



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Learning objectives

Prerequisite for student: Basics in marketing is recommended.

The student is able to

- Recognize special characters of the digital market and consumer behaviour in them
- Define the elements of the digital marketing mix (7D)
- Compare advantages of traditional vs. digital marketing
- Apply the principle of multichannel marketing
- Demonstrate conduct of field related terminology



Contents

- The Marketing Mix
- What is different in digital marketing?
- Features of the digital market
- What can be achieved on user level?
- Why strategy is needed?

Pre-assignment: Create up your own Top-30

A wide range of specific terminology is used in digital marketing. Mastering them will make you able to follow the study material, participate in professional discussions and get the feeling of mastering the area. Even more, you get access to the flow of information that help you update your knowledge continuously.

Step 1: Search existing vocabulary sheets by using the search words 'digital marketing vocabulary/glossary/concepts/terms' and study at least three of them. You will find certain words standing out.

Step 2: Choose the ones you find most relevant and create your own 'Top-30 concepts of digital marketing' list. Write explanations for them using your own words. Returning instructions:



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The Marketing Mix



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Marketing

Definition: “The process of exploring, creating, and delivering value to meet the needs of a target market.”

Accordingly, marketing

- must define a target audience, a message and channels to reach the target audience
- utilizes several channels to reach the target groups (ak.k. multichannel marketing)
- is expected to create sales opportunities and lead to cash flow
- fulfills strategic goals of the organization



Marketing Mix - the 7 'P's

- The 'Marketing Mix' refers to elements that help an organization to stand out from competition
- It is impossible to be good in everything, organizations have to choose their strategic strengths
- 'Promotion' (=marketing) is one of virtual elements of marketing, and the main topic of this module

Further reading: [Oxford College of marketing](#)



Background for 4P and 7P

Traditionally (McCarthy, 1960) the elements of the marketing mix have been (the 4Ps):

- Product (features and layers of the product)
- Price (related to quality and competitors)
- Promotion (actions of advertising and promotion)
- Place (how the product/service is made accessible for buyers)

The rise of the service industry in the 1980s brought up three new elements in the marketing mix (Booms & Bitner, 1981)

- People (staff and people involved in customer processes)
- Processes (how the product or service is delivered)
- Physical Evidence (how it looks and feels like in the premises)



How to apply the “7P Marketing mix” in practice

“Marketing Mix is the set of controllable variables that the firm can use to influence the buyer's response.”
(Philip Kotler)

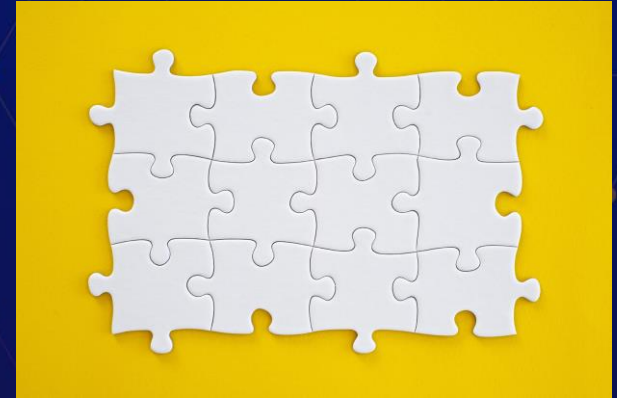
The marketing mix must be determined according to the special traits of the product/service, the competition, and the habits and expectations of the buyers:

- Analyze how your *Product* meets the needs of your customers, and modify it accordingly
- Understand the *places* where your target audience shops
- Define a *price* that makes sense for the target audience, and contributes to your good result
- Develop marketing concepts that will appeal to your customer base and communicate how your product serves them (=Promotion)
- Create difference by optimizing the *process* delivering your product/service
- Make sure that your *people* reinforce the brand image you strive to
- Increasingly, *physical evidence* is used for creating better customer experience



In-class activity

- True or false: marketing = advertising
- 7P – give some examples of "P's" (do not look at the slides)
- What does 'Place' include in traditional marketing? In digital environment?



In-class activity (individual or group task)

When forming its marketing strategies, every organization is supposed to determine its most vital 'P's, i.e. the elements of the Marketing Mix (presented in the previous slides) that matches best with their overall strategy.

Choose three organizations (they can be local/national/international). Use 20-30 minutes studying their marketing using the internet. Which would you consider their main 'P's (2-3) to be? Please give arguments.

Each group presents their findings.



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What is different in digital marketing?



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The Digital Marketing mix '7D'

Using the Internet to vary the marketing mix

Product <ul style="list-style-type: none">• Quality• Image• Branding• Features• Variants• Mix• Support• Customer service• Use occasion• Availability• Warranties	Promotion <ul style="list-style-type: none">• Marketing communications• Personal promotion• Sales promotion• PR• Branding• Direct marketing	Price <ul style="list-style-type: none">• Positioning• List• Discounts• Credit• Payment methods• Free or value-added elements	Place <ul style="list-style-type: none">• Trade channels• Sales support• Channel number• Segmented channels	People <ul style="list-style-type: none">• Individuals on marketing activities• Individuals on customer contact• Recruitment• Culture/ image• Training and skills• Remuneration	Process <ul style="list-style-type: none">• Customer focus• Business-led• IT-supported• Design features• Research and development	Physical evidence <ul style="list-style-type: none">• Sales/staff contact experience of brand• Product packaging• Online experience
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From Chaffey (2012): Digital Marketing - Strategy, Implementation and Practice

Further reading: [How to use the digital marketing mix?](#)

[See Dave Chaffey's video on the topic](#)



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In-class activity

After watching [Chaffey's video](#), you can discuss the following topics:
According to Chaffey, which are the differences between his '7D' and the traditional '7P'?

1. As examples - which opportunities do the digital media offer for
 - 'Price'
 - 'Place'
 - 'Promotion'
 - 'Personnel'
 - 'Process'



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'Promotion' in the digital context

- The picture presents the range of digital media and instruments that are available
- Through them, any target group can be reached in digital ecosystems and environments.
- Their choices and deployment are determined according to the strategy, message and target groups

Note: The best result will be achieved when digital instruments and media are combined with traditional marketing media (multichannel marketing)



Source: [Pearl White media](#), 2020



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- The 'Digital context' consists of versatile digital environments
- Through them, different types of audiences can be reached
- These environment are relevant for both B2C and B2B marketing



Multichannel marketing



Depending on where target audiences can be reached, both digital and traditional channels are used

Digital marketing

Digital marketing refers to all marketing efforts that occur on the internet. Businesses deploy digital channels such as search engines, social media, email, and other websites to connect with current and prospective customers. This also includes communication through text or multimedia messages.

([Hubspot](#))

Digital marketing is also referred to as 'online marketing', 'internet marketing' or 'web marketing'.
(Wikipedia)

Digital marketing, e-marketing or Internet marketing, is the heart of the digital business, which brings the company closer to the customer, allowing them to get to know them better and add value to the product, expanding distribution channels and increasing sales through the execution of marketing campaigns. Digital marketing using digital *media channels* such as search marketing, online advertising and affiliate marketing.





- We spend increasing time with digital devices online, and marketers try to reach us where we are.
- Currently, most purchase processes start on the Internet (both B2C and B2B)
- Efficient promotion combines traditional and digital ('multichannel marketing')

Offline - online

- Consumers and buyers go increasingly online -> marketers follow them
- Marketing budgets are directed increasingly on online media
- Most customer groups can be reached both online and offline

Offline (traditional)

- Print (newspapers, magazines)
- Radio
- TV
- OOH (=out of home = outdoor)
- Cinema
- Events
- Fairs

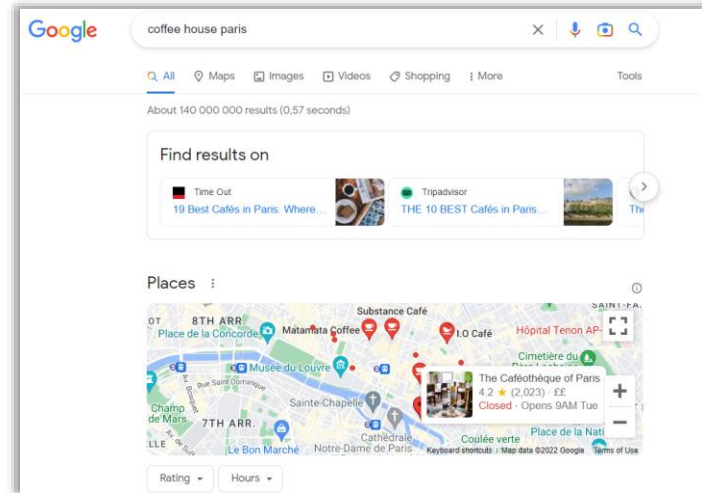
Online (digital)

- Display banners
- Video
- SEO
- SEM
- Social media
- Blogs
- White papers, guides, etc.
- E-mail
- Native advertising
- Influencer marketing
- DOOH (=digital out of home)



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Differences online vs. offline



Offline (printed media, billboards, etc)

- Often broad target group
- Effect difficult to measure
- Slow improvement cycle

Online (digital media)

- Target group can be very specific
- Effect more measurable
- Fast improvement cycle



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Comparison basis	Traditional marketing	Digital marketing
Channels/platforms	Printed ads & media and	<i>Internet & social media</i>
Nature	Static	<i>Dynamic</i>
Reach	Local	<i>Global</i>
Communication	Mostly one-way	<i>Mostly two-way</i>
Receiver engagement	Low	<i>Relatively high</i>
Flexibility of ads	Cannot be changed	<i>Can be changed online</i>
Targeting	Standardized	<i>Customized</i>
Tracking of reactions	Not possible	<i>Possible</i>
Results	Slow	Quick (immediate)



Advantages of digital marketing

- Persons who have a need (target groups) can be met at exactly right time
- Available 24/7
- Information can be customized and adjusted to customer types and their specific needs
- Interaction with target groups is possible
- Information about leads (potential customers) can easily be collected
- The effects of marketing communication via the internet on sales are easily measurable.



[source](#)



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In-class activity

The share of digital marketing and advertising is growing steadily.

Which products/services are searched on-line?

Which types of businesses do most of their marketing digitally?

Which use it less, or none? What do think are the reasons?

Searched on-line:

Use a lot:

Not-searched on-line:

Use little or none:



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Assignment

After reading the following articles, write an essay (600 words) on the topic:

What are the main advantages of digital marketing? What is needed? What can be achieved?

<https://www.simplilearn.com/digital-marketing-benefits-article>

<https://www.educba.com/digital-marketing-advantages-and-disadvantages/>

<https://www.theperspective.com/debates/businessandtechnology/the-perspective-on-digital-marketing/>



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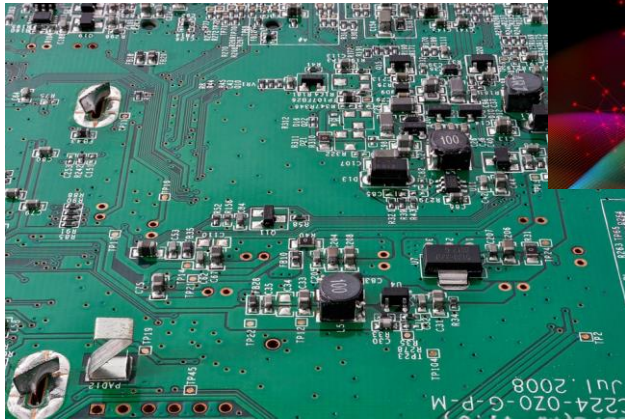


Features of the digital market



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What has made digital marketing possible?



- Technical ability to store data in ever smaller units
- The invention of world wide web
- Constantly evolving digital user interfaces
- Unexpensive data transfer



Consumer activity on internet (B2C)

OCT
2022

DAILY TIME SPENT WITH MEDIA

THE AVERAGE AMOUNT OF TIME EACH DAY THAT INTERNET USERS AGED 16 TO 64 SPEND WITH DIFFERENT KINDS OF MEDIA AND DEVICES



TIME SPENT USING
THE INTERNET



6H 37M

YEAR-ON-YEAR CHANGE
-4.8% (-20 MINS)

TIME SPENT WATCHING TELEVISION
(BROADCAST AND STREAMING)



3H 25M

YEAR-ON-YEAR CHANGE
+2.0% (+4 MINS)

TIME SPENT USING
SOCIAL MEDIA



2H 28M

YEAR-ON-YEAR CHANGE
+0.7% (+1 MIN)

TIME SPENT READING PRESS MEDIA
(ONLINE AND PHYSICAL PRINT)



2H 09M

YEAR-ON-YEAR CHANGE
+3.2% (+4 MINS)

TIME SPENT LISTENING TO
MUSIC STREAMING SERVICES



1H 37M

YEAR-ON-YEAR CHANGE
+2.1% (+2 MINS)

TIME SPENT LISTENING TO
BROADCAST RADIO



1H 01M

YEAR-ON-YEAR CHANGE
[UNCHANGED]

TIME SPENT LISTENING
TO PODCASTS



1H 01M

YEAR-ON-YEAR CHANGE
+7.0% (+4 MINS)

TIME SPENT USING
A GAMES CONSOLE



1H 13M

YEAR-ON-YEAR CHANGE
[UNCHANGED]

11

SOURCE: GWI (Q2 2022). FIGURES REPRESENT THE FINDINGS OF A BROAD GLOBAL SURVEY OF INTERNET USERS AGED 16 TO 64. SEE [GWI.COM](https://www.gwi.com) FOR FULL DETAILS. **NOTES:** CONSUMPTION OF DIFFERENT MEDIA MAY OCCUR CONCURRENTLY. TELEVISION INCLUDES BOTH LINEAR (BROADCAST AND CABLE) TELEVISION AND CONTENT DELIVERED VIA STREAMING AND VIDEO-ON-DEMAND SERVICES. PRESS INCLUDES BOTH ONLINE AND PHYSICAL PRINT MEDIA. BROADCAST RADIO DOES NOT INCLUDE INTERNET RADIO.

we
are
social

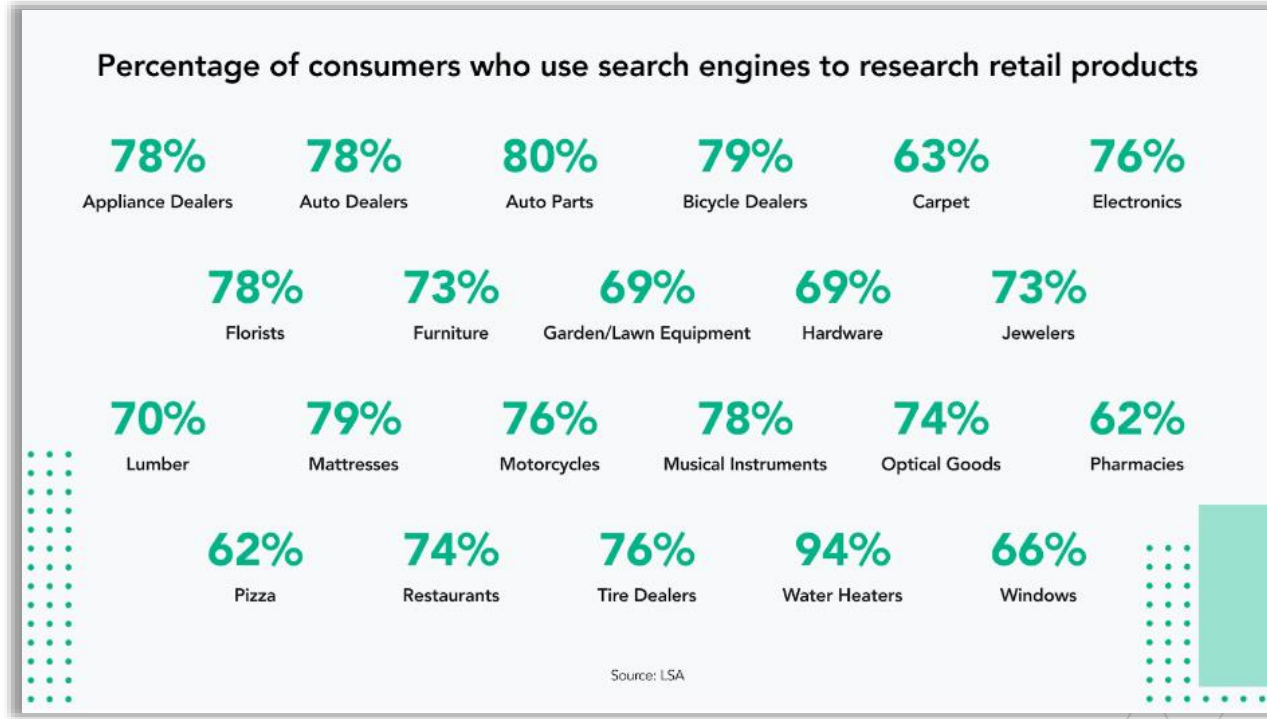
Hootsuite



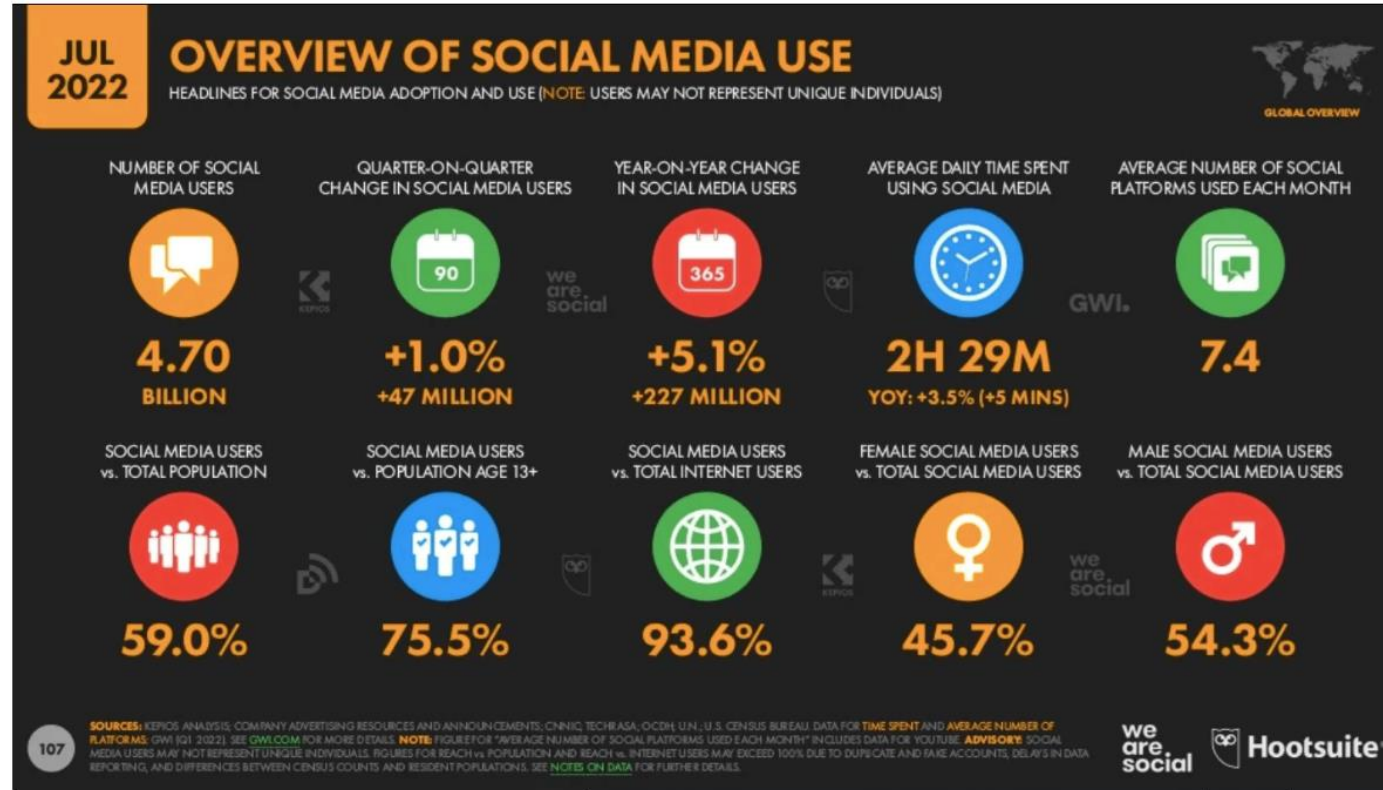
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Source: [Hootsuite](https://www.hootsuite.com)

Most buying processes start on search engines



... or social media



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Source: Hootsuite

Business (B2B) activity on internet

- even B2B buyers start their purchase by using search engine
- buyers do not wish to be contacted by the seller during the search process
- digital media permit extensive presentation of company and its products
- B2B eCommerce increases by 10-20% yearly
- marketers spend more money on digital media



Digital allows personalization

- Personalization is for instance: customized contents, referring to topics that interest you, using you name
- Is supported by the use of artificial intelligence
- 40% of consumers purchase more from retailers that provide a personalized shopping experience across channels(Source: [RetailNext](#)).

When a company does do a good job of personalizing our interactions:



Digital marketing regulation - GDPR

- GDPR is a legal framework for keeping everyone's personal data safe by requiring companies to have safe processes for handling and storing personal information
- Organisations can only contact consumers if they have explicitly given consent
- The law allows users to request their personal data be deleted, edited, or transferred.
- Organizations must provide transparent information about how they handle users' personal data
- More information: European Commission
http://ec.europa.eu/justice/data-protection/index_en.htm



In-class activity or group assignment

Obviously, digital marketing channels can offer versatile advantages - but only when you can choose the right ones to meet your target audience.

1. Choose a business that is interesting for you.
1. Try to define their target audiences (individuals and groups that are potential customers/users for your product).
1. After listing up 3-4 target audiences (potential customer groups), list 2-3 digital channels where your target audience is likely to spend time. List also 2-3 traditional channels.

Can be made individually or in small 2-3 student groups. **Recommendable** time: 30-45 minutes



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Trends and perspectives



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Which digital means are used to access services?

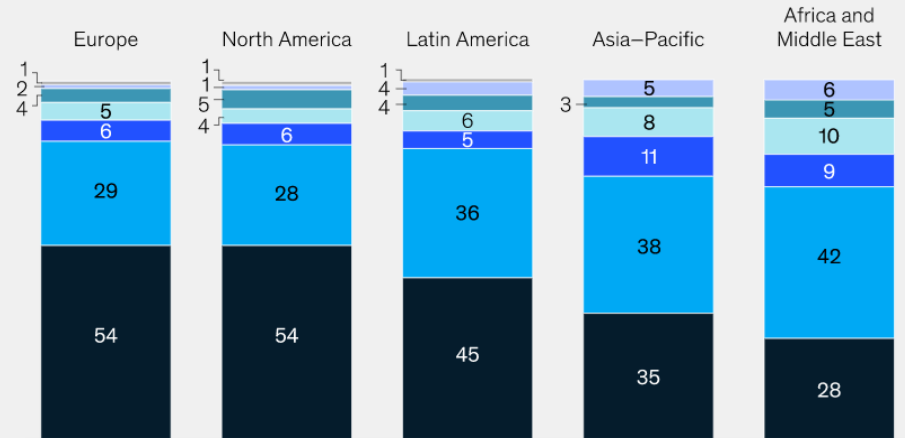
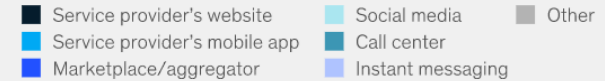
Developing E-marketing Skills
for the Business Market

- European prefer website whereas African use apps
- The trend is towards mobile apps; young generation prefers mobile
- Difference between fields of service/product (for instance educational services are entered over websites, whereas many games are used via mobile apps, etc.)

Europe and the Americas are 'web first,' while Asia-Pacific and Africa and the Middle East use more mobile apps. The global trend is toward mobile.

How consumers access digital services

Most common way to access digital services¹
% of users by most-used channel



Web-app gap, 2022,²
percentage points

25

26

9

-4

-15

Change from 2021,³
percentage points

-11

-7

-7

13

NA



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Data about trends and website traffic on internet; sources

Key concepts and terms of digital marketing

- use search word 'digital marketing concepts/terms/vocabulary' (also in your local language)

What happens in internet? ex. <https://www.statista.com/> ; [Localiq.com](https://www.localiq.com/);

- volumes of searches, web behaviour, shopping, etc.

Which topics and websites are searched? ex. [Google trends](https://www.google.com/trends/)

- The volume of search words used actually for any country or region
- Trends in any search word
- Trends in themes and topics

Note! There are numerous providers of useful data and insights on digital market. Some of them have tools and testers for free trial



In-Class activities: Web behaviour and trends

Activity 1: Evolution of web behaviour

Go to Localiq.com (you could also search for 'what happens in internet', or 'web behaviour' for more sources). Inspect the article and the figure. How is 'web behaviour' evolving? What will increase/decrease in the next 3 years/5 years?

Activity 2: Trends in web searches

Choose a search word you find interesting. Go to **Google trends** (you'll find it easily by search). Take 5-10 minutes for getting acquainted with the platform.

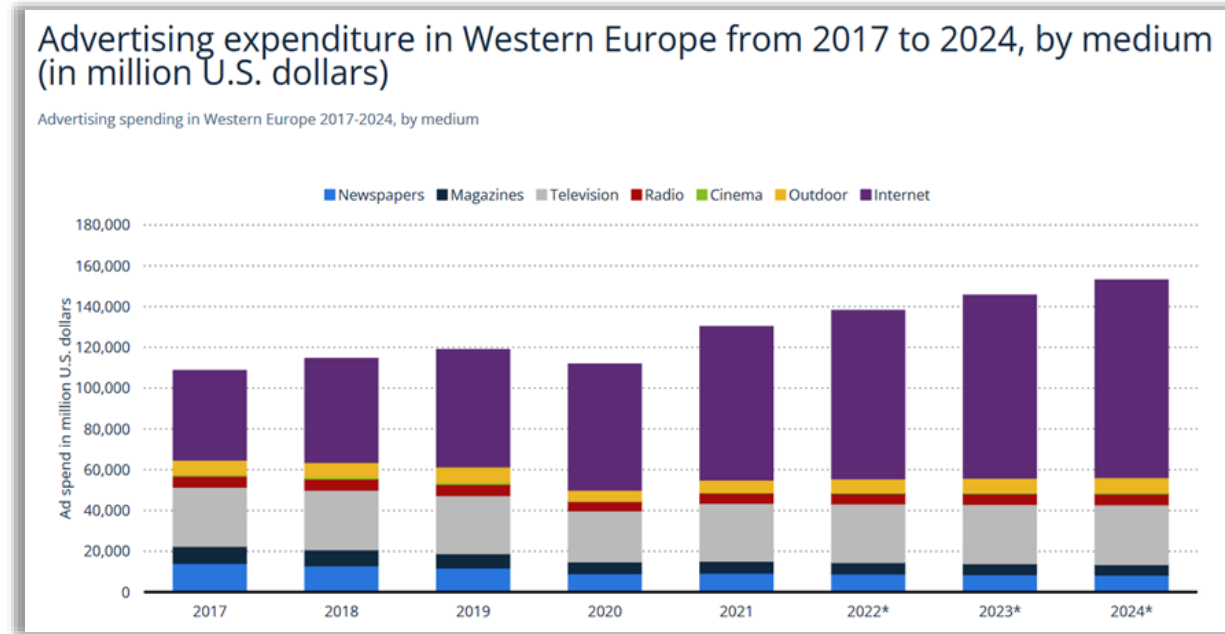
- Fill in your word (Note: It must have enough volume to exist in G.T.)
- Find trends on the search word and the larger topic
 - their development across time
 - other suggested search words?

Which might be the reasons for this development and variations over time? Possible indications?



Marketers use increasingly digital media

- The share of digital media is rising, yet traditional marketing media are still used essentially
- The graph shows an average of all advertiser
- There are reasonable variations between different types of organizations



Source: Statista (2022)

Who does digital marketing tasks in organizations?

- In smaller organizations, there are typically few all-round persons
- Larger organizations have more staff with specified profiles
- Some organizations outsource (buy) the service or part of it
- Digital marketing is typically a field of young professionals
- Over all, there is a lack of digital marketing professionals



Source: [Hubspot](https://www.hubspot.com)



What can be achieved on user level?



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Marketing in digital channels is unique, as it

- allows an **interaction with site visitors** (know them better, be aware of their wishes and communicate with them).
- permits **inbound** customer communication
- enables businesses to benefit increasingly from **earned publicity** instead of paid



Inbound - Outbound

- Digital marketing enables **'inbound marketing'** (whereas traditional marketing represents 'Outbound marketing').
- Outbound channels (right) are usually less efficient
- Two-way communication (inbound) permits understanding customer, customizing messages and creating engagement



source: [DigitalConnect](#)

The PESO model

Paid media

External channels

- Offline: printed media, billboards, events
- Online: Search engine ads, display ads, Fb and IG ads)

Volume based charge for visibility

Earned media

The 'talk', shared content and reputation generated by the organization (publicity, activities)

- Sharing and word-of-mouth are typically low-cost
- Digital channels are highly suited for earning awareness and reputation

Shared media

Social media publications related to our business

- own publications that go viral
- posts&contents published by our customers, followers

Advantage: people trust their peers much more than ads

Owened media

Channels owned and controlled by the organization

- Offline: printed material, on-site information
- Online: content on website



Strangers

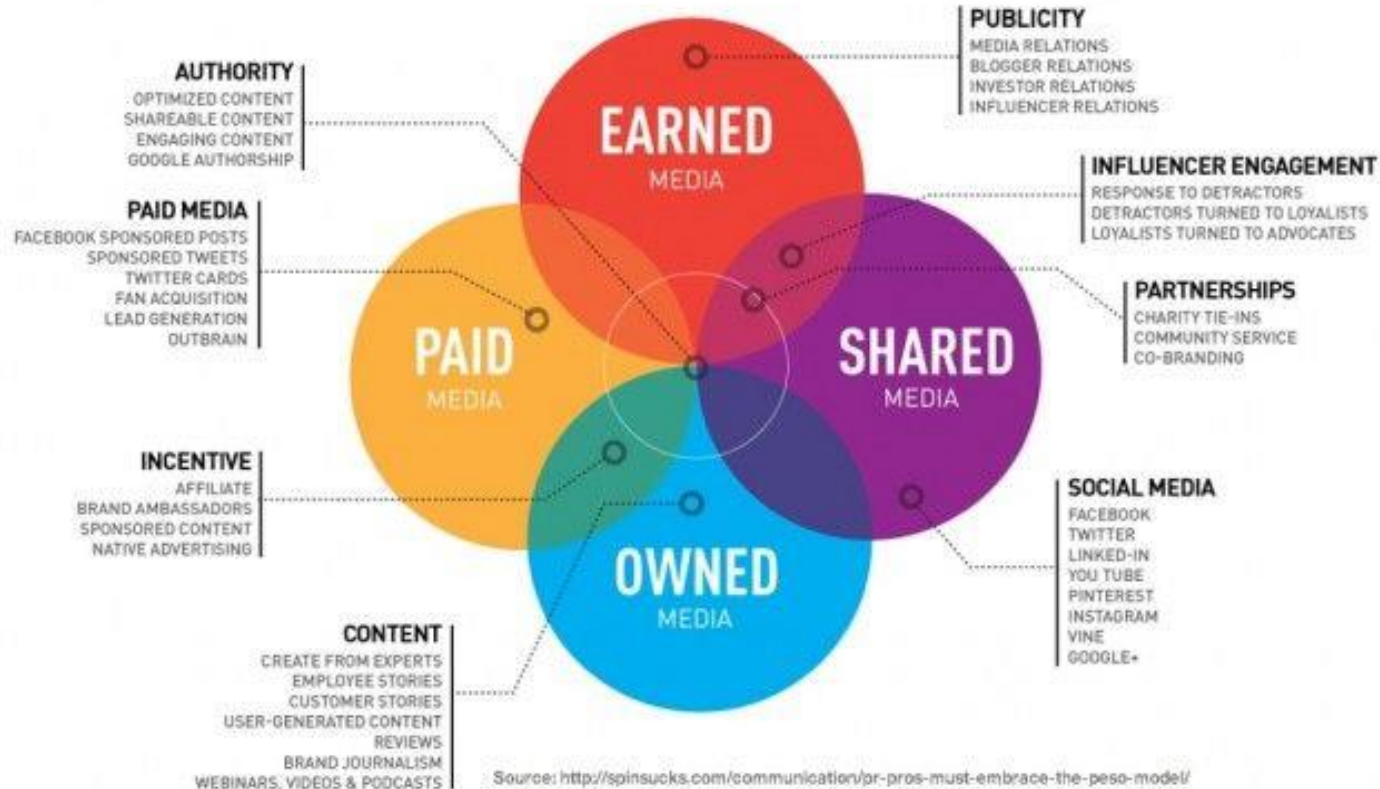


Customers

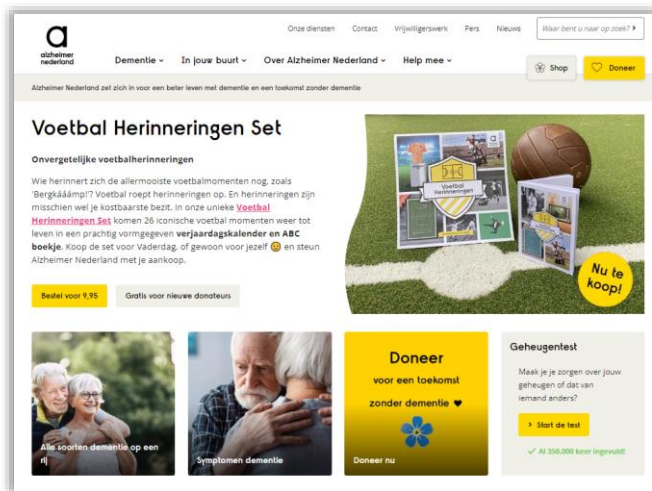


Fans

PESO Model: Paid, Earned, Shared and Owned Media



Owned media, example

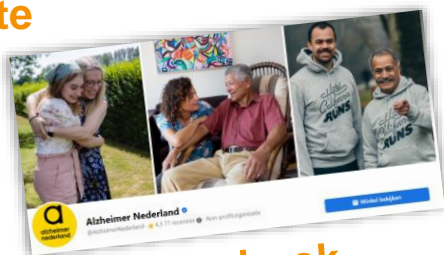


Website

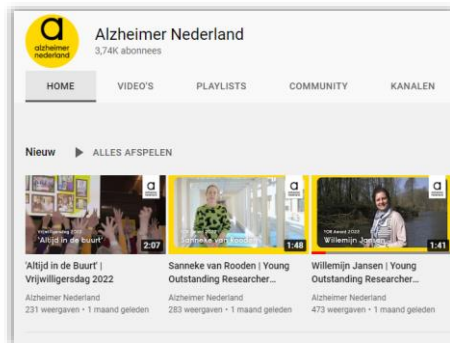


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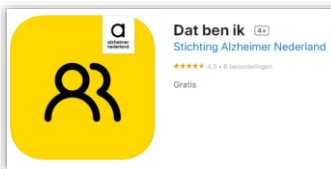
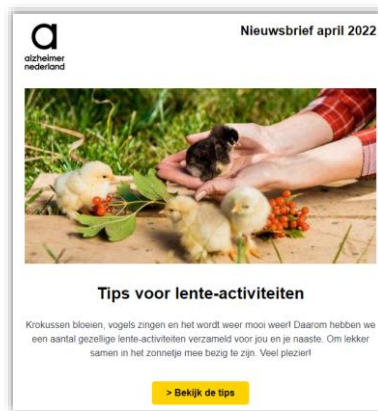
Facebook



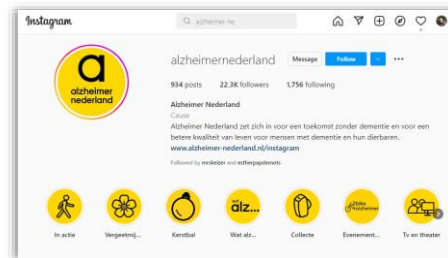
YouTube



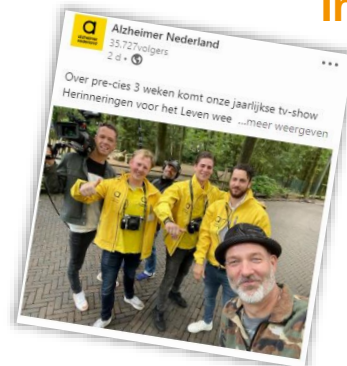
Newsletter



App



Instagram



LinkedIn

Paid media




 **Alzheimer Nederland** 
Gesponsord · 







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Ongeveer 6.700.000 resultaten (0,51 seconden)

Advertentie · <https://www.alzheimer-nederland.nl/voetbal/herinneringen> ▾

Bestel voor slecht €9,95 - Vaderdagtip: Herinneringen set

Herbeleef onvergetelijke voetbal herinneringen met deze unieke Voetbal Herinneringen set. Bestel voor slechts €9,95. Van elke aankoop gaat € 3,50 naar dementieonderzoek. Hulp en advies. Alles over Alzheimer. Doe de Geheugentest. Doneer nu.

[Gratis Alzheimer Brochure](#)
Lees alles over Alzheimer. Vraag nu een gratis brochure aan!

[Doneren](#)
Uw hulp is cruciaal. Help mee in de strijd tegen dementie!

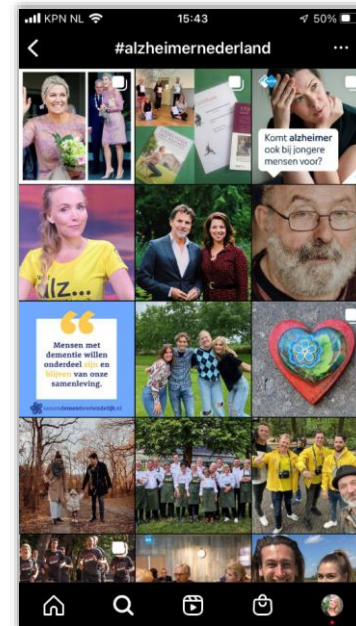
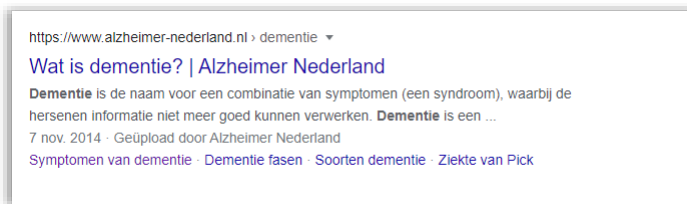
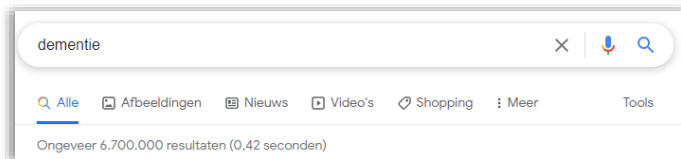
[Onderzoek financieren](#)
om dementie in de toekomst te stoppen. Help mee.



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Earned media

SEO



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In-class activities for applying the PESO-model

1. Choose a famous brand you want to inspect.

Analyze their media. Which of this media are owned? Paid? Earned or shared? Make an infographic (visualize with images/links found in internet).

2. Choose a smaller brand you want to inspect.

Analyze their media. Where do they appear? Which more media (own, paid) should they use? How could they achieve earned and shared media?



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So far, we have discussed the changing market and advantages of digital marketing.

We have to keep in mind that marketing is aimed to fulfil the strategy of the organization and communicate the strengths (7D) chosen.

Next section gives guidelines for creating a strategy and measure results and outcomes.



Questions that strategy is expected to answer

- Where are we now (current situation)?
- Which are our overall goals?
- What do we want to reach with our (digital) marketing?
- Who are our target groups?
- What is our message and where do we transmit ?



Sources

Boomer, B. & Bitner, M.J. (1981) The 7Ps in marketing

Chaffey (2012): Digital Marketing - Strategy, Implementation and Practice

McCarthy, E. Jerome (1960), Basic Marketing: A Managerial Approach. Homewood, IL: Richard D. Irwin, Inc. (1981)



The DEMS material aims to enhance digital marketing skills in higher education, responding to the needs in business and organizations. You have access to extensive slide sets with in-class activities and assignments, as well as detailed user instructions for teacher. You are free to use part or whole of the material available.

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