

Digital advertising

1. Bases for advertising



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Learning objectives

The student is able to

- Describe features and elements of modern advertising
- Explain features and advantages of digital advertising
- Understand and apply the sales funnel model
- Determine target groups
- Create marketing messages with impact
- Identify and describe the most essential digital media and channels



Topics

- Digital advertising
- Features of modern advertising
- The message is essential
- Customer oriented marketing and advertising
- Trends and prospects
- Main forms of digital advertising

Digital advertising?

- Refers to marketing through online channels, such as websites, mobile phones, social media
- Covers various media formats and consist of text, image, audio, and video.
- Helps to achieve similar types of goals than traditional advertising (raise awareness, boost sales, drive repeat sales, increase brand awareness)



In-class activity

Can be done individually or in pairs.

Purpose: to make students aware of the wide range of digital advertising we face daily, and to orientate towards the media and channels.

1. What types of digital advertising do you see daily? Search on different sites and media (10 minutes). Name 3 examples and paste them on a ppt-slide.
2. How do they differ? What seems to be their purpose?
3. Present to the group.

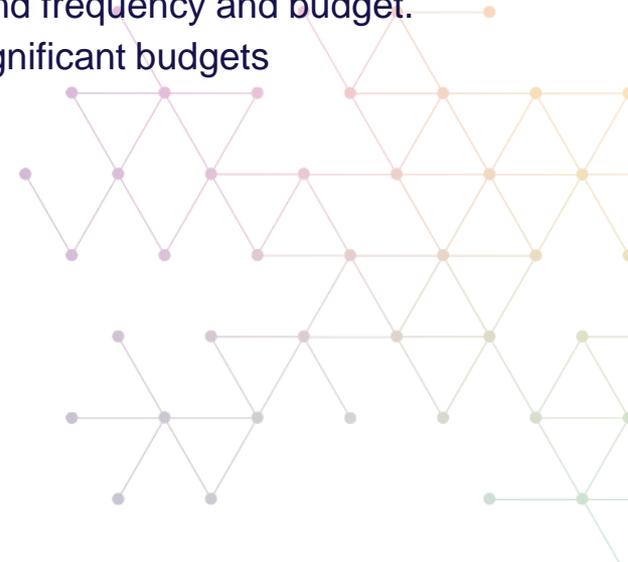
Special for digital advertising

Flexibility

- Creation of ads is technically simple and ads show up almost immediately
- Ad elements and contents can be changed and adjusted any time while campaign is live
- Campaigns can be adjusted based on how they are performing.
- You may adjust the creative content, target audiences, timing and frequency and budget.
- Digital ads are also accessible to smaller businesses without significant budgets

Precision

- can be shown in a great variety of media and channels
- allows you to specify your target audiences very precisely



Comparison basis	Traditional marketing	Digital marketing
Definition	It is one type of marketing that utilizes media, TV, or magazine to advertise any business's services and products.	It is one type of marketing that uses the internet and social media for advertising businesses.
Engagement	Low	Relatively high
Conversion	Slow	Extremely fast
Nature	Static	Dynamic
Investment returns	Not easy to measure	Simple to measure
Effectiveness	More expensive	Less expensive
	Less effective	More effective
Targeting	Standardized	Customized

Tracking	Not possible	Possible
Reach	Local	Global
Tweaking	Not possible once the advertisement is placed	One can change or edit anytime
Results	Slow results	Quick and live results
Communication	It is mostly one-way communication	It is a two-way communication
Interruptions	It is not easy to skip the advertisements, as they are bound to the users.	One can easily skip between advertisements if it does not interest them.



“Stopping advertising to save money is like stopping your watch to save time.”

– Henry Ford



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Features of modern advertising



Advertising in the digital Marketing mix

'7P' in digital

Using the Internet to vary the marketing mix

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

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

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



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Advertising - characteristics

- Advertising is the most vital and generally used tool of *marketing communication*.
- Most organizations need to do advertising in order to make themselves known in the market and to promote their products or services.
- Advertising and visibility usually cost money-> optimization is needed.
- Advertising is directed in channels and media where target audiences can be reached optimally.
- These media can be classified as
 - own - paid - earned
 - traditional - digital



Tasks of advertising

- **inform, create awareness**
- **build or reinforce attitudes** in the minds of target audience
- **persuade to buy** - 'to be aware' is not enough!
- **remind** - 'we still exist'
- **increase demand** - 'did you know about this additional feature'
- **increase sales**
- **popularize** and **improve organizational brand**



In-class activity

Referring to the previous slide - search for examples for the different types of ads. Use various internet websites as sources.

- Time needed: 15-20 minutes.
- Can be done individually or in pairs.
- Take captures and present to class.

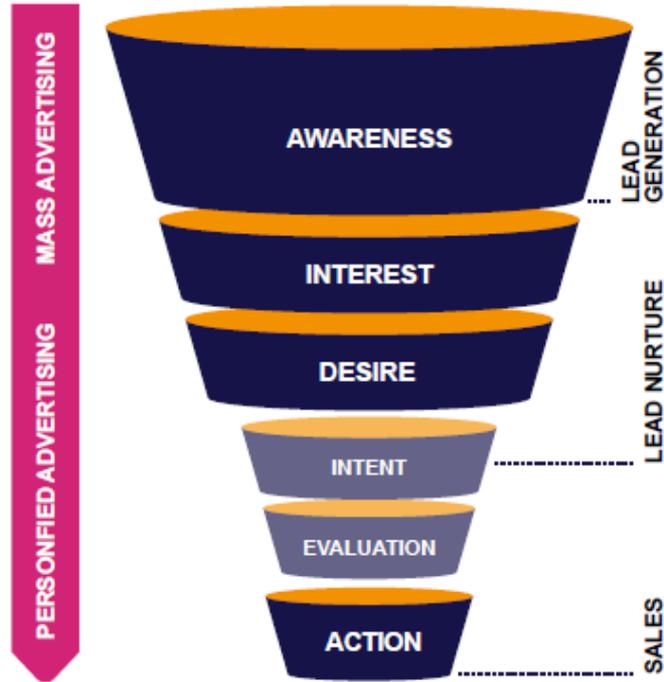
Advertising must be adjusted to the sales funnel

How can a marketer know where to meet the customer and what to message? The so called **sales funnel** (due to most products and services with value) helps to understand this.

- a. Each customer process starts from becoming **aware** of a need (this may happen through various triggers: seeing an ad, listening to a friend, reading social media or news.)
- b. Getting additional signals and information may raise **interest**. At this stage there is readiness to receive more information regarding the product or service.
- c. The next step is called **consideration**, where the need is specified and the process is considered critically.
- d. If the need still seems real and the solutions realistic, the **intent** emerges
- e. ... leading to **comparison** of alternatives
- f. next, a **decision** or **purchase** will follow
- g. Still after the purchase the customer is interested in the product, and may become an **advocate**



Sales Funnel and buyer stage



The potential buyer:

- Becomes aware of own need, or becomes affected by a certain brand
- Wants to know more, searches information of brand/product/service
- Knowledge has risen; overweighs best solutions
- Does comparison; evaluation; intends to be convinced
- Has selected most appropriate solution; makes decision

Different types of advertising

Different stages of buying process need different type of advertising.
Here the sales funnel is presented horizontally, often called the 'customer journey'.



'advertising for masses' -> targeted & personalized advertising

create

awareness

reminders

increase

demand

'call to action'

messages

increase sales

reminders

persuade

brand

promotion

support

content

brand promotion



**“The real fact of the matter is that nobody reads ads.
People read what interests them, and sometimes it’s an ad.”**

– Howard Luck Gossage

The message is essential



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“On the average, five times as many people read the headline as read the body copy. When you have written your headline, you have spent eighty cents out of your dollar.”

– David Ogilvy



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Good advertising

- consistent in **look** and **message**
 - aligned with company total strategy
 - this creates resonance
- targeted to right audiences and relevant for them.
 - meet right persons at right time
- trustworthy and valuable
 - present evidence on relevance
- accessible on relevant customer touch points
 - know where your customers move!
- measurable for its impact

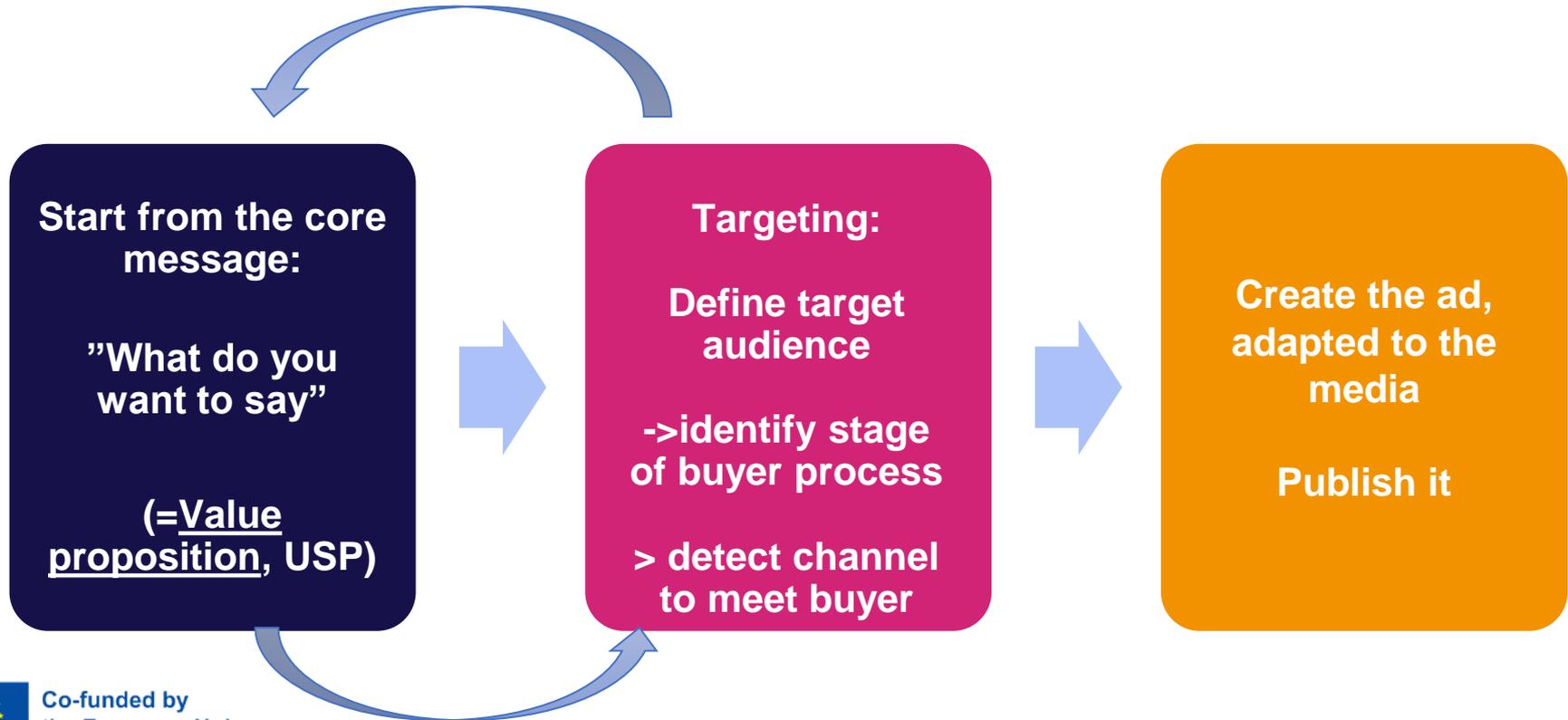
Best
advertisements
of all times:

<https://www.wyzowl.com/best-commercials/>

<https://blog.hubspot.com/marketing/best-advertisements>



The process of creating ads



Value proposition and USP

- Overflow of advertising -> customers want to quickly capture what makes one product/service different from another
- -> important to position and define your company in order to stand out in competition (define your [value proposition](#))
- USP (unique selling proposition) refers to a marketing statement that differentiates a product or brand from its competitors
-> to be used in advertising and marketing

★ [video examples on well-stated USPs](#) ★



In-class activity

In all marketing activities and advertising in particular, it is essential to state the value proposition and the unique selling proposition. They should express **'Who we are and what we stand for?'**

1. Watch the video on the previous slide as a trigger.
2. Let students first remind themselves of compelling value propositions. Ask them to express some.
3. Next, let your students choose a brand and then state a USP for it.



Elements of good marketing communication?



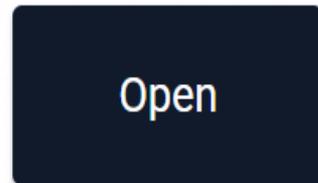
- Respond to your customer's needs, values and style
- Describe your solutions and benefits (in order to differentiate from competitors when possible)
- Try to say something original
- Keep it clear and concise
- [More examples and further reading on 'How to create a marketing message'](#)



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**4 Strategies for
High-Performing
Ad Campaigns. Get
now your free
strategic guide**



Instapage



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**“Creative without strategy is called ‘art.’
Creative with strategy is called ‘advertising.’”**

– Jef I. Richards

Goal-oriented advertising



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Advertising must fulfill strategy

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



Goals and objectives for advertising

- Increase in revenue
- Improve customer loyalty and satisfaction
- Recruiting and retaining the best talent
- Innovation and product development
- Improving brand awareness and perception
- Building a strong brand
- Drive traffic to the website and/or blog
- Getting new customers
- Encouraging existing customers to write positive reviews
- Interacting with customers to get feedback from the market

Goal

can include more than one objective

Objective

must be measurable and framed in time



Example of goals

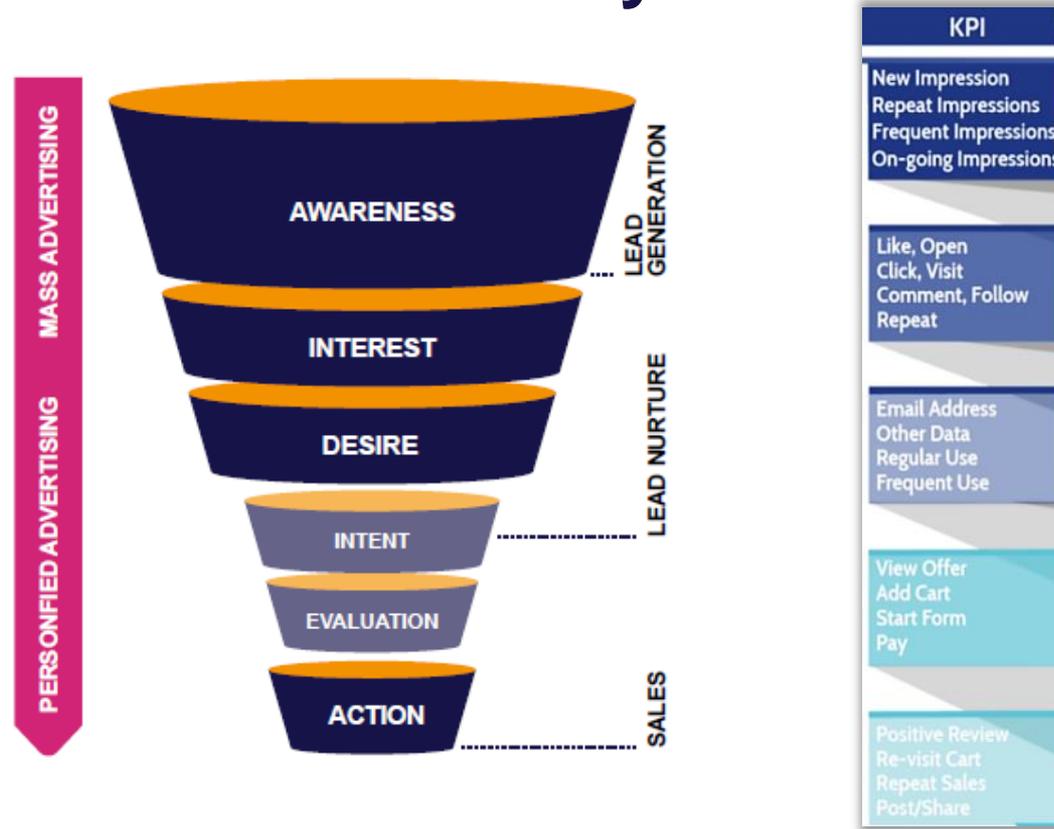
- provide product information
- increase awareness
- drive traffic to website
- create sales
- build community
- engage customers to return
- reinforce expertise profile
- strengthen company brand

and their KPIs*

- number of customer contacts
- awareness %
- visitor rates on website
- sales €
- members in social media communities
- rates of returning visitors, time spent on site
- brand & loyalty polls, NPS



Goals and KPIs can be set by the sales funnel



**"We aren't in the coffee business, serving people.
We are in the people business, serving coffee"**

– Howard Schultz, Starbucks

Customer oriented advertising



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Customer oriented marketing and advertising

Further reading on topic:

[What it is about](#)

[Definitions and examples](#)

- Customer orientation is a business approach that puts the needs of the customer over the needs of the business.
- Customer-oriented companies understand that the business won't thrive unless it consistently improves customer focus.
- Insight into the expectations and satisfaction of customers enables an organization to improve its processes and distinguish from competition

WHY - BECAUSE:

- Satisfied customers are potential advocats who 'spread the word'
- It is far more expensive to reach new customers than main the current ones.



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In-class activity

Many businesses aim to be 'customer oriented', yet quite few really succeed in it.

1. How do you assess whether a business is customer oriented? In which functions can it be seen?
2. Name some difference between 'customer oriented' - 'not customer oriented'.
3. What do customer-oriented digital ads look like? Can you name some examples?

Steps how to grow your customer orientation

[Read more on the topic](#)

- 1. Make sure you get regular customer feedback**
 - a. 'How was the interaction/customer service?' 😊
 - b. Use surveys and metrics
- 2. Use the feedback to set goals and improve customer experience**
- 3. Monitor social media feedback and react**
 - a. e.g. FAQs, common complaints, discussion
 - b. Correctly identify the issue -> offer links to additional information -> thank the customer, apologize for inconvenience
- 4. Nurture compassion and win-win spirit in your customer interface**
 - a. attend with empathy and patience
 - b. focus on customer experience
- 5. Get sales and customer service to collaborate**



Practical instruments for improving customer experience

The main objective behind customer oriented philosophy is to improve the Customer experience.

In addition to the steps previously presented, any business should focus on ‘knowing our customer’

Next, two instruments for this purpose will be presented:

- **‘the buyer persona’**
- **‘the customer journey’**



Buyer Personas

1. Do audience research
 - Who is already buying from you? Interview some of them.
 - Study your website and social analytics. For example Facebook Audience Insights.
 - See what the competition is up to
2. Identify customer **pain points**
 - Social listening
3. Identify customer goals
4. Understand how your brand can help
5. **How can you reach him/her?** What news and social media channel s/he uses?
6. Turn your research into buyer personas



Templates:

- https://docs.google.com/document/d/1LjXUD2T80m9abqmqQRgJva5Xds3OxLqtmEOXkTX_wpl/edit
- <https://www.impactplus.com/blog/great-buyer-persona-examples-free-template>
- Further reading:
<https://blog.hootsuite.com/buyer-persona/>



Why?

- Know your audience in detail allows you to create targeted, interesting and meaningful content
- Customers expect personalized content
- Buyer persona is a model – a fictional persona – who describes your typical customer
- **NOTE! Buyer persona is NOT "a 30-50 year old man".**

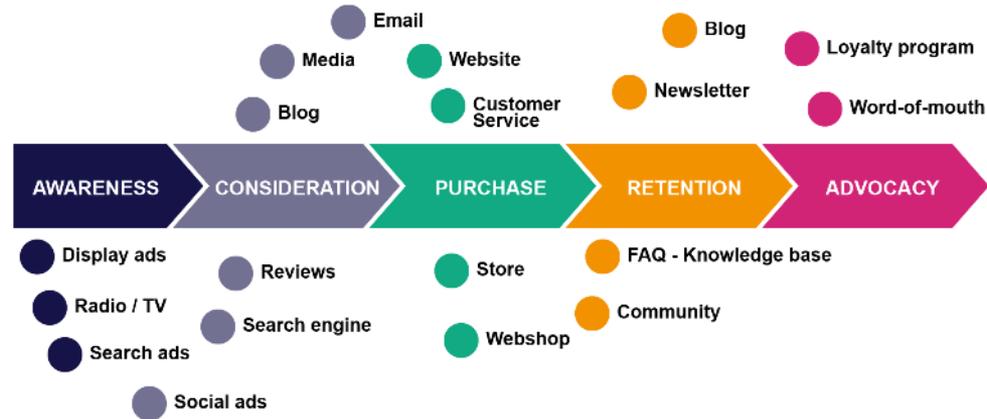
How to apply?

- Talk to your persona in his/her own tone of voice.
- When producing content, always keep in mind, what is important for your customer (and not to your company)
- When sharing content in social media, you can target more precisely, when you target to your persona (f. ex. according to his/her interests)

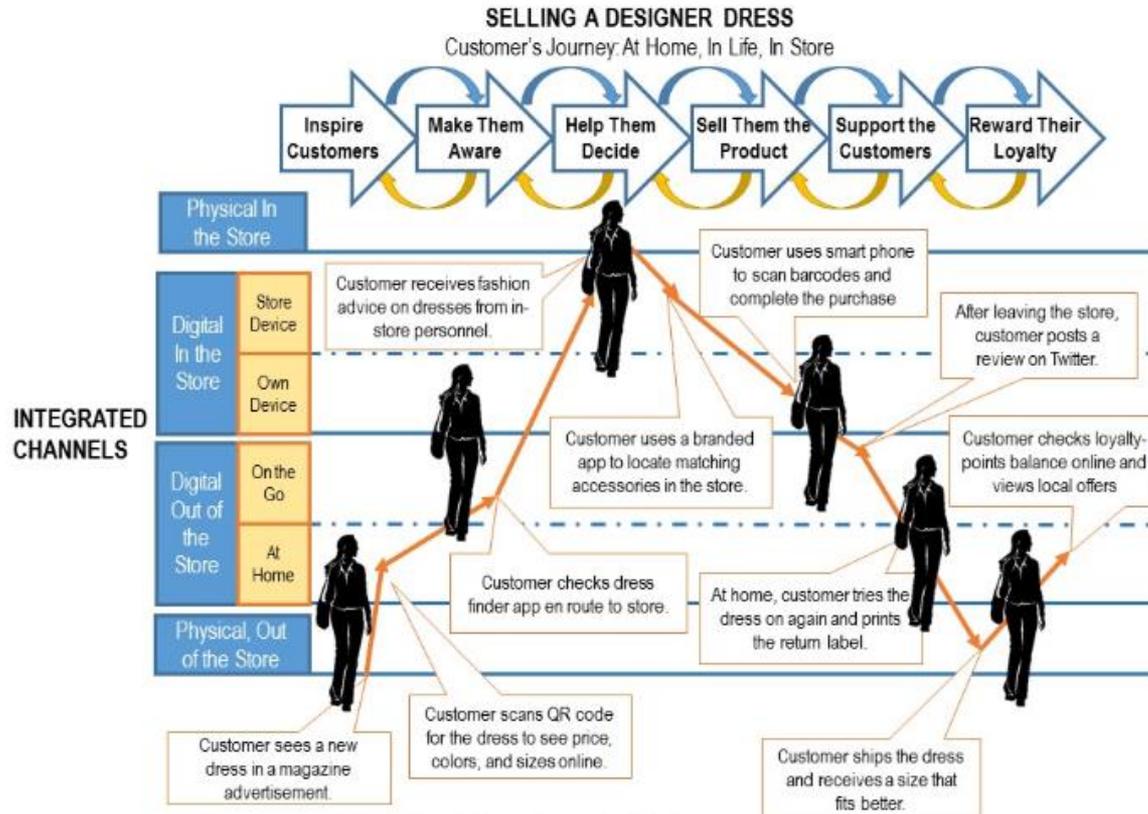


The Customer journey

- The Customer journey is closely related to the previously presented Sales funnel
- By using CJ, we can identify the stages of the buying process with the touch points where the customer gets in contact with the business
- This helps essentially to plan the advertising messages and select the media to reach the target audience optimally



Example on 'customer journey'



In-class activity

'Digital customer journey'

In the process of planning 'what kinds of ads' and 'in which media/platforms to publish them', it is highly useful to figure out the customer journey and the customer touch points for the respective business.

1. Think out a business and product or service
2. Figure out a certain buyer persona
3. How could the journey look like? Which steps are involved?
4. Name the digital touch points, ideal for the business to meet the customer



Trends and perspectives

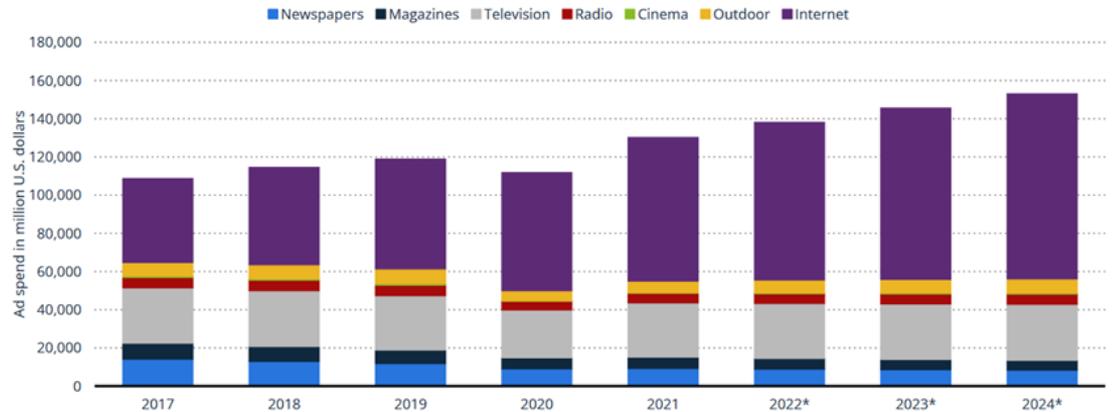


The share of digital media is increasing in advertising

- Due to competition, advertising expenditures of organizations keep rising, ever since 2017
- The share of digital media is rising, although traditional media still used
- The graph shows an average of all advertisers
- Note: huge variations between different types of organizations

Advertising expenditure in Western Europe from 2017 to 2024, by medium (in million U.S. dollars)

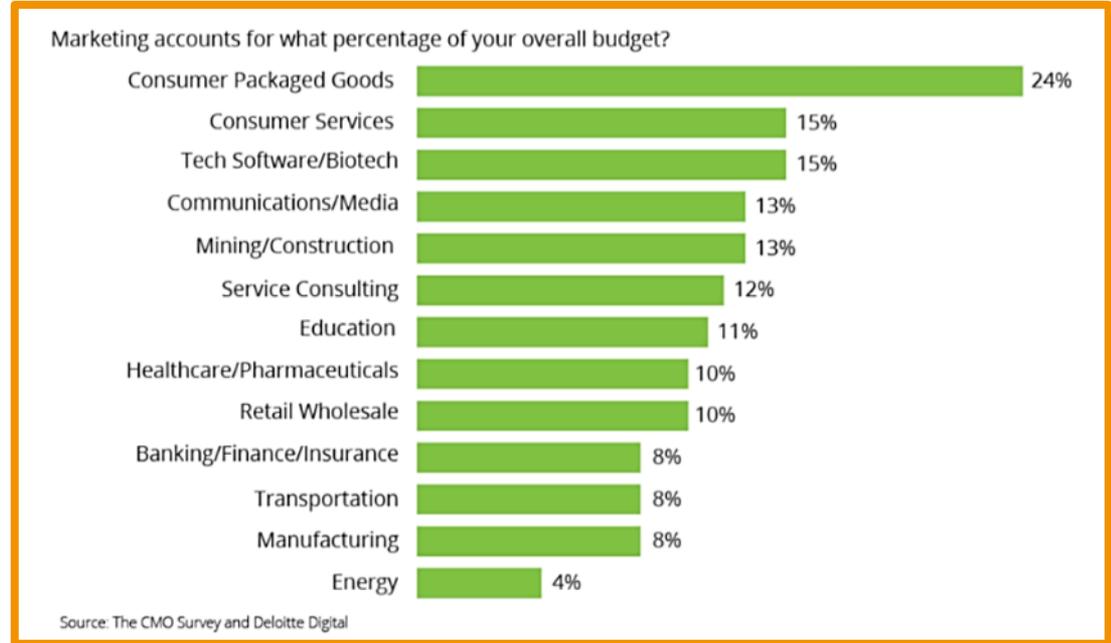
Advertising spending in Western Europe 2017-2024, by medium



Source: Statista (2022)

Some businesses promote more than others

- The need for promotion is vital when there is much competition (such as alimentary stuff, consumer electronics etc.)
- Larger companies tend to use higher share of their total budget in marketing
- In general, B2C companies spend higher budgets than B2B companies



Source: [Merehead](#), 2021

Trends and future perspectives

Trend:

As digital marketing skills become 'everyone's skills', the competitive edge decreases and all competitors are doing the same thing.

Questions arising:

How to stand out among competition? Will new ad platforms offer improved targeting options?

Further readings:

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

Trend:

Search engine use is transforming from word search to video based search and location based search. At the same time, increasingly AI is used to structure databases.

Questions arising:

Which customer touch points will grow/reduce in importance? Which website content will rule?

Trend:

Regulation increasing -> Cookieless future ..? -> How can advertisers reach target audiences without this data?

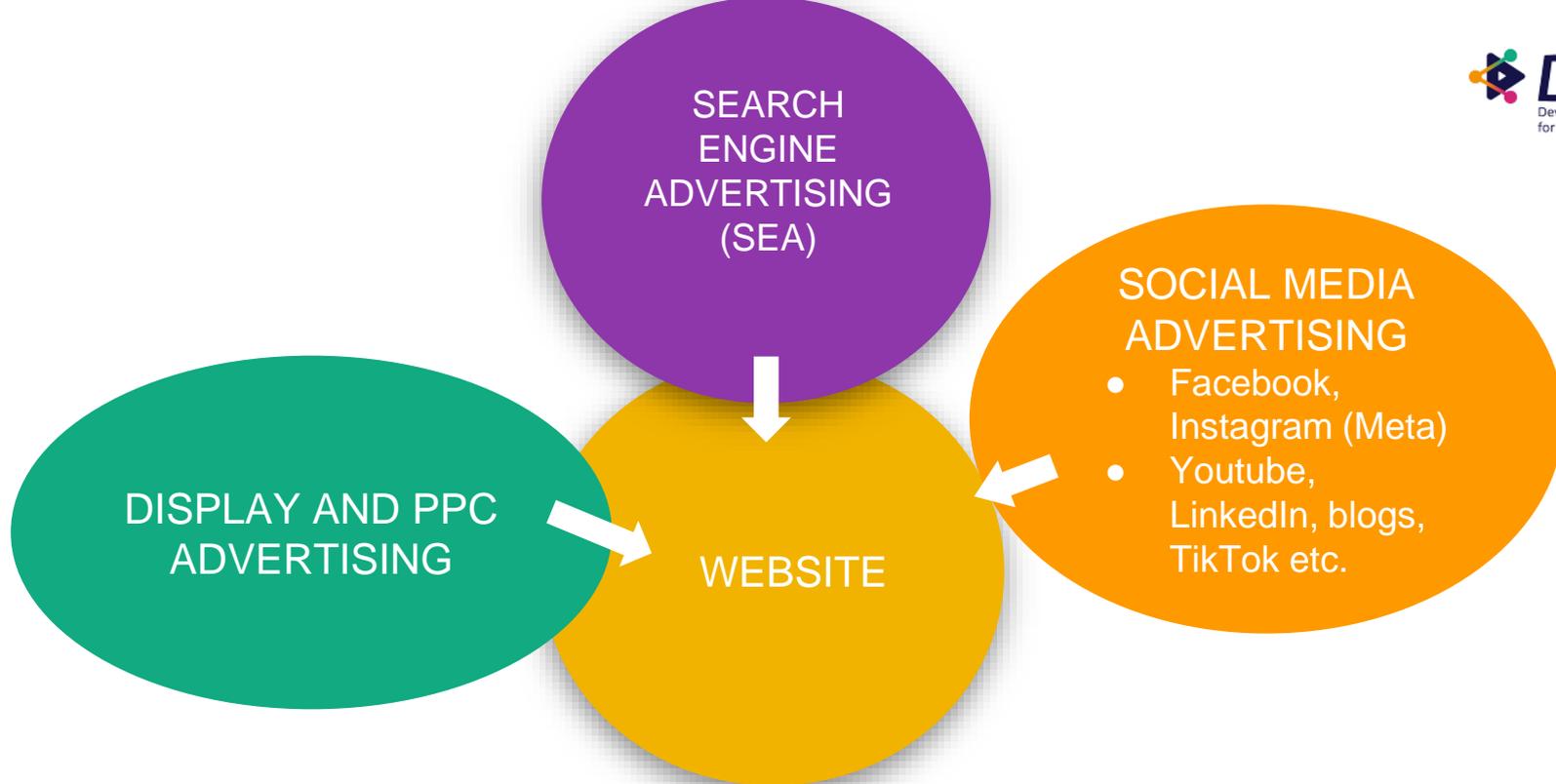
Questions arising:

Alternative methods to define identities of potential ad receivers?



Main formats of digital advertising





- In different media and channels a wide range of target groups can be reached.
- Different forms of advertising allow to achieve various goals.
- In digital advertising, the primary objective is often to lead visitors to the business website.

Search engine advertising

- Allows your business to position on top of a search result page as 'Ad' in search engine results.
- Connects your ad to search results that relate to key words you have chosen.
- Benefit: a newcomer website or product can obtain position on first result page (theTop10 results).
- Available with a low budget.
- Easily manageable.

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search engine ads



Display and PPC advertising

- They cover various advertising forms, allowing your business to obtain visibility in a wide range of digital media
- Display (banner) ads, Video ads, App ads, Shopping ads, etc.
- Can reach specified audiences by targeting
- A potential means to increase brand awareness, by getting in front of potential customers that don't yet know your brand.
- Available with low budget.
- Easily manageable.



Social media advertising

- Can be conducted on all social media platforms*.
 - Allows you to get in contact with previously unknown audiences
 - Permits to reach carefully selected target audiences, based on their personal profiles, behaviors, and interests
 - Available with low budgets.
 - Easily manageable.
-
- *in this module we focus on Meta platforms (Facebook, Instagram); yet, the advertising practice is very similar in all social media platforms



In this submodule the bases for advertising and digital advertising platforms were introduced.

1. Bases for advertising

In the next two modules you get acquainted in preparations that most campaigns need, as well as how to create ads on Google and Meta platforms and newsletters.

2. Preparing for campaigns

3. Execution of campaigns



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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