ਜਗਤ ਗੁਰੂ ਨਾਨਕ ਦੇਵ
ਪੰਜਾਬ ਸਟੇਟ ਓਪਨ ਯੂਨੀਵਰਸਿਟੀ
ਪਟਿਆਲਾ

# JAGAT GURU NANAK DEV
# PUNJAB STATE OPEN UNIVERSITY, PATIALA

**(Established by Act No. 19 of 2019 of the Legislature of State of Punjab)**

**The Motto of the University**

## (SEWA)

**SKILL ENHANCEMENT EMPLOYABILITY WISDOM ACCESSIBILITY**




## Bachelor of Computer Applications (BCA)
## Course Name: Fundamentals of Digital Marketing
## Course Code: FDM-1-02T

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# JAGAT GURU NANAK DEV
# PUNJAB STATE OPEN UNIVERSITY PATIALA
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## PREFACE

Jagat Guru Nanak Dev Punjab State Open University, Patiala was established in Decembas 2019 by Act 19 of the Legislature of State of Punjab. It is the first and only Open Universit of the State, entrusted with the responsibility of making higher education accessible to all especially to those sections of society who do not have the means, time or opportunity to pursue regular education.

In keeping with the nature of an Open University, this University provides a flexible education system to suit every need. The time given to complete a programme is double the duration of a regular mode programme. Well-designed study material has been prepared in consultation with experts in their respective fields.

The University offers programmes which have been designed to provide relevant, skill-based and employability-enhancing education. The study material provided in this booklet is self instructional, with self-assessment exercises, and recommendations for further readings. The syllabus has been divided in sections, and provided as units for simplification.

The Learner Support Centres/Study Centres are located in the Government and Government aided colleges of Punjab, to enable students to make use of reading facilities, and for curriculum-based counselling and practicals. We, at the University, welcome you to be a part of this institution of knowledge.

Prof. G. S. Batra,
Dean Academic Affairs

# BACHELOR OF COMPUTER APPLICATIONS (BCA)
## Semester-II
## FDM-1-02T: Fundamentals of Digital Marketing

**Total Marks: 100**
**External Marks: 70**
**Internal Marks: 30**
**Credits: 6**
**Pass Percentage: 40%**

**INSTRUCTIONS FOR THE PAPER SETTER/EXAMINER**

1. The syllabus prescribed should be strictly adhered to.
2. The question paper will consist of three sections: A, B, and C. Sections A and B will have four questions from the respective sections of the syllabus and will carry 10 marks each. The candidates will attempt two questions from each section.
3. Section C will have fifteen short answer questions covering the entire syllabus. Each question will carry 3 marks. Candidates will attempt any ten questions from this section.
4. The examiner shall give a clear instruction to the candidates to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.
5. The duration of each paper will be three hours.

**INSTRUCTIONS FOR THE CANDIDATES**

Candidates are required to attempt any two questions each from the sections A and B of the question paper and any ten short q questions from Section C. They have to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.

| **Course: Digital Marking** | |
|---|---|
| **Course Code: FDM-1-02T** | |
| **Course Outcomes (COs)**<br>After the completion of this course, the students will be able to: | |
| CO1 | Identify the core concepts of digital marketing and its role in businesses or organizations. |
| CO2 | Understand digital marketing strategies to reach the target audience. |
| CO3 | Analyze marketing approaches and recognize areas for enhancing performance. |
| CO4 | Resolve digital marketing issues and offer solutions based on the vital examination of digital marketing information. |
| CO5 | Work on social media platforms such as Twitter, Facebook and Instagram |

## Detailed Contents:

| **Module** | **Module Name** | **Module Contents** |
|---|---|---|
| **Section A** | | |

| | | |
|---|---|---|
| **Module 1** | **Introduction to Digital Marketing** | Concepts, Traditional Marketing vs. Digital Marketing, Digital Market Evolution, Career in Digital Marketing. |
| **Module II** | **Digital Consumer** | Consumer Characteristics and profiles, Information Search Behavior, Factors Influencing Consumption Behavior, Purchase Decision Process, Post Purchase Behavior and Management. |
| **Module III** | **Digital vs Non- Digital Marketing Strategy** | Digital vs Non- Digital Marketing Strategy, Digital Marketing Decisions- Product, Price, Distribution and Promotion. |
| **Section B** | | |
| **Module IV** | **Digital Marketing Strategy Formulation and Execution Digital Marketing Mechanisms** | Digital Marketing Strategy Formulation and Execution Digital Marketing Mechanisms: Websites- Company and Retail Service Providers, Search. |
| **Module V** | **Search Engines** | Search Engines- Google, Bing, Ask, Yahoo Video Hosting and Entertainment-Youtube, Wimeo, Amazon Prime, Netflix, Hotstar. |
| **Module VI** | **Social Media** | Mobile Phones, E- Mails, Blogs, Social Media: Facebook, Instagram, Twitter, Whatsapp. |

## Books


1. Seema Gupta, “Digital Marketing”, McGraw Hill Education
2. PModule Singh Bhatia, “Fundamentals of Digital Marketing”, Pearson
3. Philip Kotler, “Marketing 4.0: Moving from Traditional to Digital”, Wiley

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**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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## UNIT 1- INTRODUCTION TO DIGITAL MARKETING

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**STRUCTURE**


1.0 OBJECTIVES

1.1 INTRODUCTION

1.2 DIGITAL MARKETING

1.3 DIGITAL MARKETING AND ONLINE MARKETING

1.4 PRINCIPLES OF DIGITAL MARKETING

1.5 ORIGIN OF DIGITAL MARKETING

1.6 ROLE OF INTERNET

1.7 TYPES OF E-MARKETS

1.8 BARRIERS FOR DIGITAL MARKETING

1.9 ADVANTAGES OF DIGITAL MARKETING

1.10 DISADVANTAGES OF DIGITAL MARKETING

1.11 REASONS FOR THE GROWTH OF DIGITAL MARKETING

1.12 LET US SUM UP

1.13 KEY WORDS

1.14 ANSWERS TO CHECK THE PROGRESS

1.15 TERMINAL QUESTIONS


### 1.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Understand the Digital Marketing Concept and how it's different from online marketing
- Explore principles required for effective Digital Marketing
- Find out the origin of digital marketing and its different types

- Identify and manage the problems faced by marketers in Digital market
- Explain the Pros and Cons of Digital marketing
- Highlight the reasons for the growth of digital marketing

## 1.1 INTRODUCTION

World is changing at a remarkable pace and so does the world of marketing. Marketing is a simple process of creating awareness of products or services through various channels towards identified market. Marketing makes it easier to target certain group wherever and whenever. Earlier it was very difficult for the consumers and producers to buy and sell goods and services but now with the advancement of technology, it has become much easier than before in terms of time, money and efforts involved. Now consumers can purchase any product at any time while sitting at any place or any corner of the world. Consumers can get all details of the product. Digital Marketing has made the efforts of producers easier as they can upload all the details of their product and easily market their product. There is no worry about cost incurred on marketing a product.

Today, businesses operate in a dynamic environment, in which various kinds of competitions determine the rule of the game. Managing a competitive edge in today's business world demands an effective electronic strategy, concentrating on the convenience of electronic buying. Internet has converted traditional marketing into online and digital marketing. These days the world is fully competitive so every business wants to go on for long time. Many new techniques are used by different organizations to advance their brands all over the world. In order to promote, companies advertise their products on various websites. People usually do online shopping from these sites. Say if any consumer wants to buy any product, they can visit the websites of E-Marketers and after making comparison, place the orders.

Digital marketing was first used in 1990s as that was the phase when first search engine got emerged by a company called Hot wired.Then in 1998 another engine company got popped up that is "Google" as it gets more popular search engine in the world. After that the history of Digital marketing had been changed when WEB 2.0 came in the market.

## 1.2 DIGITAL MARKETING

The rapid adoption of the Internet as a commercial medium has caused marketers to experiment with the innovative ways of marketing thus changing the pattern of marketing strategies. "Marketing consists of individual and organizational activities that facilitate and

expedite satisfying exchange relationships in a dynamic environment through the creation, distribution, promotion and pricing of goods, services and ideas". It is said that Digital Marketing first began in the beginning of 1990 with just text-based sites which provided product information. In the beginning, the Internet was cool but with the explosion of internet growth, online marketing has started becoming popular. Digital Marketing creates additional customer value by transforming marketing strategies during effective segmentation, targeting, differentiation and positioning strategies.

The basic purpose of marketing is to satisfy the customers profitable by offering the right product to right customer at right time, the only that has changed is the methods, as Smith and Chaffey (2001) have remarked that "Digital Marketing is *Achieving marketing objectives through applying digital technologies".*

Digital Marketing is promotion of goods and services through the use of online mediums like the use of internet, use of mobile phones or any the use of any other technology which can be used to advertise a product or services, for example; Email Marketing, Web Marketing, Internet Marketing, Social media marketing, etc. Digital Marketing has made work much easier, earlier physical presence of buyer and seller was utmost importance in buying or selling, but, in online marketing such kind of drawback has been overcome.

Digital Marketing is the result of information technology applied to traditional marketing. The rapid growth of the internet and the popularity of the computers and electronic devices all over the world have been making the marketers scramble to determine how best they can use the technology for the business profitability. Marketers need to understand the technology, and how they can use the technology in the best possible way for the promotion and profitability of business. Digital Marketing is the application of a broad range of information technologies in the marketing functions to achieve the followings:

- ✓ Development of the products which has value for the customers and is possible to be marketed through online channels.
- ✓ Transformation of marketing strategies and policies to create more customer value through effective segmentation, targeting, differentiation and positioning strategies.
- ✓ Planning and execution of marketing conception, distribution, promotion, and pricing of goods and services, and ideas.

- ✓ Creating customers and satisfying the individuals and business customer's needs and wants.

Digital marketing increases the efficiency in all traditional marketing functions. Digital marketing uses the technology for transforming the marketing strategies in new business models that add customer value and increase company profitability.




For example, Swiggy and Zomato created an App as it helps the shopkeepers to reach to their customers so that they can order easily anything at any place as they want according to their needs. They also have their rating page to enhance their market share with online Marketing Apps.

**1.3 DIGITAL MARKETING AND ONLINE MARKETING**

In reality there is not much difference, both embrace the same methodologies. Primarily Digital Marketing takes the principles of traditional marketing and translates this to the online world. One key benefit being that the nature of 'online' removes the geographic boundaries that limit traditional media marketing. Digital Marketing or Online Marketing can take many forms, and continues to develop with new innovations all the time, the most common methodologies include;



In today's business, Digital Marketing (or online advertising as it is often referred) has become an essential part of most companies' online marketing mix. Year on year companies is allocating increasingly high resources to advertising and marketing online and this is hardly surprising as the shift from offline to online continue to grow. Schemes such as 'laptops for everyone' and increasing end user awareness of the benefits of shopping online have contributed substantially to the rise business online. This in turn has created a shift from traditional marketing to Digital Marketing.

## 1.4 PRINCIPLES OF DIGITAL MARKETING

Digital Marketing is spreading awareness of products and services with the help of digitalized technologies, specifically online. Growth of digital marketing since 1990's and 2000's has revolutionized the way the companies and brands use technology for advertising. As we know the social media platforms or other digital platforms are increasingly used in the market on daily basis. Now, humans use these technologies inspite of going to physical shops, so these campaigns are more productive, effective and easy. The Basic principles of Digital Marketing are:

- **Build and actively manage a customer database:** In this era of scarce customers, companies need to capture the names of customers and useful information that is possible to collect about potentially valuable prospects and customers. A rich customer database can provide the company with a strong competitive advantage. The company can search and rate different groups and individuals for their probability of responding to a given offer or highly tailored offers. A database permits a company's targeting to be super-efficient.
- **Develop a clear concept on how the company should take advantage of the Internet:** A company can develop presence on the Internet in at least seven ways. The company can use the Internet to do research, provide information, run discussion forums, provide training, carry on-line buying and selling (i.e., e-commerce), provide on-line auctioning or exchanging, and even deliver "bits" to customers.

The company's Web page must be appealing, relevant, and current if it is to attract repeat visits. Companies should consider using state-of-the-art graphics, sound, and video, they should also need to add weekly news or features. The site can be developed to provide valuable help, such as links to a map showing the location of the hotel or restaurant.

- **Be easily accessible and quick in responding to customer calls:** Customers mostly have high and rising expectations about how quickly and adequately they should receive answers to questions and complaints sent in by phone or e-mail. Make sure the Internet user can communicate directly with the company. One advantage of the Internet is that we can communicate automatically. The computer can be programmed to book reservations, select and confirm seat assignments on airlines, and send confirmations of reservations, changes in flight plans and other information to the customer. However, when the user has a question that the computer cannot answer or they have a problem they would like to discuss, they should be given a phone number to call and an automatic e-mail option. Majority of companies' websites have the goal of having 100 per cent electronic communication, and they do not include telephone contact information.

**CHECK YOUR PROGRESS**

I. Earlier it was very difficult for the consumers and producers to buy and sell goods and services but now with the advancement of technology. (True/False)

II. Today, businesses operate in a dynamic environment, in which various kinds of competitions do not determine the rule of the game. (True/False)

III. Digital Marketing is the result of information technology applied to …… marketing.

IV. Digital marketing was first used in …… as that was the phase when first search engine got emerged by acompany called Hot wired.

a. 1991
b. 1990
c. 1981
d. 1980

V. In this era of scarce customers, companies need to capture the names of customers and useful information that is possible to collect about potentially valuable of ……..

a. Advertising Agency
b. Marketing researcher
c. Prospects and customers
d. Sales men

## 1.5 ORIGIN OF DIGITAL MARKETING

In this modern era, over 175 million patrons make use of digital media on daily basis, everyone is supposed to be known about digital marketing tools. Soon traditional media platforms will be absorbed and get dominated by digital media. Even more digital media is more cost effective than traditional methods as; large customer base can be reached within a short span of time.

The Digital Marketing came into existence in 1990's. It came over with the introduction of internet and with growth of the web 1.0, whereas web 1.0 is the phrase is known to as beginning of digital media marketing on World Wide Web, that did term as "Websites".

In the year, 1993 clickable banner or web banner came into existence. Clickable banner is basically a type of advertising done with the help of ad server on www. Entrenching an advertisement into a web page is known as web banner so that web traffic could be attracted to the web page by connecting to the web site of the marketer. In the year 1994, new digital tools incorporated in digital marketplace such as Yahoo, it was launched by Jerry Yang. In the very first year, Yahoo, was able to get 1 million thumbs. In year, 1996 various tools such as Alexa, look smart and in year 1998, the most used search engine "Google" came into existence. In year, 2006 customer base was developed up to 6.7 billion in a solitary month.

After then various social sites emerged, Myspace was firstly commenced social networking site, after that Facebook arrived in market followed by Instagram, Snapchat, Twitter etc. which took new opportunities in the market for the businesses, companies and consumers.

## 1.6 ROLE OF INTERNET

The internet is a global network of interconnected networks. This includes millions of governments, corporate, organizational and private networks forming the World Wide Web (www). The computers in these networks hold files such as web pages that can be accessed by all other networked computers. Computer, mobile phone, and other networked devices like laptops etc., can send and receive data in the form of e-mail or files, over the internet. The data move over phone lines, cables and satellites from sender to receiver. The internet therefore consists of computers with data, users who send and receive the data files and a technology infrastructure to move, create and view or listen to the content. Three important types of networks form part of the internet.

- Intranet: A network that runs internally in a company but uses the internet standards such as HTML and browsers. An intranet is like a mini-internet but only for the internal company use.
- Extranet: An intranet to which value chain partners have admissions for strategic reasons. The access is partial or restricted only.
- Web: The part of internet that supports a graphic user interface for hypertext navigation with a browser such as Netscape or Internet Explorer. The web is what most people think about when they think of the internet.

## 1.7 TYPES OF E-MARKETS

Digital Marketing is normally carried out in the following types:

- **B2B**: This involves business-to-business marketing. The business organisations make online transactions with other business. They sell the products and services using internet. Also other functions like purchasing, supply chain, services, support and payment systems are managed online.
- **B2C**: This involves business-to-consumer marketing. The goods and services are marketed directly to the consumers by the business organisations. This includes activities like sales, customer service and payment systems.
- **C2C**: This involves consumer-to-consumer marketing, where consumers directly sell products or services to other consumers, using the Internet. Firms like OLX, eBay, Quicker provide such facilities.
- **C2B:** This involves consumer-to-business marketing, where the consumers (individuals) create value and businesses consume that value. For example, when a consumer writes reviews or when a consumer gives a useful idea for new product development then that consumer is creating value for the business if the business adopts the input. Excepted concepts are crowd sourcing and co-creation.

## 1.8 BARRIERS FOR DIGITAL MARKETING

The problems which were faced earlier were overcome by Digital Marketing but there are some issues which are being there in Online Marketing, which are being faced by both consumers as well as producers.

- Lack of privacy
- More competition
- Online frauds
- Lack of proper knowledge
- Variety of customers
- Internet problems
- Security problems
- Gap between customers and sellers
- Lack of awareness
- Technical problems
- Difficult to engage customers

## 1.9 ADVANTAGES OF DIGITAL MARKETING

Digital Marketing embraces many of the basic principles of traditional marketing with a few differentiating factors. One key advantage to Digital Marketing is that results can be quantified, allowing the marketers to work more effectively, generate higher ROI and in turn increasing profitability. A well implemented Digital Marketing strategy can achieve a more cost-effective customer acquisition than traditional marketing. The 'reach' of Digital Marketing campaigns means that substantial incremental sales can be achieved online without affecting any other marketing efforts. The Digital Marketing has following advantages over the traditional marketing channels:

- **Digital Marketing can Reach Targeted Customers More Effectively:** Digital Marketing makes it possible to cover the global markets by eliminating the geographical and territorial boundaries. Thus, the location often becomes irrelevant through Digital Marketing. The nature of the internet means a potential customer from anywhere across the globe can make a business transaction and interact with the marketer. Unlike traditional marketing methodologies the power of the web means that prospects and clients can become a part of companies marketing mix 24*7 and 365 days from anywhere in the world.
- **Can Reach Wider or Even International Audience:** Digital Marketing helps in reaching out the customers who can be approached through only online means. Marketing embraces routes to market that simply do not exist with traditional marketing. It's no longer a case of just advertising through search engines and broadcast email shots. The use of new

media such as social networking, viral marketing and other methodologies exclusive to the online world provide access to the groups of customers that would otherwise have not been possible.

- **Cost Effective Marketing:** Utilising online technologies can make a substantial contribution to marketing budgets. By accurately targeting the potential core audience, Digital Marketing often provide the most cost-effective way to increase customer base, raise the brand awareness, increase the demand for product and stay in touch with customers by building long term relations.
- **Full Accountability:** Digital Marketing provides full accountability for its results to the organisations. Online activities are fully tractable and can accurately show ROI (return on investment); this means that marketers can see the value of every Rupee that has been spent on the Digital Marketing activities.
- **Consumer Control:** The internet has already affected a radical shift in the way the media and consumers interact. Traditional media have a one-to-many approach: the media outlet beams its message down to a host of passive consumers. The web, however, relies on many-to-many interaction or one-to-one interaction means: anybody can post content or comment on what they see, and media outlets no longer have complete power over their broadcast message. In the world where everything is social and shared, the consumer has a lot of power and it is likely to further grow in the coming years. Marketing agencies foresee that they will need to hand over even more control to customers, who want to engage on deeper and more significant levels with content. The trend may go so far as letting customers create and mediate Digital Marketing content, with agencies keeping oversight and steering from the side-lines.
- **Marketing can be Personalised as per Customers Need:** Technological devices are shrinking in size, lending themselves more and more to portability. Already, powerful computers can fit inside the wrist watches and cell phones, hide in car dash-boards and meld seamlessly with work and home tabletop surfaces. Consumers will expect to have round-the-clock access to whole of their data, regardless of where they are and what device they are using. Marketing messages will have to be flexible as per the customer requirements. There are many opportunities available here for even more specific and user-relevant content. A device with GPS will know exactly where it is and where the nearest restaurants, cinemas, shops, utilities and user's friends are; it will store user preferences and recommend nearby locations. Large billboards can gather user data from the people in the area, average out the

demographic statistics and display adverts that are most relevant to the largest number of customers who are passing by.

- **The Rise of Web 3.0:** Nobody is quite sure what web 3.0 will entail, or even whether it has not already started. General consensus is that it will involve the advent of the truly semantic web. The semantic web is a concept that means the exponentially growing amount of data will be categorised in personal and human-usable ways, enabling even better, more meaningful and more accessible content than has been ever possible. In other words, raw data will become real information. Web 3.0 also involved the concepts described above, especially portability, control over marketing and customisation of everything. In the far future, experts even predict the invention of web-based artificial intelligence that will think ahead and source information before a user even knows it is needed. Since web 3.0 is all about "me", marketing must take personalisation and engagement to a new level.
- **Delivers Immediate Results:** One of the most important advantages is the fast availability of the information. The clients/users can easily get information, by navigating the internet, about the products that they wish to purchase, and besides that, they can check the information at any time of the day.
- **Low Investment required:** Digital Marketing allows the companies to save money, an aspect that is really taken into account by the companies since the online marketing campaigns do not require a large amount of investment. The traditional marketing gives less importance to the differences between large and small companies. The Digital Marketing techniques helps in cost savings and thus significant for the companies which cannot incur high expenditure on promotion and marketing of the products and services. The benefits are further passed to the customers.
- **Global Markets:** Presence on the Internet can help the expansion of the company from a local market to national and international markets at the same time, offering almost infinite expanding possibilities.

## 1.10 DISADVANTAGES OF DIGITAL MARKETING

Digital Marketing may not be useful for all varieties of products and services. Many of the companies offer only a few selected items online, which are suitable to be sold using the online channels. Other products may not have the features to be promoted and sold online. Also, there are many costs associated with the Digital Marketing; these include costs for setting up the websites, maintaining and updating the websites and managing the online

channels. Many of the e-marketers are still struggling to make their business visible, viable and profitable using the Digital Marketing techniques.

- **Security:** Providing a secure website for web visitors should be the number one priority for online business owners, but not every business owner feels it necessary to provide maximum security for their web visitors. There are thousands of internet scammers and hackers consistently searching for gaps within the website of an internet business. Online business owners should respect their customers by providing security and making sure to add a badge or statement to ward off potential threats. This security concern further results into misuse of the personal information of the customers and thus they hesitate while making online transactions with the company.
- **Updates:** The Internet is a constant provider of fresh, up-to-the-second information. Yesterday's news is of no use and importance to the web surfer, so it is imperative to always keep the website updated with the latest information. It is one of the common mistakes of budding entrepreneurs, they get the website up and running and then simply leave it that way because they did not include the time needed to maintain the website into their marketing plan, and now the website is neglected and customers can easily notice these things.
- **Costs:** Businesses of all kinds should have a marketing strategy to map out how much money is needed for marketing and where the money will go. Many business owners who are just starting business are not aware of these hidden costs associated with online marketing. Sending a quick email to someone may not cost much more than internet access, but the costs of hardware resources, launching a website and running online marketing campaign make the online marketing an expensive affair.
- **Engagement:** Digital Marketing requires constant tweaking to keep the subscribers engaged. A person will often sign up to receive information as a part of the promotion. For example, if a user provides his email address, he may receive a discount on a product. A user might also unintentionally sign up, such as if subscribing was the default choice on a web page. In such cases, marketing may be perceived as a nuisance. Even in the case that someone deliberately signed up to receive marketing emails and promotion material, like an industry newsletter, marketers must still work to maintain a level of engagement to keep the reader from unsubscribing.

- **Appearance:** Marketers may be working for making the digital promotions to look exactly the way they have envisioned it. Unfortunately, due to the varying servers and computer settings, the design may not come through the way marketers hoped, which can diminish the impact of promotion message. Text may be moved from one line to the next on a person's screen. The email setting on another person's computer may only allow text, blocking images from coming through. If the main focus of online marketing was a logo, it could be lost during the process its open on the screen of the users.
- **Spam:** "Spam" is unsolicited email, if marketers want to email their customer base, they need to receive permission from them. Even after receiving permission, some people still consider any commercial email spam. This adds to difficulty for the online marketing and puts a question mark on Digital Marketing techniques.
- **Deliverability Issues:** The communication and promotion material may not reach its intended audience. For one thing, certain terms, such as "free" or "money" could trigger the spam filter, where the recipient may never see it. Other times, the headline may not be enticing enough for the customer to open the web page and check the site.
- **Undelivered E-mail:** These days many ISPs use complex junk-mail filters. So, there is no guarantee that E-mails are getting into audience inbox. Also, it is possible that individuals delete an E-mail from someone who is not in their contact list. This is increasingly becoming a disadvantage of e-mail marketing.
- **E-mail response decay:** It's not easy to keep subscribers actively engaged with company in the long-term through the online media.
- **Renderability:** Difficulty of displaying the creative as intended within the inbox of different E-mail reading systems. The subscribers may want a message with "unsecured" items such as color, graphics and links that not all browsers will support them. Finally, the recipient will instantly close the window or marketers will have to just settle for the drab all-text E-mail.
- **Privacy Issues:** When an E-mail gets through to the consumer, there is so much e-mail that needs to be looked at sometimes it is difficult for the individual to distinguish between solicited and unsolicited e-mail, as well as have time to read through the E-mail. Another disadvantage of E-mail marketing is to transmit many software viruses and it makes customers to become suspicious even to the trusted sources.

- **Dependability on technology:** Slow internet connections can cause difficulties. If the companies build too complex or too large websites, it will take too long for users to check them or download them and they will get bored eventually.
- **No Physical Contacts:** The Digital Marketing doesn't allow the user "to touch" the product before purchasing it. Because of this, the customers may not be able to become sure about the real look of the products. They have to just rely on what the companies and websites talk about the products. This may result into customer complaints and poor marketer-customer relationship.
- **Lack of Trust:** One of the major disadvantages may be the lack of trust of the users because of the constant virtual promotions that appear to be frauds. This is an aspect that deteriorates the image and reputation of honest companies.
- **Payment Terms:** The cash on delivery payment option may be another disadvantage of the online marketing systems. COD does not guarantee the 100% purchase of the product. This is also the case of thousands of users who dedicate themselves to daily mock big companies by ordering on the internet using fake identities.
- **Worldwide competition through globalisation:** Due to internet and global networks there has been great transparency about the pricing of all competitors resulting into cut throat competition among the players who are present in the online marketing and promotions. This also results into worldwide and global competitions.

**CHECK YOUR PROGRESS**

VI. In the year, …….. clickable banner or web banner came into existence.

a. 1991
c. 1989
b. 1990
d. 1993

VII. The part of internet that supports a graphic user interface for hypertext navigation with a browser such as Netscape or Internet Explorer.

a. Web
c. Extranet
b. Intranet
d. None of these

VIII. An intranet is like a mini-internet but only for the internal company use. (True/False)

IX. The business organisations make online transactions with other business, in …….. market.

a. B2C
c. C2C
b. B2B
d. C2B

X. This involves ……. marketing, where consumers directly sell products or services to other consumers, using the Internet.

XI. The …… of Digital Marketing campaigns means that substantial incremental sales can be achieved online without affecting any other marketing efforts.

XII. Digital Marketing does not make it possible to cover the global markets by eliminating the geographical and territorial boundaries. (True/False)

XIII. The …… is a concept that means the exponentially growing amount of data will be categorised in personal and human-usable ways, enabling even better, more meaningful and more accessible content than has been ever possible.

## 1.11 REASONS FOR THE GROWTH OF DIGITAL MARKETING

Earlier days, when human first started trading whatever it is, they traded and marketing that time was all about the stories that used to convince the customer to make trade. The method of trades are changed or improved. They are more efficient to convey the message and faster to communicate, spared the message to mass or niche, but the old principles are always applied. Now business organisations have started using Digital Marketing for the same due to:

- **Low Investment:** When Digital Marketing is implemented properly, the investments required are less and the return on investment is faster than traditional marketing.
- **Reach:** We are living in the era of global product and global brands. Through the WWW (World Wide Web), product would be in the reach of billions of customers in the world. Every day or every month there is increase in the customers by millions.
- **Scope:** In Digital Marketing scope of business is not limited or restricted. The marketers can provide other services also like information management, public relations, customer service and sales.
- **Interactivity:** The internet has made it possible to interact with the customers easily at any time and also responding to the customers instantly. The marketers now can interact better than traditional marketing.
- **Immediacy:** Digital Marketing makes the immediate impact on customer's mind, for example if we publish an advertisement in a newspaper of an apple's I-phone. Reader or customer is very eager to purchase the product but he is not interested to go to the show room and buy it because it is away. So customer might change his idea of

purchasing the product. But through Digital Marketing, customer can purchase the product immediately.

The following facts simplifies the reasons for the growth of Digital Marketing.

**Top three marketing priorities for the business are:**

- ✓ Driving increased conversion rates (47%)
- ✓ Increasing and improving brand awareness (46%)
- ✓ Collecting, measuring, and using behavior (29%)

**Top three metrics used to track the success of Digital Marketing:**

- ✓ Conversion Rates (67%)
- ✓ Engagement Rates (opens, clicks) (64%)
- ✓ Return on Investment (61%)

**Four key areas where marketers plan to increase spending by 2023:**

- ✓ Data & analytics (61% plan to increase)
- ✓ Marketing automation (60% plan to increase)
- ✓ Email marketing (58% plan to increase)
- ✓ Social media marketing (57% plan to increase

According to 2019 State of Marketing report, 98% of marketers plan to increase or maintain their future marketing spend so if your brand's marketing budget expanded considerably compared with last year, you are not alone. Data and analytics, marketing automation, email, social media, and content management ranked as the top five areas for increased spending and marketing budget, so expect to see more businesses tailor their content one-to-one as data investments grow alongside speedy, automated lifecycles.

**CHECK YOUR PROGRESS**

XIV. When Digital Marketing is implemented properly, the investments required are less and the return on investment is faster than traditional marketing. (True/False)

XV. Through the WWW (World Wide Web), product would not be in the reach of billions of customers in the world. (True/False)

XVI. Through Digital Marketing, customer can purchase the product immediately. (True/False)

## 1.12 LET US SOME UP

Today, businesses operate in a dynamic environment, in which various kinds of competitions determine the rule of the game. Managing a competitive edge in today's business world demands an effective electronic strategy, concentrating on the convenience of electronic buying. Internet Marketing has converted traditional marketing into digital marketing. These days the world is fully competitive so every business wants to go on for long time. The rapid adoption of the Internet as a commercial medium has caused firms/marketers to experiment with the innovative ways of marketing thus changing the pattern of marketing strategies. Marketers need to understand the technology, and how they can use the technology in the best possible way for the promotion and profitability of business. Digital Marketing is spreading awareness of products and services with the help of digitalized technologies, specifically online. Growth of digital marketing since 1990's and 2000's has revolutionized the way the companies and brands use technology for advertising. Digital Marketing embraces many of the basic principles of traditional marketing with a few differentiating factors. One key advantage to Digital Marketing is that results can be quantified, allowing the marketers to work more effectively, generate higher ROI's and in turn increasing profitability. A well implemented Digital Marketing strategy can achieve a more cost-effective customer acquisition than traditional marketing. Digital Marketing may not be useful for all varieties of products and services. Many of the e-marketers are still struggling to make their business visible, viable and profitable using the Digital Marketing techniques.

## KEYWORDS

| | |
|---|---|
| **MARKETING** | Marketing is a simple process of creating awareness of products or services through various channels towards desired market. |
| **DIGITAL MARKETING** | Digital Marketing is Achieving marketing objectives through applying digital technologies |
| **CLICKABLE BANNER** | A type of advertising done with the help of ad server on www |
| **INTRANET** | A network that runs internally in a company but uses the |

| | |
|---|---|
| | internet standards such as HTML and browsers |
| **EXTRANET** | An intranet to which value chain partners have admissions for strategic reasons. |
| **SECURITY** | The security of consumer information on the internet. |
| **SPAM** | The unsolicited email sends by marketers with customers' consent. |
| **CONVERSION RATES** | To convert the potential customers in to actual customers. |

## ANSWER FOR CHECK YOUR PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | True | VI. | 1993 | XI. | Reach |
| II. | False | VII. | Web | XII. | False |
| III. | Traditional | VIII. | True | XIII. | Semantic web |
| IV. | 1990 | IX. | B2B | XIV. | True |
| V. | Prospects and customers | X. | Consumer-to-Consumer | XV. | False |
| | | | | XVI. | True |

## TERMINAL QUESTIONS

- What is Digital Marketing? How it will contribute to the growth of company and nation?
- Describe the concept of digital marketing and how it is different from online marketing?
- "Business organisations cannot have an effective digital marketing without following the principles of digital marketing" comments on this statement.
- Discuss the origin of digital marketing. What is the influence of internet for digital marketing?
- Explain the different types of digital marketing and highlight what are the barriers for the digital marketing?
- How would you define the digital marketing? What are the advantages and disadvantages of digital marketing?
- Highlight the factors contributing for the growth of digital marketing.

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**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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## UNIT-2 DIGITAL MARKET EVOLUTION, CAREER IN DIGITAL MARKETING

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**STRUCTURE**


2.0 OBJECTIVES

2.1 INTRODUCTION

2.2 THE MARKETING REVOLUTION2.3 DIGITAL MARKETING ISSUES, CHALLENGES AND OPPORTUNITIES

2.4 FUTURE TRENDS AND PREDICTIONS OF DIGITAL MARKETING

2.5 PREDICTIONS REGARDING MARKETING

2.6 TRADITIONAL MARKETING V/S DIGITAL MARKETING

2.7 THE SCOPE OF CAREERS IN DIGITAL MARKETING

2.8 LET US SUM UP

2.9 KEY WORDS

2.10 ANSWERS TO CHECK THE PROGRESS

2.11 TERMINAL QUESTIONS


### 2.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Have through knowledge how digital marketing came into existence
- Evaluate the SWOT analysis of digital marketing
- Explore the future trend of the digital marketing
- Make prediction for the digital marketing
- Understand how traditional marketing is different from digital marketing
- Explore the Careers scope in Digital marketing

### 2.1 INTRODUCTION

Even before the Internet there were many different ways to advertise, in different media such as radio, TV, newspapers, magazines, as well as via telemarketing or pamphlets. Usually, the

goal was to get a company or product name and to communicate as many people as possible for the smallest price possible. When the Internet arose, a number of search options became available. Companies had the option to advertise themselves on a larger scale. Due to the advertising perception at the time, many businesses were assumed to have great value, and thus traded on the stock exchange at extraordinary high rates. This collapsed in 2001 at what is commonly known as the dot-com bubble.

While the timeline of Digital Marketing has been short, the cumulative events leading up to where we are now having impacted the entire globe faster than any marketing revolution in history. In 1994, spending for Digital Marketing totaled nearly nothing, but increased to over Rs.300 million in 1995. According to Forrester Research now, little more than a decade later, marketing spending and Digital Marketing business has exploded to nearly Rs.200 billion. Today, it's hard to believe in having an organization which doesn't have some kind of online presence.

## 2.2 THE MARKETING REVOLUTION

When the internet was first introduced in the early 1990s, it was not considered to be an advertising medium at all. Instead, the internet was treated as a tool for exchanging emails and digital information, but was not yet considered valuable for reaching customers. However, it was not long before marketing pioneers began to see the potential for Digital Marketing business as millions of web surfers logging on each day to find valuable and relevant information. Within just a few years, informative and educational marketing, as well as graphically enticing banner ads began to be shown up. It was not long before the results began to flood in, which proved the value of the internet marketplace to even the most skeptical advertisers.

Most importantly, companies which had been spending huge chunks of their marketing budget on offline list building, begin to realize that they could accomplish the same thing via email and for much less. It was not long before everyone from industry giants such as Microsoft Corp. to small businesses began to build company sites and spend marketing dollars to attract qualified traffic. Next, search engine companies like Yahoo, began to create significant profits from advertising alone.

Then came the great Digital Marketing business bust around the year of 2000, which marked the beginning of the end for interruptive marketing such as flashing banner ads. What was

happening? As interactive features were added to web pages, consumers were given the option of turning off marketing messages at will and they did. Then entered the age of education based invitational marketing, which crystallized with the creation of web 2.0 technologies. Suddenly, billions of "voices" began to rise all over the world, as the internet marketplace became as much a global community as it was an advertising medium. This led to a relational based marketing approach which has led to one of the most lucrative opportunities for solo entrepreneurs and small startups alike to make a small fortune working from their spare bedroom.

## 2.3 DIGITAL MARKETING ISSUES, CHALLENGES AND OPPORTUNITIES

There are number of challenges as well as opportunities before the Digital Marketing which are discussed as follows: -

- **Internet Usage:** If computer usage itself is insignificant, Internet usage is almost non-existent. Digital Marketing happens over the Internet and with low Internet usage. The government's role also seems limited in the promotion of Digital Marketing infrastructure. But maybe the country internet usage will speed up due to the fact that industries, services i.e. banking, investment, electronics, entertainment etc are being net based. Also, the introduction of wireless application protocol and generalized radio services internet and other forms of electronic exchange will come onto the scene.
- **Bandwidth:** The lack of bandwidth is a major cause for concern. India has very low bandwidth speed as compared to other countries i.e., USA, UK and China etc. But there have been have several applications with the DoT by the large and small ISPs to set up their own gateways, which would definitely result the introduction of newer and faster technology.
- **Cyber Laws:** Poor cyber laws may be considered a big issue in the way of Digital Marketing promotion in the country. Sometimes the consumers face problems with their electronic purchases due to of non-delivery of orders placed online. And it takes only one scam to shake the confidence from the system. Legal shelter is extremely imperative for confidence to build up. Then there is the issue of insurance against fraud. The lack of a secure online payment mechanism and the continued debate on passing the Digital Signature Act are all major stumbling blocks.

Business-to-business sites are comparatively better off, as they normally have negotiated-contracts, with governing laws and jurisdiction set out clearly. Also, the transactions are normally between known entities that have, or are actively looking for long business relationships.

- **Digital Identity:** How can customers trust the site they are doing business with? Similarly, how does the site ensure that they are not using a stolen credit-card number? The answer to this is digital certificates. But, to issue a digital certificate, we need an extremely trustworthy agency issuing the certificate of identity.
- **Inter-State Goods Movement Regulations:** Anyone involved in selling and shipping goods across the state borders will testify what a nightmare this can be. No two states have the same sales tax and excise-duty rules. The rates differ, the forms to be filled in differ and then there's octroi.
- **Setup and Infrastructure Costs:** In spite of what many vendors would want us to believe, Digital Marketing is not a one-man operation that can run from a couple of servers stashed away in a corner in a basement. Equally big is the cost of software, Web-hosting services, bandwidth, and proper security. All these could add up to quite a big amount, both in initial investments and in running costs.
- **Advertising Costs:** The Internet is often likened to a high-speed digital highway with millions passing by every minute. No way, It's more like a mess of alleyways that no one has ever mapped out. Having a cool Website will not bring in people. People come to a Website either by typing the URL directly in their browser, or by clicking on an interesting link seen on some other site. Either of these costs a lot of money.

## 2.4 FUTURE TRENDS OF DIGITAL MARKETING

The Internet has actually modified the method in which details are shared, and has actually had an extensive influence on marketing. Over the previous couple of years, there has actually been even more of a change towards incoming strategies, while lots of outgoing methods have actually become old. More companies are discovering success publishing original content instead of embedding ads within external content, because of the extra perks these strategies provide, such as branding and audience growth. Today, over 75% of website traffic comes through organic search results and 85% of people trust search engines for

fulfilling their primary business needs. Let us find out what will be the future Digital Marketing trends.

- **Search engine optimization**: It is an essential strategy in digital marketing. It is the process in which the website's visibility is affected or making a web page visible in a search engine's unpaid results, it is often referred to as "natural results". This process is done by increasing the volume of keywords that a site ranks for.

  Search engine optimization targets the various kinds of search such as video search, image search etc. it also covers the factors like how the search engine works, about what the people search for and the kind of keywords typed into search engines. The kind of search engines are preferred by the company's targeted customers also finds out by the search engine optimization.
- **Pinterest:** Now Pinterest being the major platform to advertise the products in socially and publicly. Pinterest is a web and mobile application. It operates a software systems designed to discover information on the World wide web, mainly using images and on the smaller scale, GIFs and videos. It is improving day by day and providing better result to subscribers.
- **Adware:** It is software that once installed it automatically displays advertisements on the user's machine. All the ads may appear in the software itself, and integrated into the web pages visited by the user, or in pop-ups.
- **Social Conversion:** Social networking have already play an important role in Digital Marketing, expect their importance to increase. Social conversions are important for e-commerce and lead generation sites.
- **Automation:** With the passage of time marketing automation has been improve. Now most of the technical products have innovated like washing machines, fridges, coolers etc. by getting innovative ideas technical products become automatically.
- **Search engine marketing**: It is a type of internet marketing uses the search engines for advertising the company's website or business to customers using internet. The more traffic to company's website is generated via advertising or paid links. It includes all the paid listings, search engine optimization and other related services that will increase traffic to the company's web site.
- **Exploring New Paying Methods:** Generally speaking that individual is looking for secure, simple and easy way for payment. Now many online payment methods are

available in the market. By improving the payment methods international marketing will improve and become successful.

- **Email marketing:** It is one of the earliest ways of digital marketing. Email marketing is composed of sending the commercial message regarding the company's product to a group of targeted customers using email and delivering the personalized emails and the targeted messages at the right time. With the help of email marketing software the company can maintain separate email lists on the bases of customer's likes and dislikes.
- **Social media marketing**: It is a form of marketing that utilizes the networking sites as a tool of marketing. The main goal of social media marketing is to produce that kind of content that the customers share with their social network groups. Many customers try to finds their favourite brands on social media so proper social media strategy is now become necessary for every organization to reach to their targeted audience. With the increased popularity of Google, face book, twitter and YouTube social media marketing became more popular. Posting the right kind of content is necessary so that the people will share company's content, it helps to reach to the new customers. These kinds of sites also are used as an effective form of communication to engage with customers.
- **Mobile advertising:** It is also one of the biggest growth areas in the digital marketing. The advertising is done via mobile phones. The mobile phones which are used for advertising are: smart phones, wireless phones or tablet computers.
- **Online advertising:** It is also known as internet advertising or web advertising, is a form of marketing and advertising that uses the internet services to deliver the promotional marketing messages to the consumers. Despite of many benefits of online marketing there are some reasons the consumers finds this mode disruptive and blocking the ads. Online advertising includes: Social media marketing, search engine marketing and Mobile marketing.
- **Affiliate marketing:** Affiliate marketing occurs when the business firm organize third parties for bring in customers for them. The payment is given to the third parties on the bases of sales generated through their advertising. Affiliate generates the traffic to the company through their affiliate networks; once the purchase is made by the visitors they receive the payment. The desired actions can be: Email submission, Phone call, Filling out an online registration form.

- **Display advertising:** It is done through advertising on websites. The main purpose behind display advertising is to deliver brand messages to site visitors and deliver general advertisements. Display advertising includes different formats and contains many items such as: Flash, Images, Text, Video, Audio.

**CHECK YOUR PROGRESS**

I. In 1994, spending for Digital Marketing totalled nearly nothing, but increased to over Rs.300 million in 1995. (True/False)

II. When the internet was first introduced in the early ……s, it was not considered to be an advertising medium at all.

a) 1995 c) 1985

b) 1990 d) 1981

III. …… has very low bandwidth speed as compared to other countries i.e., USA, UK and China etc.

IV. Poor cyber laws is not considered a big issue in the way of Digital Marketing promotion in the country. (True/False)

V. ……. of website traffic comes through organic search results.

a) 50% c) 75%

b) 90% d) 80%

VI. The motive behind paid search advertising is to get instant traffic to the ……...

VII. Google buzz which is an addition to social features in Gmail is creating buzz everywhere. (True/False)

VIII. Social conversions are not important for e-commerce and lead generation sites. (True/False)

## 2.5 PREDICTIONS REGARDING MARKETING

Digital Marketing has changed time to time with the passage of time. Digital Marketing start in 1993 with the simplest form of online marketing. Today, 25 years later, online marketing has changed in many significant ways, involve search engines, social media platforms, Gmail cover all other electronic post platforms, You-tube etc. Some predictions are measured by specialists, they are given below.

- **Reality optimization will become a thing:** The concept of search optimization is all about getting found, but there can be a new, physical application of this inbound discovery efforts once augmented reality device become popular. In future the reality optimization will become only a thing.
- **Unbound ads will die:** Now internet is almost is everywhere, with no concept of connection, traditional advertising is going to finally die. In future we predict that only digital ads will available like television ads.
- **Competition will be reduced:** By increasing the technology and machines there will be less work available for the humans. With less work, there will be fewer businesses. All this results in a complicated evolution of economy system. We will have more distance to resources we have every time desire, but there will be some brands and businesses providing them. So the competition will reduce.
- **Strange new social interactions will be introduced:** Today are column collections of content; each person and company has an indifferent profile that submits and advertise content. In future digital profiles may be more closely bind to a public and individual can be able to produce content and exchange with others more immediate.
- **More Integrated Global:** Now inbound and outbound marketing are combined. We all know that after the innovation of digital or Digital Marketing the internet services is increase immediately and with this innovation the global marketing will also increase. In future more new technology will innovate and the global relation and businesses are there.

## 2.6 TRADITIONAL MARKETING V/S DIGITAL MARKETING

Traditional marketing is a broad concept that encompasses several different categories of advertising and marketing. Traditional marketing, rather than the rise of digital technology in online marketing, is critical for the growth of any company. Digital marketing refers to the promotion of goods or services through the use of digital media, mostly the internet, but mobile phones, display advertisements, and other digital terminology is also included.

The key distinction between traditional and digital marketing is how the marketing message is communicated to an audience.

| Area | Traditional Marketing | Digital Marketing |
|---|---|---|
| **Target Audience** | Traditional marketing strategies make it simple to connect with local audiences. | You can meet your target audience from all over the world using digital marketing. |
| **Marketing Approach** | Traditional marketing takes a more intimate approach so it is very straightforward for marketers to have a one-on-one interaction with the public while educating them or advertising their brand's name. | The marketers' tangible presence is not needed in digital marketing; it is a bonus, but it is not required, because digital marketing enables the marketer to reach a limited number of customers quickly. |
| **Documentation** | Traditional marketing strategies include a physical copy of the products/services definition that can be read several times. | Digital channels offer descriptions in softcopy via the website, or via images, you tube, and other media, which can be accessed at any time and from any location to fulfil the wants of the user, and they eliminate the need for paper documentation. |
| **Consumer Interaction** | Traditional marketing involves very little interaction because the medium of publicity are not versatile enough to incorporate consumer interaction. | Digital marketing provides consumers with a variety of digital ways like- social networking sites, e-commerce websites, and various apps for gathering reviews where they can express their opinions about the products/services. |
| **Marketing Cost** | Traditional marketing is costly because it involves printing and radio/TV commercials, all of which add to the company's costs. | Since everything is online and social media platforms is free, marketing is less costlier than traditional marketing. If a company's marketing needs necessitate it, they may choose to use paid advertisements. |
| **Marketing Analysis** | Traditional marketing makes result analysis more difficult because companies must rely on surveys and market findings. | In digital marketing, data and facts are collected and stored digitally, making it easier for marketers to evaluate marketing results. |
| **Real-Time Results** | Traditional marketing strategies require the organisation to wait weeks or months for a response. | Digital marketing produces instant results, making it simple to obtain real-time marketing results. |
| **Interruptions** | Advertisements and other items that causes interruptions are not something that consumers may opt to skip. | Consumers can miss the interruptive element of digital marketing strategies and continue to engage with the products/services. |

| | | |
|---|---|---|
| **Strategy Refinement** | Since traditional marketing strategies do not produce real-time results, developing a marketing strategy that is based on marketing results takes time. | Outcomes of the real-time results provided by digital marketing, strategy refining becomes much easier, and the marketing team may choose to modify or adjust their business strategy in response to market results. |
| **Communication** | Traditional marketing relies on one-way contact due to the rigidity of marketing mediums. | Online marketing encourages two-way contact, which helps to satisfy customers and give them the feeling that they are being heard and served. |

The secret to a successful marketing strategy is understanding the relationship between digital and traditional marketing methods. Will they be able to collaborate? Yes, absolutely. Digital marketing will be a valuable addition to traditional marketing. Both are essential parts of a marketing campaign. However, combining the two will yield better results for business.

## 2.7 THE SCOPE OF CAREERS IN DIGITAL MARKETING

As we know that huge growth has taken place in the area of online business and it has been growing day and night. We people have huge number of career opportunities in the Digital marketing.

- We can start our career as Professional Blogger
- We can start the Affiliate Marketing & AdSense
- There are opportunities for Freelancing Services
- Group of persons have expertise can start their own organisation
- A person can become a Youtuber
- A Person can start Drop transport business
- Person can start training and coaching classes for untrained persons in online business

Having expertise in the digital business person can occupy the following role in Digital Marketing:

- Digital Marketing Manager or Digital Director
- Web Developer & Web Designer
- Analytics Manager
- CRM Manager

- Email Marketing Manager
- E-Commerce Manager
- Digital Agency Account Director
- Social Media Executive and Social Media Manager
- Search engine optimization Executive/Expert
- PPC/SEM Expert
- Content Developer

**CHECK YOUR PROGRESS**

IX. In future we predict that only digital ads will available like television ads. (True/False)

X. In future digital profiles may be more closely bind to a public and individual can be able to produce content and exchange with others more immediate. (True/False)

XI. ……. is a broad concept that encompasses several different categories of advertising and marketing.

a) Traditional marketing
b) Niche Marketing
c) Social Media Marketing
d) E-Mail Marketing

XII. Digital marketing refers to the promotion of goods or services through the use of digital media, mostly the……...

XIII. Traditional marketing involves very huge interaction because the medium of publicity is not versatile enough to incorporate consumer interaction. (True/False)

XIV. Digital marketing, produces instant results, making it simple to obtain …… marketing results.

XV. Traditional marketing relies on ……. contact due to the rigidity of marketing mediums.

a) one-way
b) Two-way
c) Both
d) None of these

**2.8 LET US SUM UP**

Digital Marketing business bust around the year of 2000, which marked the beginning of the end for interruptive marketing such as flashing banner ads. When the internet was first introduced in the early 1990s, it was not considered to be an advertising medium at all.

Instead, the internet was treated as a tool for exchanging emails and digital information, but wasn't yet considered valuable for reaching customers. However, it was not long before marketing pioneers began to see the potential for Digital Marketing business as millions of web surfers logging on each day to find valuable and relevant information. The Internet has actually modified the method in which details are shared, and has actually had an extensive influence on marketing. Over the previous couple of years, there has actually been even more of a change towards incoming strategies, while lots of outgoing methods have actually become old. There are number of challenges as well as opportunities before the Digital Marketing like Internet usage is almost non-existent, lack of bandwidth is a major cause for concern and many more. Even after problems, online marketing has changed in many significant ways, involve search engines, social media platforms, Gmail cover all other electronic post platforms, You-tube etc. Traditional marketing is a broad concept that encompasses several different categories of advertising and marketing. Traditional marketing, rather than the rise of digital technology in online marketing, is critical for the growth of any company.

## 2.9 KEY WORDS

| | |
|---|---|
| INTERRUPTIVE MARKETING | Innovative marketing such as flashing banner ads. |
| CYBER LAW | Law to protect the interest of online users |
| DIGITAL IDENTITY | Identification of company and user in the online market. |
| SEARCH ENGINE OPTIMIZATION | Technique to get high ranking for the company web site. |
| MOBILE MARKETING | Set of practices that enables organizations to communicate an interactive manner through any mobile device |
| BLOGGING | Blogging is a way to update website periodically with fresh and unique content. |

## 2.10 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | True | V. | 75% | IX. | True |
| II. | 1990 | VI. | Website | X. | True |
| III. | India | VII. | True | XI. | Traditional Marketing |
| IV. | False | VIII. | False | | |

| | | | |
|---|---|---|---|
| XII. | Internet | XIV. | Real-time |
| XIII. | False | XV. | One-Way |

## 2.11 TERMINAL QUESTIONS

- Describe in details how the digital marketing came into existence. What were the stages through which it has crossed to become a promotional tool?
- How digital marketing is useful for business organisations? What are the challenges which marketing managers facing in Indian Environment?
- What are digital marketing issues faced by the marketing managers and how would you predict the future trend for digital marketing under same scenario?
- Digital marketing has grown in India through difficult stages, how would you see the future of digital marketing in India?
- Digital marketing has grown from the traditional marketing but id has been doing great for the promotion of business organisation, how would you see which one is better?
- Explore the prediction for the digital marketing. How traditional marketing is different from the digital marketing?
- What is digital marketing evolution? What are the career opportunities in the digital marketing?

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**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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## UNIT-3 DIGITAL CONSUMER: CONSUMER CHARACTERISTICS AND PROFILE

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**STRUCTURE**


3.0 OBJECTIVES
3.1 INTRODUCTION
3.2 CUSTOMER CENTRIC ONLINE MARKETING
3.3 THE ADOPTION PROCESS
3.4 WHY CUSTOMERS BUY
3.5 CHARACTERISTICS OF THE CONSUMERS
3.6 MARKET SEGMENTATION, TARGETING AND POSITIONING
3.7 E-MARKET SEGME NTATION
3.8 TARGETING
3.9 MARKET POSITIONING

**3.10 REPOSITIONING**

3.11 E-MARKETING SITUATION ANALYSIS
3.12 PUBLIC RELATIONS PROCESS

**3.13 LET US SUM UP**

3.14 KEY WORDS
3.15 ANSWERS TO CHECK THE PROGRESS
3.16 TERMINAL QUESTIONS


### 3.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Basics understanding for the consumer in online market
- Understand the customer centric online marketing
- Explore the adoption process
- Evaluate the features of consumers in online market
- Develop the strategies for segmentation, targeting and positioning
- Analysis the SWOT of E-Marketing
- Describe the Public relationship process

### 3.1 INTRODCTION

Digital Marketing is a revolution in today's business world. Business organizations have been forced to adopt technological change over the last decade. Digital Marketing utilizes electronic channels to carry through their marketing activities to attain marketing objectives of the organization. In a broad sense, Digital Marketing is the utility of computer and internet

technology, or electronic based activities, to improve marketing activities and performance. It improves the online execution of delivering customer benefits and satisfaction. Digital Marketing draws heavily on Internet communications to co-ordinate many marketing activities, such as market research, New product development, market segmentation, positioning, product distribution, customer services, promotion, customer feedback, etc. These internet or electronic based activities should, in turn, be integrated with the overall marketing strategy to support the corporate objectives of the E-commerce.

Digital Marketing is one of the ways through which marketers can develop the link and have good relation with the customer. As business is becoming more and more difficult or rigid, so there is need to make a good relation with the customer because a customer is the backbone of every business. Therefore, with the help of a customer centric online marketing marketer can make a customer happy, as survival of business depends on the happiness and satisfaction of the consumers.

### 3.2 CUSTOMER CENTRIC ONLINE MARKETING

Digital Marketing has become a vital component of the overall marketing efforts. In a competitive business environment, losing customers is very easy as the competitor is just a click away. Therefore, Implementing Digital Marketing strategy, requires an adequate understanding of changes in the way customers think and act on the World Wide Web. In other words, in a dynamic business environment, Digital Marketing is capable of cutting through the clutter to provide a precious opportunity for businesses to improve accessibility to the world and thrive.

Hence in case marketers want to acquire and to retain more customers, then they have to give more importance to the consumers than their competitors. With the help of a customer centre in online marketing strategy, marketers would be able to attract and satisfy more customers in the E-market; otherwise, E-marketers would not be able to survive in the market. Marketers need to deliver product and services as per the requirement of customers. Companies that are customer centric are 60% more profitable than companies that are not customer centric.

There are Customer-centric best practices marketers need to consider while developing marketing strategies.

- **Believe that customers come first:** In every business they have to believe that the customer will come first. No business can survive in the market

without the customers. Customers are the heart and the backbone of the business.

- **Customer Satisfaction: C**ustomer satisfaction is one of the important factors, customer must be satisfied as far as the product or the services are being rendered by the business.
- **Handling time:** in case customers have any problem regarding product, they need to be solved as soon as possible, as this would create trust among customers.
- **Customer Needs:** There should be a proper market research in order to find the utility and value, customer seeking from the product. In case E-marketer is able to match with the expectations of customer, there would be more market share for the product.
- **Customer Relationship:** Marketers need to have good relationship with customers through online marketing channels. When they have a good relationship with customers, they would never sift to another brand. According to Sethgodin, "it is easier to love a brand , when the brands love you back".

## 3.3 THE ADOPTION PROCESS

The Adoption Process (also known as the Diffusion of Innovation) is more than forty years old. It was first described by Bourne (1959), so it has stood the test of time and remained an important marketing tool ever since. It describes the behavior of consumers as they purchase new products and services. The individual categories of innovator, early adopter, early majority, late majority and laggards are described below:

- **Innovators** are the first one to adopt and display behavior that demonstrates that they likely want to be ahead, and to be the first to own new products, well before the average consumer. They are often not taken seriously by their peers. They often buy products that do not make it through the early stages of the Product Life Cycle (PLC).
- **Early adopters** are also quick-to-buy new products and services, and so are key opinion leaders with their neighbors and friends as they tend to be amongst the first to get hold of items or services.

- **The early majority** looks to the innovators and early majority to see if a new product or idea works and begins to stand the test of time. They stand back and watch the experiences of others. Then there is a surge of mass purchases.
- **The late majority** tends to purchase the product later than the average person. They are slower to catch on to the popularity of new products, services, ideas, or solutions. There is still mass consumption, but it begins to end.
- **Laggards** tend to be very late to take on board new products and include those that never actually adopt at all. Here there is little to be made from these consumers.

There are a number of examples of products that have gone through the adoption process. They include I-pods or DVD players (or even video players and smart watches). Initially only a small group of younger or informed, well off people bought into these products. Opinion leaders or the early adopters then buy the product and tend to be a target for marketing companies wishing to gain an early foot hold. The early majority is slightly ahead of the average, and follow. Then the late majority buys into the product, followed by any laggards. New adoption process or curves begin all the time. Who knows what will happen with solid state technology or Internet purchases of media?

### 3.4 WHY CUSTOMERS BUY

Marketers spend millions of rupees trying to understand why customer buy products and services. Sometimes it seems that there is no reason for a purchase, but in reality, there is always a reason. Many factors are involved in a customers' buying decision, any one of which can become the deciding factor, such as:

- Practical-consumers purchase products because they need them to survive, such as food, clothes and medicine.
- Impractical-consumers are the opposite of practical, purchasing products that may be necessary.
- Rational-Purchases are made with logical.
- Irrational-products are purchased for foolish or absurd reasons.
- Factual-Purchasing products based on researched reports.
- Emotional-purchasing is based on feelings.

### 3.4.1 Consumers Also Buy:

- **To Increase:** Sales, Profit, Satisfaction, Confidence, Convenience, Pleasure, and Production.
- **To Protect:** Investment, Self, Employees, Property, Money, and Family
- **To Make:** Money, Satisfied customers, and Good impressions.
- **To Improve:** Customer relations, Employee relations, Brand image, Status, Earnings, and Performance.
- **To Reduce:** Risk, Investment, Expenses, Competition, Worry, and Trouble
- **To Save:** Time, Money, Energy, and Space.

## CHECK YOUR PROGRESS

I. Digital Marketing is the utility of computer and internet technology, or electronic based activities, to improve marketing activities and performance. (True/False)

II. In a competitive business environment, losing customers is very difficult as the competitor is just a click away. (True/False)

III. Companies that are customer centric are ……. more profitable than companies that are not customer centric.

a) 70%
b) 50%
c) 60%
d) 80%

IV. The Adoption Process is also known as the ……..

V. ……. tend to be very late to take on board new products and include those that never actually adopt at all.

a) Laggards
b) Innovators
c) Early adopters
d) The early majority

VI. Marketers spend millions of rupees trying to understand why …… buy products and services.

## 3.5 CHARACTERISTICS OF THE CONSUMERS

- **Intelligence:** Unless companies are specifically marketing a product to extremely intelligent individuals, it is best to word marketing messages on a level most people can understand, and do not ever talk to customers in a way that would make them feel inferior.

- **Involvement:** A customer with higher levels of involvement with the product, service and marketing information will have more recall than a consumer with less involvement. Creating more interest in the product and making a website more interactive will help to increase sales. More involvement results in more sales.
- **Familiarity:** Generally, the more familiar a customer is with a product, the more likely they are to purchase it; however, having too much familiarity can lead to adaptation, when customers become tired of their "familiar" purchases and seek out novelty items.
- **Expectations:** If the customer does not know what to expect from the product or service, then they are not going to purchase it. This explains why familiar brands like Coca-Cola, Dabur, Godrej etc. do not change their logos; customers are familiar with them, have positive thoughts about them and know what to expect.
- **Physical limits:** Marketers need to remember that some consumers have limitations such as hearing impairment or colour blindness and these needs to be taken into consideration when creating marketing messages.

## 3.6 MARKET SEGMENTATION, TARGETING AND POSITIONING

It is very important to learn what market segmentation, why it is important is and the different dimensions used by marketers to segment the population. How marketers evaluate and select potential market segments is explained as is the development of a targeting strategy. We understand how a firm develops and implements a positioning strategy and creates a customer relationship management strategy to increase long-term success and profits. After careful study, we will learn that it is not at all right to treat people differently but is a requirement in successful marketing. As small children, we are often taught to treat everyone alike. But after reading market segmentation, we will learn that this strategy does not work in marketing. The goal of marketing is to create value and satisfy needs. However, everyone's needs are not the same and understanding needs is a complex task.

## 3.7 E-MARKET SEGMENTATION

Market segmentation is an important process in conventional marketing. Segmentation is an important step in ensuring successful implementation of marketing strategies. Market segmentation means dividing a market into different groups or categories according to certain criteria such as household income, level of income, level of education, age, gender, hobbies and more. Such data can be collected through questionnaire survey or from statistical

department. Once we have those groups ready, we can then use differentiated marketing strategies to target those groups based on their needs and wants. For example, ask yourself what you can sell to the senior citizens? Your answers could be nutritional products, tour packages, medicines, indoor exercising machines and more.

Now, how do we do market segmentation in the Internet marketplace, or rather marketspace? The concept is basically the same, the only difference is companies have a much larger marketplace, and the main concern is language and cultural differences. For example, if marketers wish to promote inbound tour packages, they can target adult travelers from different countries, using website that offers different major languages in the world, such as English, French, Spanish, German, Chinese and Japanese. If companies cannot do it themselves, they can always outsource to companies that provide translation services. Besides, organizations might want to customize the website according to different cultures, particularly those relating to food and things they like to see.

One of the most popular Internet outsourcing companies is **Odesk.com.** In this website, one can outsource jobs to suitable contractors who are mostly individual freelancers. One can bargain with them the price as well as other terms and conditions for handling their jobs. Jobs that can be outsourced are webpage design, contents writing and editing, graphic design, translation, copywriting, customer support and more.

### 3.7.1 The Need for Market Segmentation

Segmentation is the process of dividing potential markets or consumers into specific groups. Market research analysis using segmentation is a basic component of any marketing effort. It provides a basis upon which business decision makers maximize profitability by focusing their company's efforts and resources on those market segments most favorable to their goals. If all consumers were alike and had the same background, education and experience, mass marketing or undifferentiated marketing would be a logical strategy. The essence of market segmentation was summed up by Henry Ford.

### 3.7.2 Requirements of Market Segments

In addition to having different needs, for segments to be practical it should be evaluated against the following criteria:

- Identifiable
- Accessible
- Substantial
- Unique needs
- Durable

### 3.7.3 Bases for Segmentation

The next step in developing a market segmentation strategy is to select the most appropriate bases on which to segment the market. The marketer will have to try different segmentation bases or segmentation variables, alone or in combination, to find the best way to view the market structures. The major bases to segment consumer markets are the following:

- Geographic segmentation
- Demographic segmentation
- Psychographic segmentation
- Behavioural segmentation

## 3.8 TARGETING

In targeting, the marketers evaluate the attractiveness of each potential segment and decide which of these groups they will invest resources against to try to turn them into customers. The customer group or groups selected are the firm's target market. A target market consists of a set of buyers who share common needs or characteristics that the company decides to serve. Target marketing can be carried out at different levels:

- **Undifferentiated Marketing:** An undifferentiated targeting strategy is one that appeals to a wide-spectrum of people. If successful, this type of operation can be very efficient, especially because production, research, and promotion costs benefit from economies of scale, it's cheaper to develop one product or one advertising campaign than to choose several targets and create separate products or messages for each. The company must be willing to bet that people have similar needs or differences among them that are trivial.
- **Differentiated Marketing:** A company that chooses a differentiated targeting strategy develops one or more products for each of several customer groups with different product needs. A differentiated strategy is called for when consumers are

choosing among brands that are well known in which each has a distinctive image in the marketplace and in which it's possible to identify one or more segments that have distinct needs for different types of products. E.g.: Tata Motors- a car for every 'purse', purpose and personality, Nike shoes- for running, golf, aerobics, cycling and other sports, Procter and Gamble- different brands for laundry detergent.

- **Concentrated Marketing or Niche Marketing:** When a firm focuses its efforts on offering one or more products to a single segment, it is using a concentrated targeting strategy. A concentrated strategy is often useful for smaller firms that do not have the resources or the desire to be all things to all people. Marketers generally identify niches by dividing a segment into sub-segments. E.g.: sports channels like ESPN, Star Sports, and Religious TV Channels.

  **Characteristics of niche marketing**

  - The customers in the niche have a distinctive set of needs.
  - The customers are ready to pay a premium price to the company that best satisfies their needs.
  - The niche is not likely to attract other competitors.
  - The niche marketer gains some economies of scale through specialisation.
  - The niche has adequate size, profitability and growth potential.

- **Customized Marketing or Micro Marketing:** Ideally, marketers should be able to define segments so precisely that they can offer products and services that exactly meet the unique needs of each individual or firm. A custom marketing strategy is common in industrial contexts in which a manufacturer often works with one or a few large clients and develops products and services that only these clients will use.

  In most cases this level of segmentation is neither practical nor possible when mass-produced products are sold. However, advances in computer technology, coupled with the new emphasis on building solid relationships with customers, have focused managers' attention on devising a new way to tailor specific products and the messages about them to individual customers.

## 3.9 MARKET POSITIONING

The concept of positioning was propounded by two advertising executives, Al Ries and Jack Trout. They considered positioning as a creative exercise done by marketing people with both existing as well as new products. According to them positioning starts with a product, a piece of merchandise, a service, a company, an institution or even a person. But positioning is not what is done to a product. Positioning is what marketers do to the mind of the prospect. That is, marketers position the product in the mind of the prospect.

Positioning is developing a product and brand image in the minds of consumers. It can also include improving a customer's perception about the experience they will have if they choose to purchase product or service. The business can positively influence the perceptions of its chosen customer base through strategic promotional activities and by carefully defining the business' marketing mix. Effective positioning involves a good understanding of competing products and the benefits that are sought by the target market. It also requires companies to identify a differential advantage with which it will deliver the required benefits to the market effectively against the competition. Business should aim to define themselves in the eyes of their customers in regards to their competition.

### 3.9.1 Developing a Positioning Strategy

Positioning means developing a marketing strategy aimed at influencing how a particular market segment perceives a product or service in comparison to the competition. Developing a positioning strategy entails gaining a clear understanding of the criteria that the target consumers use to evaluate competing products and then convincing them that your product will meet those needs. Positioning can be done in many ways. Marketers must devise a marketing mix that will effectively target the segment's members by positioning their products to appeal to that segment. A first step is to analyze the competitors' positions in the marketplace. Who are the direct competitors and what products or services are they providing? Indirect competition can also be important. The following is a list of some established product positioning strategies.

- **Against a Competitor:** Positioning product directly against a competitor's typically requires a specific product superiority claim. A memorable example is Dominos 30 minutes delivery guarantee.
- **Product Categories:** Comparing product to a product in a different category can be an effective way to differentiate. In a soap-compares-itself-to-lotion example,

Palmolive dishwashing liquid claims that it softens your hands while you do the dishes.

- **Away from a Competitor:** Positioning as the opposite of competitor can help marketer to get attention in a market dominated by some other product. A famous example is 7-UP calling itself the Uncola.
- **Benefits:** This strategy focuses on a benefit; product provides to target audience. Examples include Volvo's emphasis on safety and Colgate toothpaste's focus on reducing cavities.
- **Product Attributes:** Highlighting a specific attribute of product can also be compelling. For example, Taj hotels focus on luxury; Ginger hotels focus on economy.
- **Usage Occasions:** This kind of positioning stresses when or how product is used by target audience. Jeep's focus on off-road driving is an excellent example.
- **Users:** Focusing on the unique characteristics of specific users can also be effective. For example, Dummies series of instruction books are attractive to people who want to learn about a topic from a source that doesn't assume any prior knowledge on the reader's part.

### 3.9.2 Product Positioning and Differentiation

Marketers must also develop a positioning strategy that includes offering a product or service with a competitive advantage, providing a reason why consumers will perceive the product as better than the competition. Once a positioning strategy is set, marketers must finalize the marketing mix by putting all the pieces into place. The elements of the marketing mix must match the selected segment. This means that the goods or services must deliver benefits that the segment values, such as convenience or status. Furthermore, marketers must price this offering at a level these consumers will pay, make the offering available at places consumers are likely to go, and correctly communicate the offering's benefits in locations where consumers are likely to take notice. Finally, marketers must evaluate the target market's responses so they can modify strategies as needed. Over time, the firm may find that it needs to change which segments it targets or even redo a product's position to respond to marketplace changes. An example of such a makeover is called repositioning.

## 3.10 REPOSITIONING

In volatile markets, it can be necessary, even urgent, to reposition an entire company, rather than just a product line or brand. When Goldman Sachs and Morgan Stanley suddenly shifted from investment to commercial banks, for example, the expectations of investors, employees, clients and regulators all needed to shift, and each company needed to influence how these perceptions changed. Doing so involves repositioning the entire firm. This is especially true of small and medium-sized firms, many of which often lack strong brands for individual product lines. In a prolonged recession, business approaches that were effective during healthy economies often become ineffective and it becomes necessary to change a firm's positioning. Repositioning a company involves more than a marketing challenge. It involves making hard decisions about how a market is shifting and how a firm's competitors will react. Often these decisions must be made without the benefit of sufficient information, simply because the definition of "volatility" is that change becomes difficult or impossible to predict.

### 3.10.1 Product positioning process

Generally, the product positioning process involves:

- Defining the market in which the product or brand will compete (who the relevant and prospect buyers are)
- Identifying the attributes (also called dimensions) that define the product 'space'
- Collecting information from a sample of customers about their perceptions of each product on the relevant attributes
- Determine each product's share of mind
- Determine each product's current location in the product space
- Determine the target market's preferred combination of attributes (referred to as an ideal vector)
- Examine the fit between the product and the market.

### 3.10.2 Why is positioning important?

Product positioning is a crucial ingredient in the buying process and should never be left to chance. It is company's opportunity to influence the market's perception of their products and services. Failure to proactively address product positioning is unlikely to end well. With or

without marketer input, customers will position the product, probably based on information from the competitors, which will not flatter the organisations. Clear, concise, meaningful product positioning also helps companies cut through the relentless advertising and marketing noise of the marketplace. In customer's mind, product positioning gives the messages some context so they can be better heard and accepted.

**CHECK YOUR PROGRESS**

VII. More involvement of customer in purchase, results in more ……...

a) Promotion
c) Production
b) Sales
d) Market share

VIII. If all consumers were alike and had the same background, education and experience, mass marketing or undifferentiated marketing would be a logical strategy. (True/False)

IX. …….. is an important step in ensuring successful implementation of marketing strategies.

X. A…… consists of a set of buyers who share common needs or characteristics.

XI. An …… targeting strategy is one that appeals to a wide-spectrum of people.

a) Differentiated
c) Undifferentiated
b) Niche
d) All above

XII. It can also include improving a customer's perception about the experience they will have if they choose to purchase product or service. (True/False)

XIII. Positioning means developing a marketing strategy aimed at influencing how a particular market segment perceives a product or service in comparison to the competition. (True/False)

XIV. The …… of the marketing mix must match the selected segment.

## 3.11 E-MARKETING SITUATION ANALYSIS

The *situation analysis for E-marketing* bridges the internal audit and competitor research. It answers the question where are we now in terms of our electronic marketing (internal v/s external perspective)? The analysis literally considers **electronic marketing** situation by considering the fit between internal and external factors. There are similarities with traditional concepts and techniques, but marketers need to focus upon digital marketing.

Some of the problems that marketer may encounter with SWOT are as a result of one of its key benefits i.e., its flexibility. Since SWOT analysis can be used in a variety of scenarios, it has to be flexible. To overcome these issues, one should employ a Power SWOT. Smith and Chaffey (2006) distil the situation of a business using Internet as part of its business under the following 5S's:

- **Sell**: Grow sales and attract business using digital technologies.
- **Serve:** Add value through the benefits of the Internet such as speed.
- **Speak:** Get closer to customers by making business available to them at home, work or on the go with mobile technologies.
- **Save:** Reduce costs by using information technologies to make business more efficient.
- **Sizzle:** Extend the online brand (or create a new one) remember sell the sizzle not the sausage i.e. the benefits, aesthetics or value of a product or service rather than its features.

### 3.12 PUBLIC RELATIONS PROCESS

The definition of Public Relations as relations with the general public through publicity, those functions of a corporation, organisation, branch of military service, etc., concerned with informing the public of its activities, policies, etc., attempting to create favourable public opinions. Public Relations are the planned effort to influence opinion through good character and responsible performance, based upon mutually satisfactory two-way communications.

- **Research-listening:** This involves probing the opinions, attitudes and reactions of those concerned with the acts and policies of an organisation, then evaluating the inflow. This task also requires determining facts regarding the organisation: "what's our problem?"
- **Planning-decision making:** This involves bringing these attitudes, opinions, ideas and reactions to bear on the policies and programmes of the organisation. It will enable the organisation to chart a course in the interests of all concerned: "Here's what we can do."
- **Communication-action:** This involves explaining and dramatizing the chosen course to all those who may be affected and whose support is essential: "Here's what we did and why."

- **Evaluation:** This involves evaluating the results of the programme and the effectiveness of techniques used: "How did we do?"

**CHECK YOUR PROGRESS**

XV. The *situation analysis for E-marketing* does not bridges the internal audit and competitor research. (True/False)

XVI. Public Relations are the planned effort to influence opinion through good character and responsible performance, based upon mutually satisfactory two-way communications. (True/False)

XVII. There are similarities with traditional concepts and techniques, but marketers need to focus upon digital marketing.

**3.13 LET US SUM UP**

Digital Marketing is one of the ways through which marketers can develop the link and have good relation with the customer. As business is becoming more and more difficult or rigid, so there is need to make a good relation with the customer because a customer is the backbone of every business. Therefore, with the help of a customer centric online marketing marketer can make a customer happy, as survival of business depends on the happiness and satisfaction of the consumers. The Adoption Process was first described by Bourne (1959), so it has stood the test of time and remained an important marketing tool ever since. It describes the behaviour of consumers as they purchase new products and services. Marketers spend millions of rupees trying to understand why people buy products and services. Sometimes it seems that there is no reason for a purchase, but in reality, there is always a reason. The goal of marketing is to create value and satisfy needs. However, everyone's needs are not the same and understanding needs is a complex task. Market segmentation is an important process in conventional marketing. Segmentation is an important step in ensuring successful implementation of marketing strategies. Market segmentation means dividing a market into different groups or categories according to certain criteria such as household income, level of income, level of education, age, gender, hobbies and more. In targeting, the marketers evaluate the attractiveness of each potential segment and decide which of these groups they will invest resources against to try to turn them into customers. Positioning is developing a

product and brand image in the minds of consumers. It can also include improving a customer's perception about the experience they will have if they choose to purchase product or service. The *situation analysis for E-marketing* bridges the internal audit and competitor research. It answers the question where are we now in terms of our electronic marketing.

## 3.14 KEY WORDS

| | |
|---|---|
| DIGITAL MARKETING | Electronic marketing strategy to carry through their marketing activities to attain marketing objectives. |
| CUSTOMER CENTRIC | Marketing strategy focused towards satisfying the customers. |
| ADOPTION PROCESS | It describes the behaviour of consumers as they purchase new products and services. |
| RATIONAL BUYING | Purchases are made with logical justifying. |
| SEGMENTATION | Dividing the Mass market into different groups. |
| TARGETING | Selecting the appropriate group out of all segmentations. |
| UNDIFFERENTIATED MARKETING | Where only one product satisfies all the customer in mass market. |
| NICHE MARKET | Small market, more narrowly defined market. |
| POSITIONING | Positioning is developing a product and brand image in the minds of consumers. |
| PUBLIC RELATIONSHIP | Public Relations are the planned effort to influence opinion through good character and responsible performance, based upon mutually satisfactory two-way communications. |

## 3.15 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | True | VI. | Customer | XII. | True |
| II. | False | VII. | Sales | XIII. | True |
| III. | 60% | VIII. | True | XIV. | 4Ps |
| IV. | Diffusion of Innovation | IX. | Segmentation | XV. | False |
| | | X. | Target market | XVI. | True |
| V. | Laggards | XI. | Undifferentiated | XVII. | Digital marketing |

## 3.16 TERMINAL QUESTIONS

- Why understanding the consumer perception is important for marketers? How the work is done under customer centric marketing strategy?
- What are the different stages for product adoption process? How the marketing strategies will differ for each stage?
- How the identification of characterises of consumers are important for the marketing manager?
- Highlight the stages of public relationship, how each stage contributes for long term relationship with the customer?
- What is market segmentation, and why is it an important strategy in today's marketplace?
- Explain the major variables used to segment the consumer markets. Give example of each.
- How do we segment the business markets?
- What is target marketing? What are the different levels of target marketing?
- What is market positioning? How the companies do positioning of their products? Discuss with examples.

**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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## UNIT-4 INFORMATION SEARCH BEHAVIOUR

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**STRUCTURE**


4.0 OBJECTIVES
4.1 INTRODUCTION
4.2 CONSUMER BEHAVIOUR AND INFORMATION SEARCH
4.3 BUYING MOTIVES DECIDE THE INFORMATION SEARCH
4.4 DIFFERENT INFORMATIONS REQUIRED FOR DIFFERENT BUYING ROLES
4.5 CUSTOMER VALUE
4.6 CUSTOMER SATISFACTION
4.7 MONITORING AND MEASURING CUSTOMER SATISFACTION
4.8 DELIVERING CUSTOMER VALUE
4.9 ROLES OF INTERNET MARKETERS

**4.10 LET US SUM UP**

4.11 KEY WORDS
4.12 ANSWERS TO CHECK THE PROGRESS
4.13 TERMINAL QUESTIONS


### 4.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Know how marketers sharing the information with customers
- Understanding the behaviour of customer while searching the information
- Understanding how motive will decide the information search
- Have experience how information requirement change with changing consumer role
- Importance of customer value for developing marketing strategies
- Explore how satisfaction will lead to change in consumer behaviour
- Monitor and measure the customer satisfaction
- Find out the role of internet marketers

### 4.1 INTRODUCTION

In Today's World "The customer is the King of the Market", So every company is making efforts to win the customer. All the process of every company is done by considering the demands, nature, expectations of the customer related to products and services.

One of the many critical tasks of marketer is not only to create the new customers but also to sustain its existing customer base. Customer is the most important factor in the internal business environment because customer is the reason why the business exists. The customer market can be broadly categorized into consumer market and industrial/business market.

Consumer market comprises of the individuals and households who purchase the product and services for the final consumption. The consumer market is dominated by the products and services that are specifically designed and manufactured for the general consumers. For example, FMCG products and other retail products are a part of consumer market. Business/Industrial market includes the businesses (both private and public institutions) which buy products and services for their own operations or to use them in their own product and services. For example, when Apple purchases Intel processing chips from Intel for using them in its devices it becomes a part of business market for Intel.

Digital marketing is the method of developing a brand, service, or product on the internet. Digital marketing differs from traditional marketing in that it requires the use of online platforms and strategies that enable companies and organisations to monitor the effectiveness of their marketing campaigns, while in traditional marketing, each marketing campaign is evaluated individually.

Most businesses have established a web presence in the twenty-first century. E-mail was widely used, and technology made it possible for people to do it reasonably easily. For a long time, organisations have used customer relationship management systems to handle their databases. Some businesses used banner ads on their websites in a similar manner to how they advertise in the news. Forward-thinking businesses were developing their search engine strategies and collaborating with affiliates. All of this was online marketing, and online marketing teams and experts will appear in a very short time.

Marketers use digital platforms to direct prospects through their buying process and keep in touch with their current clients, in addition to traditional marketing channels such as television, newspapers, advertisements, and so on.

Marketing teams create content, videos and other assets to answer questions or provide context to consumers throughout the three stages of the buyer's journey:

- **The stage of awareness:** the buyer recognises that they have a need.
- **The evaluation stage:** Buyer chooses a course of action to satisfy their needs.

- **The decision stage:** The buyer selects a product or service to satisfy the requirement.

For example, a customer can discover that they need new gym shoes. An activewear company's marketing department could write a piece about what features you need in a running shoe versus what you need for strength training. The buyer decides that they require pairs of running shoes that meet the requirements based on material. Another piece of content could include a list of the most common running shoes, as well as their price ranges. They determine after they have been informed on these factors. Content marketing is often less costly than other types of marketing, and it generates almost three times the number of leads.

## 4.2 CONSUMER BEHAVIOUR AND INFORMATION SEARCH

It Refer to the habits or attitudes of a consumer that influences the buying process of a product or service. There are different types of studies are involved to read out the consumer behaviour. Every business concern has a different policies or methods to study the consumer behaviour. Consumer behaviour is dynamic in nature so they adopt the particular strategy to find these changes. Consumer behaviour impacts virtually every stage of the buying process specifically in relation to digital environments and devices.

In our daily life customer need different types of information to understand the things and make decisions. Consumer before finalize his buying decision use various kinds of information in order to get the answers of what to buy, from whom to buy, how to buy and many more related questions. In the past customers having limited sources of information and difficult for them to find out, but at present with the advancement of technology customer can get any information as per requirement from the ample sources of information. It is not only the consumers, have been searching the information, marketers too need information regarding the consumer to develop the marketing strategies and other business decisions. So, marketers and business organization have been relying on the different online sources to get the related information.

## 4.3 BUYING MOTIVES DECIDE THE INFORMATION SEARCH

Consumers are going to behave differently to satisfy their needs, consumer behavior basically starts with the needs. The consumer’s needs may differ at various points of times. The hierarchy of need theory has been given by the Abraham Maslow, he has classified the needs in five stages i.e., Basic need, Safety need, Social need, Esteem needs and Self Actualization

need. The persons satisfy their needs in sequences; initially they satisfy their basic needs then move to next. In a same way to satisfy his self-actualization need, he has to satisfy rest of the need first. It is all because of these different need's consumers behave differently. D. J. Durian has defined the Buying Motives as "those influences or factors which provide the impulse to buy, induce action or determine choice in the purchase of goods and services." Buying motives are those motives which induce the consumers to select or buy particular product to satisfy needs. In another way buying motives are reasons which are satisfied by purchase of the commodities.

As we are clear that buying motive is the motive or urge to satisfy the needs that make customers to buy goods. There are buying motives behind every purchase. Buying motives are the thoughts, feelings and instincts which create a desire in the customers to buy an article. A person is not buying because the sales men have influence them to buy, they are buying due to desire that have taken place in them.

Identifying buying motives of the consumer is a difficult task for the marketers, as there are number of factors to induce consumers to buy particular product. The different experts have given different classification of buying motives. We have done the classification on the bases of:

1. Product Motives
2. Patronage Motives.

1. **Product motives:** Product motives are those motives which are related to the product that induce or prompt the consumers to choose and buy the product. Product motives are related with the attributes of the product. They include physical attraction of product (design, colour, shape, package, price etc.) and psychological attraction of the product (life style and status associated with the product).

   **Product buying motives may be further subdivided in to four groups:**

   - Emotional Product motives
   - Rational product motives
   - Operational product motives
   - Socio-psychological motives

- **Emotional Product Motives:** Emotional product motives are those which induce the persons emotionally to buy a product either they need or not or

even buy the product without evaluating its attributes. When buyers choose or buy a product without thinking over the matter logically, they are said to be influence by emotional product buying motives. The emotional product motives include:

- ✓ Pride is the strongest emotional motive used by the sellers to induce the buyer to buy product. Many consumers are proud of possessing some products, for example diamond merchants sell their products by using pride or prestige motives.
- ✓ Emulation is another emotional buying motive used by the sellers to sell the products to customer. For example, a girl may like to have same product for a simple reason that all her friends have the same.
- ✓ Affection for other is one of the important emotional buying motives inducing the customers to choose or buy the product. For example, a father buys a watch for his son out of his affection.
- ✓ Desire for comfort is another emotional motive used by the sellers. Many customers buy the product only because of comfort.
- ✓ Sex appeal is another emotional motive used by the marketers to sell the product. Consumers use the product, as they want to be attractive to the members of the opposite sex.
- ✓ Ambition is also used as emotional motive by the sellers to induce the consumers to buy the product. Out of ambition some consumers buy the products.
- ✓ Sometime customers buy the product, because they want to have the product which is not possessed by others.
- ✓ Many consumers buy a particular product because of habit.

For example, Jealousy is an emotional motive of persons, the larger percent being the ladies. It is feeling of hatred, envy or inferiority complex in matters of beauty, wealth, achievement and possession. That someone else is lucky, successful, deserving impress upon the neighbour, friends, colleagues and relatives, people may be induced to buy sarees, ornaments, refrigerators, cars, buildings, paintings, furniture etc. It will not be out of the place here to mention the advertisement by Onida T.V. Company which says, 'Neighbour's Envy, Owner's Pride'.

- **Rational Product motives:** As compare to the emotional motives there are a rational motive which induces the customers to buy the products. Here the consumers make the purchase decisions with logical analysis of product's attributes. When customers buy the product after careful consideration, they are said to be influence by rational product motives. A rational Product motive includes:
  - ✓ Desire for safety is an important rational buying motive to induce the consumers. For example, we go for safety locker in bank; it is all because of this motive. In a same way we buy Vitamin tablets or medicines due to this reason.
  - ✓ Saving money while buying the product is the rational motive to influence the customers. Mostly consumers buy Honda bikes due to high mileage.
  - ✓ Relatively low price is one of the rational buying motives; customers buy the products which are relatively cheaper.
  - ✓ Suitability of the product for the needs another rational motive as we know the intelligent persons buy the product based on their suitability.
  - ✓ How much the product is durable another rational motive which induces the customers.
  - ✓ The convenience of the product is another strongest rational product motive to influence the person to buy the product.

- **Operational Product Motives:** Operational product motive is concerned with the satisfaction derived from the functions of products and the utility of the product. The products having more utility for the customers or products having more satisfaction power will be more preferred by the customers. Hence the satisfactions from product or product's utility induce the persons to buy the product.

- **Socio-Psychological Motives:** Socio-psychological motives are different from the above three motives. In this customer attracted toward the products because of prestige attached with product. Thus, the produced are evaluated by

the consumers on the bases of social status. Customer would prefer to buy product which is socially acceptable.

2. **Patronage buying motives:** These motives refer to those reasons which influence the customers to buy wanted product from a particular seller or shop. Many times, we see most of the times customers are going to buy the product from particular shop, there are number of motives or reasons behind this kind of behaviour. Patronage buying motives are further classifies into two groups:
    - **Emotional Patronage motives**
    - **Rational Patronage motives**

- **Emotional Patronage Motives**: In this motive customer buy the wanted product from a particular shop without evaluating the reason; why that particular shop to buy product. Here the reason for buying from that particular shop is purely a subjective. The emotional patronage motive includes:
    - ✓ Appearance of the shop one of the strongest motives to induce the customer to buy from particular shop. Customers buy goods and services from particular shop because of attractive appearance of the shop.
    - ✓ Seller display the products in the shop in such a way, the customers get attracted toward that shop for buying the goods and services.
    - ✓ Recommendations of the others like friends or family members also induce the customer to go for shopping in that particular shop.
    - ✓ Sometime customers go to a particular shop for shopping because other customers are also going to that particular shop for shopping.
    - ✓ Prestige is one of the strongest patronages buying motives of the buyers. For example, customers prefer to go five-star hotels for coffee all because of prestige.
    - ✓ Sometime customers always go to particular shop for buying product, because they are habitual to buy from that particular shop.

- **Rational Patronage buying Motives:** On the other hand, the customers have the logic for buying from a particular shop in case of rational patronage motives. In this motive the customers are aware what are the advantages attached with a particular

shop in the form of wide selection, quality material, after sales services etc. we can include in the rational patronage motives:

- ✓ Convenient location of the shop which induce the buyer to buy product from particular shop.
- ✓ If the seller offers discounts or charge less price for the product, customer will prefer to go there for shopping.
- ✓ The credit services provided by the shop also induce the customers.
- ✓ The before and after sales services provided by the shop also influence the customers to go for a particular shop.
- ✓ The efficiency of the seller's staff to help the customer in buying process also induce the customer to go that shop for buying.
- ✓ The variety of quality products in the shop is one of the motives making the buyer patronise a particular shop.
- ✓ The reputation of the shop in society is also one of the rational motives to induce the customer.

**CHECK YOUR PROGRESS**

I. In Today's World "The customer is the ……... of the Market", So every company is making efforts to win the customer.

a) Promoter
b) User
c) Producer
d) King

II. ……. comprises of the individuals and households who purchase the product and services the service for the final consumption.

a) International market
b) Consumer market
c) Business Market
d) Non-profit organisation market

III. Digital marketing is the method of developing a brand, service, or product on the newspaper. (True /False)

IV. Most businesses have established a web presence in the ……. century.

V. Consumer behaviour impacts virtually every stage of the buying process specifically in relation to digital environments and devices. (True /False)

VI. The consumer's needs may differ at various points of times. (True /False)

VII. Identifying buying motives of the consumer is a easy task for the marketers, as there are number of factors to induce consumers to buy particular product. (True /False)

VIII. …….. are those motives which are related to the product that induce or prompt the consumers to choose and buy the product.

IX. …… motives are those which induce the persons emotionally to buy a product either they need or not or even buy the product without evaluating its attributes.

X. ……. motive is concerned with the satisfaction derived from the functions of products and the utility of the product

a) Emotional product
b) Operational product
c) Both
d) None of these

## 4.4 DIFFERENT INFORMATIONS REQUIRED FOR DIFFERENT BUYING ROLES

Most of the time the purchases are made by the individuals, but some time it may be done one a group like household. The number of individuals may interact to affect or influence the purchase decision. Depending upon the products, the persons involved in the process of purchase have to play different role or some time one person has to play all the roles required in buying process.

The five different roles which are required in buying process are discussed as:

- **Initiator:** The persons who start the process of considering a purchase is the initiator, as they are the persons who wants product to satisfy their needs. For example, a student may act as initiator for a laptop that he needs for education motive, a girl may feel the need of beauty products.
- **Influencer:** The influencers are going to influence the initiator's decision that needs products to satisfy their needs. A marketer needs to focus the influencer because they are going to alter the behavior of person who need product. For example, a student taken the initiative to buy the motorcycle, the elder brother or father in the family may influence him to buy the scoter not the bike.
- **Decider:** Decider is the person who is going to decide whether to buy the product or not, actually he is the person who is going to pay for the product. For example, in a family father is the payer, thus he is having a great influence in the buying process.
- **Buyer:** The person who actually goes to the market and buys the product. Usually, the buyer is the person to whom marketer can see in the market. But evaluating the

behavior of buyer cannot fulfill the purpose of marketers because the decisions regarding product, brand, shop etc. have already been taken at the end of decider.

- **User:** the person who is actually going to use or consume the purchased product. Most of the time it is the initiator who use the product. The product may be consumed by the individual or it can be consumed in a group.

Here it is important to note that who is going to play what role all depends upon the Product's type, its price, buying capacity and many more variables. For example, a student has to buy the note book for study and he has enough pocket money. In this case a student may play all the roles required in buying process. In another example a student need motorcycle, the different persons involved in buying may play different roles, like student himself act as initiator, his friends or bother may play the role of influencer to influence him what kind of bike he should buy, Parents may play the role of decider who are actually going to pay for the bike and at the end student who is going to ride the bike may act as user. In the same way if the student's elder brother has taken the initiative regarding bike for commuting college to home, elder bother will be considered as initiator or student for whom the bike has been purchased would be considered as user. It is not necessary the role of initiator and user played by one person. So, who is going to play what role all depends on the product type, how much expenditure will be done for the product, by whom the product would be used and many more factors.

Few more examples of Different role in buying process:

1. A kindergarten student needs to buy colour crayons to use in class.
    - ✓ Initiator: The student
    - ✓ Influencer: His teacher or his classmates
    - ✓ Decider: Either of the parents
    - ✓ Buyer: Either of the parents or a sibling.
    - ✓ User: The student himself.

2. A boy enters college and needs a laptop for doing assignments.
    - ✓ Initiator: The boy himself
    - ✓ Influencer: His friends and classmates
    - ✓ Decider: The boy himself
    - ✓ Buyer: The boy himself

- ✓ User: The boy himself

## 4.5 CUSTOMER VALUE

Customer Value relates to any organization's Customer, and what they feel while buying and using their products. It could be defined as "the difference between the value the customer's gain from owning it and using the product and the cost of obtaining it. Woodruff defines customer value as a "customer perceived preference for and evaluation of those products, attributes, attribute performances and consequences arising from use that facilitate (or block) achieving customers goals and purposes in use situations. Customer value is of two types, desired value and perceived value. Desired value means what the customer wants or desires in a product while the perceived value represents the benefits a customer receives after buying the product.

Delivering customer value is a continuous effort as the Value of a product keeps on changing according to the needs and wants of the product. According to *Steve Jobs "You can't just ask customer's what they want and then try to give that to them. By the time you get it built, they'll want something new."*

**Classification of customer value:** Customer value can be classified into four types:

- **Functional value:** it relates to what solution a product provides to the customer.
- **Monetary value:** it refers to whether the function of the product relates to the price of the product or the product is worth the price paid for it.
- **Social value:** It refers to how the product helps the customer to connect with other people in the society.
- **Psychological value:** the extent to which the product allows consumers to express themselves or feel better in their life.

### Customer Perceived Value

The consumers of any product are usually unaware of the production costs of that product. They simply have an internal feeling about the worth of that product, which is based on total customer benefits and total customer cost associated with it. This worth of a product or service in the mind of the customer is known as customer perceived value. This perceived

value often affects the price that a customer is willing to pay for a product. In order to pay a higher price for their products various companies apply marketing strategies to create a higher perceived value for their product. For example, perfumes are often associated with big celebrities to create a higher brand value in the minds of the customers.

Customer Perceived Value = Total customer benefit + Total customer cost

**Total customer benefit**= Product benefit + Service benefit + Personnel benefit + Image benefit.

**Total customer cos**t = Monetary cost + Time cost + Energy cost + psychological cost.

**RFM Analysis**

It is a marketing analysis tool often used to identify any organizations loyal customers. This analysis is based on three quantitative factors.

- **Recency:** It means "how recently "or the time elapsed since the last purchase was made by a customer or an advertisement was last published or broadcasted.
- **Frequency:** It refers to how often a customer purchases a particular product.
- **Monetary value:** it refers to the amount of money a customer spends on purchasing a product. RFM analysis often supports the marketing adage that "80% of business comes from 20% of the customers."

**Customer lifetime Value**

In marketing, customer lifetime value (CLV) is a metric that represents the total net profit a company makes from any given customer. CLV is a projection to estimate a customer's monetary worth to a business after factoring in the value of the relationship with a customer over time. CLV is an important metric for determining how much money a company wants to spend on acquiring new customers and how much repeat business a company can expect from certain consumers.

## 4.6 CUSTOMER SATISFACTION

Custom satisfaction is a measure of how the products and services supplied by a company meet the customer's expectations. It is measured and seen as a key performance indicator for

measuring the success or failure of any business enterprise. If we want to retain our customer's then they should be satisfied with our products.

*Loyal customers, they don't just come back, they don't simply recommend you, they insist that their friends do business with you.*

It is seen as a key performance indicator within business and is often part of a Balanced Scorecard. In a competitive marketplace where businesses compete for customers, customer satisfaction is seen as a key differentiator and increasingly has become a key element of business strategy

**Importance of customer satisfaction:**

- Key performance indicator
- Key element of business strategy
- Indicator for consumer purchase intentions.
- Level of satisfaction varies from person to person and from time to time.
- Indicator for good quality product and services.
- Higher customer satisfaction can lead to higher economic growth.
- Higher satisfaction is directly proportional to greater customer loyalty.

Know what customers want most and what company does best, so, focus on where these two meets.

Customer satisfaction measures how well the expectations of a customer concerning a product or service provided by company have been met. Customer satisfaction is an abstract concept and involves such factors as the quality of the product, the quality of the service provided, the atmosphere of the location where the product or service is purchased, and the price of the product or service. Businesses often use customer satisfaction surveys to gauge customer satisfaction. These surveys are used to gather information about customer satisfaction. Typical areas addressed in the surveys include:

- Quality of product
- Value of product relative to price - a function of quality and price
- Time issues, such as product availability, availability of sales assistance, time waiting at checkout, and delivery time
- Atmosphere of store, such as cleanliness, organization, and enjoyable shopping environment

Studies carried out by companies like Argos and Cadburys have found very high levels of customer satisfaction. It is not surprising because these companies emphasize market research and marketing as the tools to find out what customers want. Knowing what customer wants then makes it possible to tailor everything do to pleasing the customers e.g., providing the goods that customers want, in the packaging that they want, in retail outlets which are convenient to use and well placed.

There are many factors which lead to high levels of customer satisfaction including:

- Products and services which are customer focused and thence provide high levels of value for money.
- Customer service giving personal attention to the needs of individual customers.
- After sales service, following up the original purchase with after sales support such as maintenance and updating services given with the core product (for example in the updating of computer packages).

What is clear about customer satisfaction is that customers are most likely to appreciate the goods and services that they buy if they are made to feel special. This occurs when they feel that the goods and services that they buy have been specially produced for them or for people like them. This relates to a wide range of products such as razors that are designed for ease of use and good quality finish, petrol products that are environmentally friendly and customized to meet the needs of particular types of engines, etc.

**CHECK YOUR PROGRESS**

XI. The persons who start the process of considering a purchase is the …….

a) Influencers
b) Deciders
c) Initiator
d) Buyer

XII. The ……. are going to influence the initiator's decision that needs products to satisfy their needs.

XIII. …….. is the person who is going to decide whether to buy the product or not, actually he is the person who is going to pay for the product.

a) Influencers
b) Deciders
c) Initiator
d) Buyer

XIV. Customer value is of two types, desired value and ……..

XV. Delivering customer value is a continuous effort as the Value of a product keeps on changing according to the needs and wants of the product. (True /False)

XVI. …… relates to what solution a product provides to the customer.

a) Monetary value
b) Functional value
c) Psychological value
d) Social value

XVII. ……. means "how recently "or the time elapsed since the last purchase was made by a customer or an advertisement was last published

XVIII. …….is a marketing analysis tool often used to identify any organizations loyal customers.

XIX. Customer lifetime value (CLV) is a metric that represents the total net profit a company makes from any given customer. (True /False)

XX. Custom satisfaction is a measure of how the products and services supplied by a company meet the customer's expectations. (True /False)

## 4.7 MONITORING AND MEASURING CUSTOMER SATISFACTION

The increasing market competition and growing customer focus has resulted in measuring the level of customer satisfaction related to a product or service. Higher degree of customer satisfaction is said to be an indicator for customer's future profits. It can be measured in case of both goods and services. Satisfied and delighted customers are believed to be profitable for any business enterprise, it helps to determine companies focus areas for improving service quality and identifying the gaps. It helps us to understand whether the organization is meeting customer expectation and delivering the required standard of quality services.

Customer behaviour is one of the best ways for measuring customer satisfaction. There can be two ways of measuring customer satisfaction.

- **Direct Ways:** It is done by directly approaching the customers for their valuable feedback (personal calls, face to face interviews, questionnaires etc.)

- **Indirect ways:** This can be obtained by a) complaint reports of customers regarding any specific product or service. If the complaint reports under a particular segment are high, it is an indication of low performance by the company. If the complaints are low that means the organization is performing well during that period of time. b) Customer loyalty: if the customer is coming back and buying the same product that means it loyal to the product and gives an indication of positive customer satisfaction.

**Direct ways of obtaining customer feedback**

- **Event based survey:** This type of survey is done during or after the customer service period on a regular and a continuous basis with short 3-5 questions.
- **One time/One off Survey:** This type of survey is performed for specific reasons example, a change in service provider, etc. It is usually done after a major change has been done in the organization.
- **Focus Groups:** It is a special group od people who meet and discuss on predetermined issues. One person reports all the points and sums up all the important findings.
- **Periodic/Annual survey:** It is a planned and a scheduled procedure on a periodic basis, mostly done quarterly or annually. In each periodic survey the elements to be measured remain the same. This type of survey helps the organization in comparing its own services over a period of time.

**The Process of measuring customer satisfaction**:

- To ensure the reliability and validity of measures choose a team of researchers.
- Select an appropriate method for obtaining feedback e.g. telephone, interviews, face to face interviews, questionnaires etc.
- Select the sample of customers for obtaining feedback.
- Select the attributes to be measured and a measurement scale.
- Carry out the research.
- Analyse the results.
- Adopt corrective measures.

## 4.8 DELIVERING CUSTOMER VALUE

One of the most common reasons for the failure of a business venture, is its inability to deliver value to customers. The concept of value is one of those things that is both simple and complex. Simple because it only has three components; complex because it can only be defined by the customer, and can include tangible and intangible concepts such as perceptions and opinions.

Consumer having wants and resources (financial ability), they demand products and services with benefits that add up to the most value and satisfaction.

The four types of value include: *functional value*, *monetary value*, *social value*, and *psychological value*. The sources of value are not equally important to all consumers. How important a value is, depends on the consumer and the purchase. Values should always be defined through the "eyes" of the consumer.

- **Functional Value:** This type of value is what an offer does, it is the solution an offer provides to the customer.
- **Monetary Value:** This is where the function of the price paid is relative to an offering perceived worth. This value invites a trade-off between other values and monetary costs.
- **Social Value:** The extent to which owning a product or engaging in a service allows the consumer to connect with others.
- **Psychological Value:** The extent to which a product allows consumers to express themselves or feel better.

For a firm to deliver value to its customers, they must consider what is known as the “total market offering”. This includes the reputation of the organization, staff representation, product benefits, and technological characteristics as compared to competitor’s market offerings and prices. Value can thus be defined as the relationship of a firm's market offerings to those of its competitors.

The term value may mean, low price, receiving what is desired, receiving quality for what is paid, or receiving something in return for what is given (Zeithaml). Evaluation of customer value can be done at different levels.

At a lower level, customer value can be viewed as the attributes of a product that a customer perceives to receive value from. At a higher level, customer value can be viewed as the emotional payoff and achievement of a goal or desire. When customers derive value from a product, they derive value from the attributes of the product as well as from the attribute performance and the consequence of achieving desired goals from the use of the product. Thus, delivering value to the customers includes all the steps a customer will go through while obtaining the product and while using the product.

**Points to be remembered while delivering customer value:**

- Understand the value of a product for the customer.
- The value should be provided at both the stages during the buying procedure and after purchasing the product.
- The value should be delivered at all the steps.
- The value for a particular product may vary from time to time.

## 4.9 ROLES OF INTERNET MARKETERS

Internet marketers, the essentiality of taking online businesses to greater heights. The generating of marketing leads, developing/expanding customer base, tracking sales conversions and evaluating overall web marketing and promotional campaigns are the many roles that an Internet marketer plays. Being in a team of players, the website developer, the programmer and the website administrator, the Internet marketer is often involved in the creation of web content which showcases the overall aesthetics of the website and the business.

Search Engine Optimization (SEO) and Search Engine Marketing (SEM) are terms that Internet marketers are familiar and close with. The difference is that SEO is used to generate organic traffic while SEM involves paying or sponsoring the traffic (such as a Google AdWords & PPC campaign). In order to fulfill the roles of the above, the Internet marketer has to be adept in keyword research, being able to bring out the accuracy and niche keyword and phrases. Analyzing them comes as the next step, to strategies which keywords would help anchor an online web marketing campaign success.

Internet marketers have to grasp the concept of link building, on top of SEO and SEM. The main goal is to constantly compete in page ranking in search engines like Google. Indeed, it is an arduous process of generating link juices which usually involve search engine and directory submission, bookmarking and campaigning for reciprocal link building.

Measuring marketing performance and tracking conversions is another important tool that Internet marketers have to be equipped with. The combination of Google analytics and Google AdWords will be able to achieve that, including the tracking of behavioral patterns of website visitors such as bounce rate, browser capabilities and mobile device accessibility.

Without forgetting the entrance of social media, the Internet marketer has to expand its roles in managing corporate accounts of different social media networks. Social networking sites like Facebook, Twitter, YouTube are fertile grounds available for the expansion of brand awareness, generation of marketing leads and web traffic. In addition, the recent trend to go local, Geo-location-based marketing, has further broadened the scope of web marketers.

What is described above is a complex and highly technical job scope, which does not involve skills and trainings alone. But, with the passion and love for the journey, the Internet marketer is able to excel to his/her best abilities.

**CHECK YOUR PROGRESS**

XXI. Customer behaviour is one of the best ways for measuring customer satisfaction. (True /False)

XXII. …… is a special group of people who meet and discuss on predetermined issues.

XXIII. …… is a planned and a scheduled procedure on a periodic basis, mostly done quarterly or annually.

XXIV. One of the most common reasons for the failure of a business venture, is its inability to……...

## 4.10 LET US SUM UP

Consumer market comprises of the individuals and households who purchase the product and services the service for the final consumption. The consumer market is dominated by the products and services that are specifically designed and manufactured for the general consumers. Marketers use these digital platforms to direct prospects through their buying process and keep in touch with their current clients, in addition to traditional marketing channels such as television, newspapers, advertisements, and so on. In our daily life customer need different types of information to understand the things and make decisions. Consumer before finalize his buying decision use various kinds of information in order to get the answers of what to buy, from whom to buy, how to buy and many more related questions. In the past customers having limited sources of information and difficult for them to find out, but at present with the advancement of technology customer can get any information as per

requirement from the ample sources of information. Consumers are going to behave differently to satisfy their needs, consumer behavior basically starts with the needs. Identifying buying motives of the consumer is a difficult task for the marketers, as there are number of factors to induce consumers to buy particular product. The different experts have given different classification of buying motives. Most of the time the purchases are made by the individuals, but some time it may be done one a group like household. The number of individuals may interact to affect or influence the purchase decision. Depending upon the products, the persons involved in the process of purchase have to play different role or some time one person has to play all the roles required in buying process. Customer Value relates to any organization's Customer's and what they feel while buying and using their products. As far as Custom satisfaction is a measure of how the products and services supplied by a company meet the customer's expectations.

## 4.11 KEY WORDS

| | |
|---|---|
| CONSUMER BEHAVIOUR | It Refer to the habits or attitudes of a consumer that influences the buying process of a product or service. |
| BUYING MOTIVES | Factors which provide the impulse to buy |
| PRODUCT MOTIVES | Motives which are related to the product that induce or prompt the consumers to choose and buy the product. |
| PATRONAGE BUYING MOTIVES | Those reasons which influence the customers to buy wanted product from a particular seller or shop. |
| INITIATOR | The persons who start the process of considering a purchase. |
| CUSTOMER VALUE | Customers' feel while buying and using their products. |
| FUNCTIONAL VALUE | It relates to what solution a product provides to the customer. |
| CUSTOMER SATISFACTION | It's a measure of how the products and services supplied by a company meet the customer's expectations. |

## 4.12 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | King | VI. | True | X. | Operational product |
| II. | Consumer market | VII. | False | | |
| III. | False | VIII. | Product motives | XI. | Initiator |
| IV. | Twenty-first | IX. | Emotional product | XII. | Influencer |
| V. | True | | | XIII. | Deciders |

| | | | | | |
|---|---|---|---|---|---|
| XIV. | Perceived value | XIX. | True | XXIII. | Periodic/Annual survey |
| XV. | True | XX. | True | | |
| XVI. | Functional value | XXI. | True | XXIV. | Deliver value to customers |
| XVII. | Recency | XXII. | Focus Groups | | |
| XVIII. | RFM Analysis | | | | |

## 4.13 TERMINAL QUESTIONS

- Discuss in detail how digital marketing has contributed to make consumer as king of the market?
- What is consumer behaviour? Highlight the behaviour of the consumer while searching for the information.
- What kind of information required by the consumer for finalising product to buy? What is the role of buying motives to decide the information required?
- Do consumers use the same kind of information irrespective of their buying role?
- What is customer value and why it is important for the marketers? Do customer value and customer satisfaction are the same?
- What is RFM analysis and why it is used?
- What is customer satisfaction and how we can measure the satisfaction level of consumer?
- How we can insure the delivery of customer value? What is the role of internet marketers for the same?

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# UNIT-5 FACTORS INFLUENCING CONSUMPTION BEHAVIOR

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**STRUCTURE**

5.0 OBJECTIVES
5.1 INTRODUCTION
5.2 CONSUMER BEHAVIOUR
5.3 INTERNAL INFLUENCERS TO IMPACT THE CONSUMER'S BEHAVIOUR
5.4 ROLE OF ONLINE PUBLIC RELATIONSHIP IN CONSUMER BEHAVIOUR
5.5 DISTINCTION BETWEEN MARKETING AND PUBLIC RELATION
5.6 BENEFITS OF ONLINE PR
5.7 COMPONENTS AND TOOLS OF PUBLIC RELATIONS
5.8 FUNCTIONS OF PUBLIC RELATIONS
5.9 CHARACTERISTICS OF THE ENVIRONMENT
5.10 CUSTOMER RELATIONSHIP MANAGEMENT
5.11 REASONS FOR ORGANISATIONS LOSING CUSTOMERS
5.12 LET US SUM UP
5.13 KEY WORDS
5.14 ANSWERS TO CHECK THE PROGRESS
5.15 TERMINAL QUESTIONS

## 5.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Describe the Consumer Behavior
- Find out how the internal influencers impact the consumer behavior
- Explore the role of public relationship in consumer behavior
- Utilizes the public relationship for marketing
- Highlight the dimensions of public relationship
- Evaluate, how environment influence the consumer behavior
- Elaborate the CRM and its best use in marketing
- Identify the reasons for losing customers

## 5.1 INTRODUCTION

Digital marketing is normally associated with Internet marketing. Internet marketing captures data which feeds into the firm's database; the database is used to generate profiles and lists, which enable the firm to have effective direct marketing campaigns. Underlying electronic business has two phenomena: digitalization and connectivity. Digitalization consists of converting text, data, sounds, and image into a stream of bits that can be dispatched at

incredible speeds from one location to another. Connectivity involves building networks and expresses the fact that much of the World's business is carried over networks connecting people and companies. These networks are called intranets when they connect people within a company; extranets when they connect a company with its suppliers and customers; and the Internet when they connect users to an amazingly large information superhighway."

## 5.2 CONSUMER BEHAVIOUR

Consumer behaviour is described as the action and reaction of the consumer while searching, evaluating, buying and consuming the product to satisfy their needs. Consumer behaviour focuses on how individuals make decisions to spend their resources (time, money and effort) on products and services for consumption and satisfaction purpose. As individuals we all differ in many ways, in likes, dislikes, attitudes, cultural background, income level, education, occupation, family background etc. Despite such differences we are all consumers.

If a marketer can identify online consumer's buying behaviour, he or she will be in a better position to target products and services at them. Online Buyer behaviour is focused upon the needs of individuals, groups and organisations.

It is important to understand the relevance of human needs to buyer behaviour (remember, marketing is about *satisfying needs*). Let us look at human motivations as introduced by Abraham Maslow in his hierarchy of needs: The hierarchy is triangular. This is because as you move up it, fewer and fewer people satisfy higher level needs. We begin at the bottom level.

Physiological needs such as food, air, water, heat, and the basic necessities of survival need to be satisfied. At the level of safety, man has a place to live that protects him from the elements and predators. At the third level we meet our social and belongingness needs i.e., we marry, or join groups of friends, etc.

The final two levels are esteem and self-actualisation. Fewer people satisfy the higher-level needs. Esteem means that you achieve something that makes you recognised and gives personal satisfaction, for example writing a book. Self-actualisation is achieved by few. Here a person is one of a small number who actually do something. For example, Neil Armstrong self-actualised as the first person to reach the Moon. The model is a little simplistic but introduces the concept a differing consumer need quite well.

To understand consumer buyer behaviour is to understand how the person interacts with the marketing mix. As described by Cohen (1991), the marketing mix inputs (or the four Ps of price, place, promotion, and product) are adapted and focused upon the consumer.

The psychology of each individual considers the product or service on offer in relation to their own culture, attitude, previous learning, and personal perception. The consumer then decides whether or not to purchase, where to purchase, the brand that he or she prefers, and other choices.

## 5.3 INTERNAL INFLUENCERS TO IMPACT THE CONSUMER'S BEHAVIOUR

- **Personality:** Some marketers believe customers choose products that express their personalities. Personality is defined as the thoughts, emotions, intentions and behaviour that people express as they move through their environment. Personality is unique to individuals, but may be applied to groups, is a combination of characteristics and traits and influences purchasing behaviours. Marketers use interviews and focus groups to understand personality and how it relates to the purchase of certain products in online market.
    - ✓ **Frugality:** consumers restrain themselves and think heavily about purchases
    - ✓ **Impulsiveness:** purchases are made without much thought beforehand
    - ✓ **Anxiety:** a person with lots of anxiety may have more post-purchase dissonance and feel upset about purchases after they get them home
    - ✓ **Bargaining:** some consumers prefer to bargain for purchases, it gives them a sense of control over their spending
    - ✓ **Vanity:** taking excessive pride in one's appearance and accomplishments
    - ✓ **Competence:** being responsible and dependable
    - ✓ **Ruggedness:** craving products that are tough and strong
    - ✓ **Sincerity:** honest and genuine
    - ✓ **Excitement:** craving daring and spirited purchases
    - ✓ **Sophistication:** desiring products that are glamorous and prestigious
- **Motivation:** Motivation is an internal state that drives consumers to satisfy needs. Motivation is the energizing force that could be used by marketers to activate online consumer's behaviour. Once we recognize that we have a need, a state of tension

exists that drives the consumer to the goal of reducing this tension and eliminating the need. Consequently, only unmet needs motivate.

- **Memory:** Marketing messages can be effective only if the consumer correctly understands the online messages, and remembers them when needed. Memory refers to a consumer's ability to understand the online marketing messages and assign them value and meaning. Value and meaning has to come together to make memory an effective influencer.
    - ✓ **Colour:** Colours have an enormous impact on marketing messages, and it affects consumers in a subjective manner, so that most of the time consumers do not even know they are being affected.
    - ✓ **Font:** The presentation of words and how they are shaped online, will also enhance the marketing message and contribute to the value and meaning.
    - ✓ **Simplicity of the message:** A simple message is generally easier to understand. Using short phrases and easy to read terminology, such as "heart healthy" will quickly and easily convey the message that the product is good for your heart.
    - ✓ **Consistency of the message:** The message needs to fit with the surrounding information; style, colour, text, photographs, music and all have to work together.
    - ✓ **Source of the message:** Consumers will be more likely to remember and purchase products endorsed by credible sources, animated characters or celebrities. They have to be likeable, have some expertise or at least pretend that they have expertise, be trustworthy, and attractive.

## 5.4 ROLE OF ONLINE PUBLIC RELATIONSHIP IN CONSUMER BEHAVIOUR

In the mid-twentieth century, mass production techniques and mass marketing changed the competitive landscape by increasing product availability for consumers. However, the purchasing process that allowed the shopkeeper and customer to spend quality time getting to know each other was also fundamentally changed. Customers lost their uniqueness, as they became an "account number" and shopkeepers lost track of their customers' individual needs as the market became full of product and service options. Many companies today are racing to re-establish their connections to new as well as existing customers to boost long-term customer loyalty. Some companies are competing effectively and winning this race through

the implementation of relationship marketing principles using strategic and technology-based public relationship (PR) applications.

Public Relations in its true sense are about human connections and the art of mastering human connections at a deep level. In the early days of PR, it was about relationships with not just the press but communities in various forms; the only difference was that these audiences were not online.

Online PR is very similar to traditional PR in the sense that it's about influencing people rather than buying placement for brand content. The influence could result in a story in a magazine, newspaper or blog. It could also result in other online pick-up, including social media. Typically, when people talk about traditional PR, they are referring to traditional media: newspapers, TV, radio and magazines. With online PR, traditional media brands may still be a target, but often online PR targets online properties, along with an array of other platforms and networks, from search to social.

**CHECK YOUR PROGRESS**

I. Digital marketing is normally associated with Internet marketing. (True/False)

II. Consumer behaviour does not focus on how individuals make decisions to spend their available resources on products and services for consumption and satisfaction purpose. (True/False)

III. If a marketer can identify online consumer's buying behaviour, he or she will be in a better position to target products and services at them. (True/False)

IV. …….. desiring products that are glamorous and prestigious.

V. In …….. consumers restrain themselves and think heavily about purchases.

a) Anxiety
b) Impulsive
c) Frugality
d) Compulsive

VI. In …… a person with lots of anxiety may have more post-purchase dissonance and feel upset about purchases after they get them home.

a) Impulsive
b) Compulsive
c) Frugality
d) Anxiety

VII. …… is the energizing force that could be used by marketers to activate online consumer's behaviour.

VIII. In the mid-twentieth century, mass production techniques and mass marketing changed the competitive landscape by increasing product availability for consumers. (True/False)

IX. ……. in its true sense are about human connections and the art of mastering human connections at a deep level.

## 5.5 DISTINCTION BETWEEN MARKETING AND PUBLIC RELATION

- Marketing promotes the transfer of goods and services from the producer and provider to the consumer. Public relations help an organization and its publics adapt mutually to each other.
- Marketing's immediate goal is sales. Public relations' immediate goal is mutual understanding or positioning of the organization with its publics.
- Marketing's implicit goal is profit. Public relations' implicit goal is positive perceptions and predispositions.
- Marketing's measure of success is the number of sales and/or the revenue it generates. Public relations' measure of success is expressed public opinion or other evidence of public support.

## 5.6 BENEFITS OF ONLINE PR

A successfully executed online public relations strategy offers endless benefits to a business. By listening and researching online conversations and key influencers, creating compelling content and interacting with others online within online communities, a company can effectively use Digital PR to enhance the business and achieve growth. Some of the benefits of Digital PR include the following:

- Increased traffic to a website, thus increased web conversion rates
- Contribution to search engine optimisation by generating links back to a website as well as enhancing website authority
- Enhanced brand awareness
- Position a company as an authoritative voice in their industry
- Provide an avenue for improved customer relations by allowing a company to directly engage with Individuals interested in their brand or product

- Provide a platform to communicate information and/or company insights to target audience

## 5.7 COMPONENTS AND TOOLS OF PUBLIC RELATIONS

- **Public:** A group of similar individuals; an assortment of persons having the same interests, problems, circumstances, goals; it is from such persons that opinion emanates. Public is a varied creature; it comes in many forms and sizes. Public has a multitude of wants and desires; it has its likes and dislikes, sometimes, strong likes and strong dislikes. Employers make for a public and employees another public; the government is a public and citizens constitute another public, and so on, each of these groups is a public of the sort, tries to attract a different audience with its own tools and techniques.
- **Relations:** Human wants to create the need to establish relations with one another. The representative wants of the individuals will profoundly affect their relationship. To understand any relationship, therefore, one must understand the wants of those involved. 'Relationships are of all possible types. We have relationship by ran-superior to inferior, inferior to superior, and equal to equal. We have relationship by sentiment-benevolent, Friendly, suspicious, jealous, hostile. A relationship may be active, or it may be passive it may be good or it may be bad, or it may be neutral. At any rate, the relationship is there to be accepted, ignored or altered, as desired.
- **Propaganda:** Propaganda is the manipulation of symbols to transmit accepted attitudes and skills. It describes political application of publicity and advertising, also on a large scale, to the end of selling an idea cause or candidate or all three.
- **Campaigns**: These consist of concerted, single-purpose publicity programme, usually on a more or less elaborate scale, employing coordinated publicity through a variety of media, aimed, at a number of targets, but focused on specific objectives. A campaign objective may be the election of a candidate, the promotion of political cause or issue, the reaching of a sales goal, or the raising of a quota of funds.
- **Lobbying**: It entails the exertion of influence, smooth and measured pressure on other, exercise of persuasion cum-pressure. In essence, it means a group putting its points of view forward in an attempt to win the other groups support.

## 5.8 FUNCTIONS OF PUBLIC RELATIONS

- Public Relations is establishing the relationship among the two groups (organisation and public).
- Art or Science of developing reciprocal understanding and goodwill.
- It analyses the public perception & attitude, identifies the organisation policy with public interest and then executes the programmes for communication with the public.

## CHECK YOUR PROGRESS

X. …… is the manipulation of symbols to transmit accepted attitudes and skills.

a) Campaigns
b) Lobbying
c) Propaganda
d) All three

XI. Public relations' measure of success is expressed public opinion or other evidence of public support. (True/False)

XII. Public relations' immediate goal is …… of the organization with its publics.

XIII. A successfully executed online public relations strategy does not offers endless benefits to a business. (True/False)

XIV. ……. means a group putting its points of view forward in an attempt to win the other groups support.

a) Campaigns
b) Propaganda
c) Lobbying
d) All three

## 5.9 CHARACTERISTICS OF THE ENVIRONMENT

- **Intensity of information:** If a consumer is overloaded with stimuli in an environment, they are much more likely to avoid the ad, or not comprehend it at all. We live in a world cluttered with advertisements; it can be difficult for companies to break through all of it and get to target market customers. Marketers have to be more creative since customers can now skip commercials; marketers use product placement in the actual movie or television show, the characters in the show use the brand name products and may even talk about how they like the brand name. This is all part of the advertising. Marketers are also making use of new social marketing movements such as Twitter and Facebook that can be programmed to reach customers that want to see your marketing messages.

- **Framing:** Messages can be framed to seem positive or negative and this will affect how customers assign value. “If you don’t use sunscreen, you could get skin cancer” or “Use sunscreen to moisturize and protect your delicate skin”.
- **Timing:** Many factors will influence how a message is interpreted and assigned value including: amount of time customer has to view a message, time of day, and type of medium used. A customer driving in the morning 70mph past a billboard for coffee may only have a few seconds to interpret the message, but since it is a time of day when that product is most consumed, they may be more likely to act on the message.

The value and meaning assigned is largely determined by internal factors, (thoughts, feelings, emotion, attitude, perception, motivation, personality, and lifestyle) which are different for each consumer. For example, a consumer who drinks lots of milk, sees an advertisement that says “Got Milk?” and since they already have positive feelings for the product they will purchase more milk, whereas a consumer who does not enjoy drinking milk and sees the same ad, may dismiss the ad or may try drinking more milk for a short period of time and then decrease consumption again.

## 5.10 CUSTOMER RELATIONSHIP MANAGEMENT

To be market-leader, companies must be customer-driven. Marketers are focusing on customers because to increase the market share. As Philip Kotler defines, “Marketing is managing profitable customer relationships. The two-fold goal of marketing is to attract new customers by promising superior value and to keep and grow current customers by delivering satisfaction”.

Customer relationship management (CRM) focuses totally on customers and the organisation’s entire gamut of functions related to value creation and value delivery. It is concerned with developing customer loyalty and brand loyalty to the highest possible level, to maintain long-term customer relationship.

Customer relationship management (CRM) is defined as a process of acquiring customers by understanding their needs, retaining customers by fulfilling the needs, and attracting new customers through customer specific strategic marketing approaches.

CRM is beneficial both to the marketers and the customers. The marketers benefit from reduction in customer acquisition cost, more loyal customers, expansion of customer base, savings in advertisement and promotion budget, increase in the number of profitable

customers, the future possibility of introducing new products easily in the market and possibility to expand the business. CRM is beneficial to the customers in the form of improvement in service quality by the marketers, more attention, personalized service, less risk, more commitment and increased value for money.

- **Customer Value:** Customer value is the benefit that a customer will get from a product or service in comparison with its cost. This benefit might be measured in monetary terms, such as when a product saves the customer money that would have been spent on something else. A benefit also can be difficult to quantify, such as the enjoyment that a customer receives from a product or service. The term "customer value" should not be confused with the value of customers to businesses. It refers to the value that the customers receive, and does not explain the value of customers for the company.
- **Customer Satisfaction:** Customer satisfaction is a term frequently used in marketing. It is a measure of how products and services supplied by the marketers meet or surpass customer expectation. Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals".

  In researching satisfaction, firms generally ask customers whether their product or service has met their expectations. Thus, expectations are a key factor behind satisfaction. When customers have high expectations and the reality falls short, they will be disappointed and will likely rate their experience as less than satisfying. For this reason, a luxury resort, for example, might receive a lower satisfaction rating than a budget motel, even though its facilities and service would be deemed superior in 'absolute' terms."

  The importance of customer satisfaction diminishes when a firm has increased bargaining power. For example, cell phone plan providers, such as Airtel, Idea, Vodafone and BSNL participate in an industry that is an oligopoly, where only a few suppliers of a certain product or service exist. As such, customers have very low satisfaction level for many cellphone service providers and they would never prefer them if there were, say, 100 cell phone plan providers, because customer satisfaction would be far too low, and customers would easily have the option of leaving for a better contract offer.

- **Customer Delight:** Customer delight is surprising a customer by exceeding his/her expectations and thus creating a positive emotional reaction. This emotional reaction leads to the word of mouth. Customer Delight directly affects sales and profitability of a company as it helps to distinguish the company and its products and services from the competition. In the past customer satisfaction has been seen as a key performance indicator. Customer satisfaction measures the extent to which the expectations of a customer are met (compared to expectations being exceeded). However, it has been discovered that mere customer satisfaction does not create brand loyalty nor does it encourage positive word of mouth.

  Customer Delight can be created by the product itself, by accompanied standard services and by interaction with people at the front line. The interaction is the greatest source of opportunities to create delight as it can be personalized and tailored to the specific needs and wishes of the customer. During contacts with touch points in the company, more than just customer service can be delivered. The person at the front line can surprise by showing a sincere personal interest in the customer, offer small attentions that might please or find a solution specific to particular needs. Those front-line employees are able to develop a relationship between the customer and the brand.

- **Customer Loyalty:** Customer loyalty is the key objective of customer relationship management and describes the loyalty which is established between a customer and companies, persons, products or brands. The individual market segments should be targeted in terms of developing customer loyalty. Customer loyalty is both an attitudinal and behavioural tendency to favour one brand over all others, whether due to satisfaction with the product or service, its convenience or performance, or simply familiarity and comfort with the brand. Customer loyalty encourages consumers to shop more consistently, spend a greater share of wallet, and feel positive about a shopping experience, helping attract consumers to familiar brands in the face of a competitive environment. There are many definitions of customer loyalty. Yet each of them fails to realize that loyalty runs hand-in-hand with emotions. Customer loyalty is the result of consistently positive emotional experience, physical attribute-based satisfaction and perceived value of an experience, which includes the product or services. Consider whom you yourself are loyal to. Surely you will answer family and friends. Why? Because of the emotional bond you have with them. Your family and

friends can do things you may not like, but you stay loyal because of that bond. The same applies with customer loyalty. To prompt customer loyalty you must build an emotional bond with your customers.

To build customer loyalty, customer experience management blends the physical, emotional and value elements of an experience into one cohesive experience. Retaining customers is less expensive than acquiring new ones, and customer experience management is the most cost-effective way to drive customer satisfaction, customer retention and customer loyalty. Not only do loyal customers ensure sales, but they are also more likely to purchase ancillary, high-margin supplemental products and services. Loyal customers reduce costs associated with consumer education and marketing, especially when they become Net Promoters for your organization.

## 5.11 REASONS FOR ORGANISATIONS LOSING CUSTOMERS

- ✓ If the price of a brand appears very high, and the customer perceives a mismatch between the price and the customer value, he would switch to a competitor's brand.
- ✓ If a new product, which is advanced in technology, offering better features and performance enters the market, customers may opt for that.
- ✓ If the customers are dissatisfied with the service- pre sales, during sales, and after sales- they would switch over to a substitute.
- ✓ Customers can also move away towards the competitors' products attracted by augmented benefits offered by them.
- ✓ Personal reasons can also make a customer to switch from one brand to another. Like shift of residence, change in preferences, family and friends influence, anger, emotions and sentimental reasons.

## CHECK YOUR PROGRESS

XV. We live in a world cluttered with advertisements; it can be difficult for companies to break through all of it and get to target market customers. (True/False)

XVI. ……. can be framed to seem positive or negative and this will affect how customers assign value.

XVII. ……. focuses totally on customers and the organisation's entire gamut of functions related to value creation and value delivery.

a) BRP
b) ERP
c) CRM
d) MIS

XVIII. CRM is beneficial to the customers in the form of improvement in service quality by the marketers, more attention, personalized service, less risk, more commitment and increased value for money. (True/False)

XIX. …….. is surprising a customer by exceeding his/her expectations and thus creating a positive emotional reaction.

a) Customer delight
b) Customer Value
c) Customer Satisfaction
d) All three

XX. The individual market segments should be targeted in terms of developing ……...

a) Customer Value
b) Customer Satisfaction
c) Customer Delight
d) Customer loyalty

**5.12 LET US SUM UP**

Electronic marketing is normally associated with Internet marketing. Internet marketing captures data which feeds into the firm's database; the database is used to generate profiles and lists, which enable the firm to have effective direct marketing campaigns; and two of the media for direct marketing are the Internet using e-mails and CD-ROMs with hyperlinks to the Internet. Underlying electronic business has two phenomena: digitalization and connectivity. Consumer behaviour is described as the action and reaction of the consumer while searching, evaluating, buying and consuming the product to satisfy their needs. Consumer behaviour focuses on how individuals make decisions to spend their available resources (time, money and effort) on products and services for consumption and satisfaction purpose. As individuals we all differ in many ways, in likes, dislikes, attitudes, cultural background, income level, education, occupation, family background etc. Despite such differences we are all consumers. If a marketer can identify online consumer's buying behaviour, he or she will be in a better position to target products and services at them. Online Buyer behaviour is focused upon the needs of individuals, groups and organisations. In the mid-twentieth century, mass production techniques and mass marketing changed the competitive landscape by increasing product availability for consumers. However, the

purchasing process that allowed the shopkeeper and customer to spend quality time getting to know each other was also fundamentally changed. Customers lost their uniqueness, as they became an "account number" and shopkeepers lost track of their customers' individual needs as the market became full of product and service options. Public Relations in its true sense are about human connections and the art of mastering human connections at a deep level. In the early days of PR, it was about relationships with not just the press but communities in various forms; the only difference was that these audiences were not online. Customer relationship management (CRM) focuses totally on customers and the organisation's entire gamut of functions related to value creation and value delivery. It is concerned with developing customer loyalty and brand loyalty to the highest possible level, to maintain long-term customer relationship.

## 5.13 KEY WORDS

| | |
|---|---|
| DIGITALIZATION | It means converting text, data, sounds, and image into a stream of bits that can be dispatched at incredible speeds from one location to another. |
| CONSUMER BEHAVIOUR | It is described as the action and reaction of the consumer while searching, evaluating, buying and consuming the product to satisfy their needs. |
| PERSONALITY | It is defined as the thoughts, emotions, intentions and behaviour that people express as they move through their environment. |
| IMPULSIVENESS | Purchases are made without much thought beforehand. |
| SOPHISTICATION | Desiring products that are glamorous and prestigious. |
| MOTIVATION | It is an internal state that drives consumers to satisfy needs. |
| PROPAGANDA | It is the manipulation of symbols to transmit accepted attitudes and skills. |
| CUSTOMER RELATIONSHIP MANAGEMENT | It is defined as a process of acquiring customers by understanding their needs, retaining customers by fulfilling the needs, and attracting new customers through customer specific strategic marketing approaches. |
| CUSTOMER VALUE | It is the benefit that a customer will get from a product or service in comparison with its cost. |
| CUSTOMER | It is a measure of how products and services supplied by the |

| | |
|---|---|
| SATISFACTION | marketers meet or surpass customer expectation. |
| CUSTOMER DELIGHT | It is surprising a customer by exceeding his/her expectations and thus creating a positive emotional reaction. |

## 5.14 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | True | VIII. | True | XIV. | Lobbying |
| II. | False | IX. | Public Relations | XV. | True |
| III. | True | X. | Propaganda | XVI. | Messages |
| IV. | Sophistication | XI. | True | XVII. | CRM |
| V. | Frugality | XII. | Mutual understanding | XVIII. | True |
| VI. | Anxiety | | | XIX. | Customer delight |
| VII. | Motivation | XIII. | False | XX. | Customer loyalty |

## 5.15 TERMINAL QUESTIONS

- What is consumer behaviour and how the technology has influenced the consumer behaviour?
- How the consumer behaviour is under the great influence of internal factors. How these factors influence the consumer behaviour?
- What is role of Public relationship for consumer behaviour?
- How public relation is different from Marketing? What are the benefits of Online PR?
- Highlight the important dimensions of Public relations and why they are important for the marketing managers?
- What are the characteristics of the environment and how they influence the consumer behaviour?
- What is CRM and how they are beneficial for the marketers and customers?
- Discuss the essence of E-CRM and why the business organisations are losing customers these days?

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# UNIT-6 PURCHASE DECISION PROCESS, POST PURCHASE BEHAVIOR AND MANAGEMENT

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**STRUCTURE**

6.0 OBJECTIVES
6.1 INTRODUCTION
6.2 BUYER DECISION PROCESS
6.3 CLASSIFICATION OF BUYING BEHAVIOR
6.4 POST PURCHASE BEHVIOUR CONSUMER BUYING PROCESS
6.5 POST-PURCHASE DISSONANCE
6.6 INTERNET MARKETING
6.7 INBOUND VERSUS OUTBOUND MARKETING
6.8 THE INBOUND MARKETING METHODOLOGY
6.9 LET US SUM UP
6.10 KEY WORDS
6.911ANSWERS TO CHECK THE PROGRESS
6.12 TERMINAL QUESTIONS

## 6.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Identify the nature of consumer during buying process
- Understand the Behaviour of consumer while making purchase
- Talk about the different stages of buying process
- Elaborate the classification of consumer Behaviour
- Indicate the behavior of consumer after purchase
- Understand the post purchase dissonance

## 6.1 INTRODUCTION

Marketers frame their marketing strategies on the bases of assumptions how customers are going to behave in a given set of circumstances. It is assumed that customer will buy more if prices are charged low and sales automatically come down if the marketers increase the price of the product.

Consumer behaviour is a branch which deals with the whole process through which consumers have to go while purchasing and using the products to satisfy their needs. In the

market, we can see the consumer are behaving differently to select and buy the product among various product to satisfy their needs.

Marketers assume that by understanding what are the factors that cause the consumers to buy particular brand of product, they will be able to identify, what product is needed in the market, which one is obsolete and how to present the products to consumers. For example, if a customer is selecting pain reliever, they may like the idea is one pain reliever is cheaper than another, but what they really want is fast pain relief, and will probably pay more if they think the more expensive brand can do that more effectively. Marketers need to understand the principal motivation behind each type of product to correctly target potential customers.

**Nature of Consumer Behaviour:**

- The consumer behaviour is influenced from number of factors which prevail in the surrounding environment.
- All the consumers do not behave in a same manner. Consumers behave differently due to different elements i.e., age of consumer, income level, education etc.
- Consumer behaviour is not static; it undergoes a change over a period of time depending upon the need s and wants of the consumers.
- The consumer behaviour varies across state and countries. The needs of urban's consumers different from the rural consumers.
- Consumers behave differently for the different products. They do not have same behaviour for the different products.
- Consumer behaviour is not influenced from the status of consumers infect it reflect it.

## 6.2 BUYER DECISION PROCESS

The consumer has to go through number of different stages in order to buy any product and services. Nobody is planning to buy anything until they don't recognise the need, once need recognised information is required to take the decision and at last decision would be taken. Let's have a look at each stage and offer a quick explanation of what it is all about:

- **Recognition of Problem/ Need:** Stage one is the recognition of the particular problem or need and here the buyer has a need to satisfy or a problem that needs solving. Problem recognition is in fact the beginning of the buying process. It is a matter of perception, we realize what we should have and what we have at present. A perfume bottle of Charlie may be purchased when one sees it in the window of a shop. Problem recognition is generally a slow process but can occur fast when purchases are made online impulsively.

  Digital Marketing efforts facilitate the problem recognition stage. Ads provoke us to buy many things. Similarly, an online product display also acts as an incentive to buy. Online promotional strategies make us realize what our unfulfilled needs and wants are. Psychological factors do influence Problem recognition stage.

- **Search for the Information:** Stage two is where we begin to online search for information about the product or service. Buyers here begin to look around to find out what's out there in terms of choice and they start to work out what might be the best product or service for solving the problem or satisfying any need. More often than not, there is little knowledge available about alternatives available. The search is mostly directed towards the products that are consistent with our needs. For example, a house wife buying a washing machine might start visiting the online market websites selling it and might start online discussing the need with her friends. She is interested in knowing which brands are on offer and their features.

  The amount and type of information collected is related to the product in question and the consumer's personality. To buy consumer durables like fridges and AC's we need a great deal of information from different sources. To buy fast moving consumer goods, we need limited information. The beauty of brand marketing is that it makes the consumer loyal to the brands. These consumers then continue to buy the same brands and sometime do not seek any information at all.

  Information seeking starts with cognitive internal search; recalling information stored in memory. This may lead to further stages of buying decision process. Alternatively, the consumer may start external search, seeking information from sources other than memory. The major external sources are peers, friends, colleagues, relatives whom

we trust. In addition, we get information from different marketing communications, media, distribution channels and consumer's own experience.

- **Evaluation of Available Alternatives:** Stage three sees the evaluation of the available alternatives whereby the buyer decides upon a set of criteria by which to assess each alternative. In online market its easier for the consumers to make comparisons among different products and brands. When the consumer seeks information, he realizes the alternative choices available to him and gets the background against which these choices can be judged. The brands which a consumer consider while making a purchase decision forms an evoked set, which is a small proportion of the total brands available. Each brand in the evoked set is evaluated against some chosen criteria. A consumer may want to look into the following criteria before buying a product online. These may be the Brand name, the price, the functions performed, the appearance and looks, reputation of the company, warranty specifications, technical specifications and also the after sales service available. Each of the criteria is assigned some weightage, which may differ from consumer to consumer. After this it is all a matter of perception. Promotion, especially advertising, provides information to the consumers, enabling him to evaluate the different alternatives.

- **Make Choice:** We buy or select a product/service/supplier at stage four. Individuals or teams of buyers make the final choice of what to buy and from whom to buy it. After the alternative choices are evaluated, the brands are ranked, and the top- ranking brand may be purchased. The ultimate buying decision may undergo a change, if the preferred brand is not available. In such a situation, the second, ranked brand may be bought. The ultimate buying occurs only when the consumer finds a suitable outlet where the brand is available, and price negotiations are complete.

- **Post Purchase Evaluation:** Interestingly the process does not stop at the point of purchase because there is a stage five called the post-purchase evaluation. A satisfied consumer stores the product information in his memory and uses it next time at the time of problem recognition stage. A dissatisfied consumer may go for another brand next time he is out to buy. He will seek additional information and will consider

another set of brands. Thus, consumer decision making is an extensive process. Promotions play a vital role helping customers decide during the process. But the companies should keep in mind that they do not rub in the offers for it may work adversely for them.

Let's look at an example based upon buying a new smart cellphone. The first stage is likely to be that you have a need for communication or access to the internet, or problem because you cannot interact with friends using social media without it. The value added by products such as Android, iPhone or Windows phone and others should satisfy your need or solve your problem.

So, the second stage is where you speak to your friends and surf the internet looking at alternatives, which represent stage two or your information search. As a buyer you might visit a local cellphone store and speak to the sales staff to help you complete stage three, i.e. your evaluation of alternatives. Stage four is the selection of product and you go and make your final decision and buy your Smartphone from a local store or using an e-commerce website. Stage five involves your post-purchase evaluation whereby you use the phone and have a positive, negative or mediocre experience of the product. If it doesn't satisfy your needs you take action and more importantly you will tell others of your problems. If you are pleased with the product, you will tell your friends and this will influence stage two (their information search) when they decide to buy a cell phone. Remember that organisations and businesses also go through this process and that teams of individuals contribute to the decision-making process. This is called a Decision-Making Unit (DMU).

**CHECK YOUR PROGRESS**

I. The consumer behaviour is influenced from number of factors which prevail in the surrounding environment. (True/False)

II. Stage two in …… is where we begin to online search for information about the product or service.

a) Product life cycle
b) Buying decision process
c) New product development
d) None of these

III. Consumers do not behave differently for the different products. (True/False)

IV. Information seeking does not starts with cognitive internal search; recalling information stored in memory. (True/False)

V. Consumer behaviour is not influenced from the status of consumers infect it reflect it. (True/False)

VI. For FMCG the purchase decision process tends to be …….., and for habitual purchase behaviour or repeat purchases the decision process is short-circuited.

VII. Digital Marketing efforts facilitate the problem recognition stage. (True/False)

VIII. A satisfied consumer stores the product information in his memory and uses it next time at the time of ……. stage.

## 6.3 CLASSIFICATION OF BUYING BEHAVIOR

In the human being wants are unlimited but the resources to satisfy them are limited. Hence consumers think rationally before taking the purchase decision. Consumer's decision varies with the type of product purchased to satisfy needs. There are differences in the buying behavior of consumers when he is going to buy toothpaste, cricket bat, a laptop and new car. Complex and purchases involved high expenditure demands more participation and deliberation of buyer. Consumers need more information about the products which are expensive for them. There are four types of buying behavior of the consumers on the basis of buyer involvement while buying the products.

| | ***High involvement*** | ***Low involvement*** |
|---|---|---|
| ***Significant differences between brands*** | Complex buying behavior | Variety seeking behavior |
| ***Few differences between brands*** | Dissonance buying behavior | Habitual buying behavior |

High involvement means the consumers is highly involved while purchasing the product. The consumers involved high when they are buying the expensive or luxuries products. For example, while buying the diamond a consumer is highly involved. On another side low involvement means, when consumers are not highly involved in buying the product. Low involvement is shown by the consumers for low priced products like buying the toothpaste. Significant differences between brands mean when there are significant differences between brands.

- **Complex Buying Behavior:** Consumers go through the complex buying behavior, when they are highly involved in the buying the products and they can easily identify the difference between the different brands. Consumers would be highly involved when the product is expensive and bought infrequently. Consumers do not know much about the products and need information to learn about product more. In this case the buyers go through a cognitive learning process. So, in this case consumers need to get proper information about the product's attributes and marketers must assist the consumers by providing the detailed information regarding product features. For example, consumer would be highly involved in the purchase and has the information or awareness about significant difference between brands.

- **Variety seeking buying behavior:** Some time buying situations demand low involvements of the consumers but significant difference is there in brands. Consumers are brand switcher in this kind of buying behavior. Brand switching occurs because of seeking variety not due to dissatisfaction from the consumption of last product. For examples ladies most of the time use different brand of washing detergent just for variety. Therefore, it would be better for the marketers to retain the consumers to offer them incentives along with the core product i.e., discounts, free sample, gift coupons etc.

- **Buying behavior reducing Dissonance:** in some case while buying the product consumers are highly involved but it is difficult for them to distinguish the brands. Consumers are highly involved because the product is expensive and infrequently purchased. The buyers will visit around to get information what is available but will buy quickly because difference among the different brand is not easy. For example, consumers while buying the floor tiles buy them quickly as in brands of tiles, there are few differences.

- **Habitual buying behavior:** Most of the products are purchases by the consumers which demand low involvement and significant difference between brands are absent. In this case there is low involvement of the consumers and there are few differences between the brands as consumers do not need extensive information about the products. The consumers buy product on routine bases for example toothpaste, soaps,

etc. Consumers do not have any kind of attitude toward ant brand but they prefer to buy familiar brand. Hence marketers should use the promotional techniques to get the consumers familiar with the brand or product.

## 6.4 POST PURCHASE BEHVIOUR CONSUMER BUYING PROCESS

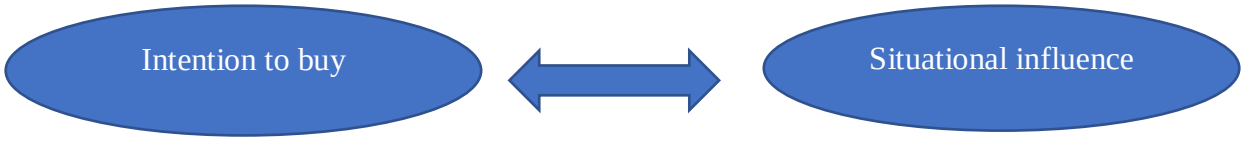
Post-purchase conduct is the response of the customer and the individual, it gives a thought regarding the products' preferences, inclinations and perspectives and satisfaction about the product. The stage is concerned with the behavior of the consumer after consumption of product; the behavior may be positive or negative. A satisfied consumer will go for repeat purchase or recommend the product to other. On other side dissatisfied consumer will feel restless or start search for another product to satisfy unsatisfied need. He will do the negative marketing of unsatisfied product in the society.

The customer while settling on a choice goes through three stages:

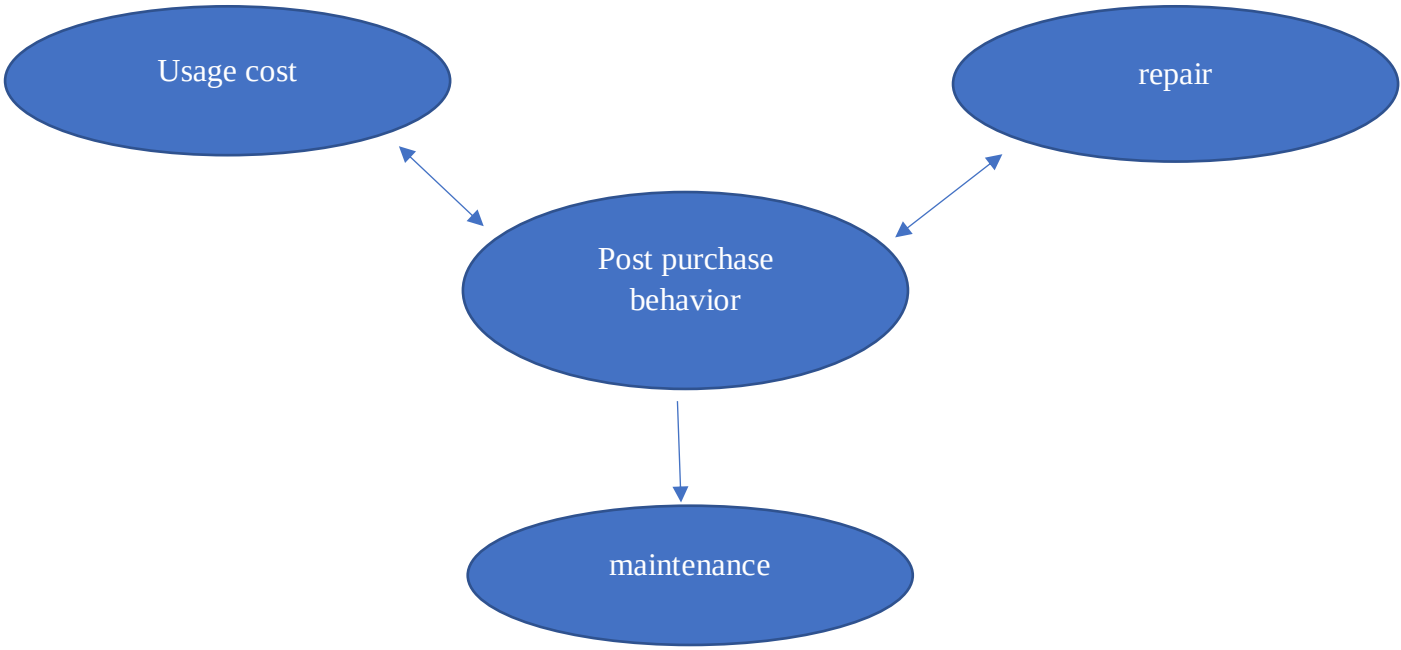
1. Pre purchase behavior activity which comprises us



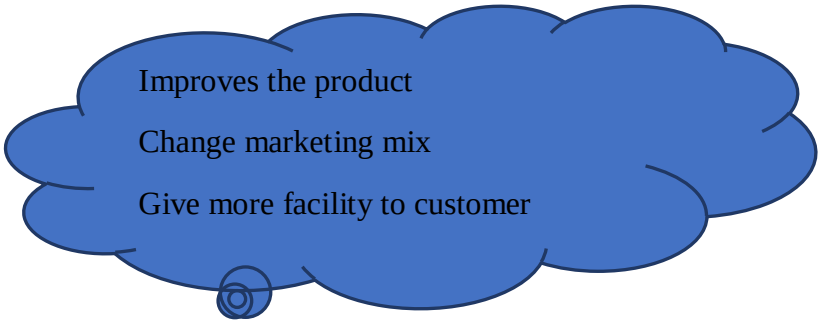

2. Purchase process




3. Post purchase behavior



4. Feedback to marketer




## 6.5 POST-PURCHASE DISSONANCE

A customer's reaction after he was involved in the process of purchasing some high involvement product, usually a very expensive one, like furniture or a house or a car maybe. This purchase creates doubt and anxiety in the mind of the consumer, especially when the degree of commitment is high. This dissonance often leads to consumption guilt, which is a negative emotion or feeling aroused by the usage of that expensive product.

- **Consumers can reduce dissonance by**
  - By focusing on more supportive that outweigh the dissonant belief
  - Reduce the importance of conflicting belief
- **Marketers can reduce dissonance by**
  - By increasing the desirability of the brand
  - By decreasing the desirability of the opposing brand
  - By reversing the purchase decision

## CHECK YOUR PROGRESS

IX. …… is shown by the consumers for low priced products like buying the toothpaste.

X. Consumers are brand switcher in …….. kind of buying behavior.

a) Variety seeking buying behavior
b) Buying behavior reducing Dissonance
c) Habitual buying behavior
d) Complex Buying Behavior

XI. Consumers would be …….. when the product is expensive and bought infrequently.

XII. Purchase creates doubt and anxiety in the mind of the consumer, especially when the degree of commitment is high. (True/False)

XIII. Consumers would be highly involved when the product is expensive and bought infrequently under ……..

a) Variety seeking buying behavior
b) Buying behavior reducing Dissonance
c) Habitual buying behavior
d) Complex Buying Behavior

## 6.6 INTERNET MARKETING

*The Internet* is **not** synonymous with world wide web. The Internet is a massive network of networks, a networking infrastructure. It connects millions of computers together globally, forming a network in which any computer can communicate with any other computer as long as they are both connected to the Internet. The World Wide Web, or simply the Web, is a way of accessing information over the medium of the Internet. It is an information-sharing model that is built on top of the Internet.

## 6.7 INBOUND VERSUS OUTBOUND MARKETING

Outbound marketing was typically the traditional approach to market business and this was known as an interruption-based marketing. This is where we broadcast our message through advertising and other mediums and try to grab the attention of the user. When consumers are bombarded with on average 3,000 messages a day, we can understand why this form of marketing is becoming increasingly difficult. It certainly still works in some cases, but there are now other ways that can be more effective.

Inbound marketing is where marketers provide something of value that attracts a customer to come to shop. When marketers attract that customer, they try to build a relationship. After

they build the relationship, they develop trust and this then allows them to sell their product or service to customers. This form of marketing, although difficult to grasp is becoming increasingly effective.

A permission-based approach such as this can also produce much better results because:

- When marketers build a relationship within any client online or offline their chances of a sales increase significantly. When they go into a sales meeting and fail to build rapport with the potential customer it is difficult to get the sale. Online is now becoming very similar.
- It's generally more cost effective. It does involve more of the time, but there is less expense.
- The performance / return is relatively easy to track so marketer can adjust to get better results

## 6.8 THE INBOUND MARKETING METHODOLOGY

- **Attract:** In inbound marketing we want attract the right customer to your website and to your brand with a quality, answers that questions they have. We well use blogging, social media, keyword and SEO strategy and even outbound advertising to do this.
- **Convert:** After attracting the strangers on websites, a company will ready to convert them into prospect collect their contact info. Emails give important information for an inbound marketer. This includes eBooks, whitepapers, case studies and tips sheets.
- **Close:** With the help of tools like lead scoring closed-looks reporting, lead nurturing and vast lead intelligence, paired with lead follow up best practices and sales tactics, marketers will then work to transform those leads into now business.
- **Delight:** Delight refers to deliver the right information to the right person at the right person at the right time. Delight tools are such as Smart content, Email marketing, conversations inbox, attribution reporting and marketing automation.

## 6.9 LET US SUM UP

Marketers frame their marketing strategies on the bases of assumptions how customers are going to behave in a given set of circumstances. Consumer behaviour is a branch which deals with the whole process through which consumers have to go while purchasing and using the products to satisfy their needs. Marketers assume that by understanding what are the factors that cause the consumers to buy particular brand of product, they will be able to identify,

what product is needed in the market, which one is obsolete and how to present the products to consumers. The buyer decision process represents a number of stages that the online purchaser will go through before actually making the final online purchase decision. The consumer buying decision making process and the business/organisational buyer decision process are similar to each other. In the human being wants are unlimited but the resources to satisfy them are limited. Hence consumers think rationally before taking the purchase decision. Consumer's decision varies with the type of product purchased to satisfy needs. There are differences in the buying behavior of consumers when he is going to buy toothpaste, cricket bat, a laptop and new car. Post-purchase conduct is the response of the customer and the individual, it gives a thought regarding the products' preferences, inclinations and perspectives and satisfaction about the product. The stage is concerned with the behavior of the consumer after consumption of product; the behavior may be positive or negative. A satisfied consumer will go for repeat purchase or recommend the product to other. On other side dissatisfied consumer will feel restless or start search for another product to satisfy unsatisfied need.

## 6.10 KEY WORDS

| | |
|---|---|
| CONSUMER BUYING BEHAVIOUR | It is a branch which deals with the whole process through which consumers have to go while purchasing. |
| BUYER DECISION PROCESS | It represents a number of stages that the online purchaser will go through before actually making the final online purchase decision. |
| PROBLEM RECOGNITION | It is the beginning of the buying process. |
| HIGH INVOLVEMENT | Means the consumers is highly involved while purchasing the product. |
| COMPLEX BUYING BEHAVIOR | When consumers are highly involved in the buying the products and they can easily identify the difference between the different brands. |
| HABITUAL BUYING BEHAVIOR | Purchases made by the consumers which demand low involvement and significant difference between brands are absent. |
| DISSONANCE | It often leads to consumption guilt, which is a negative emotion or feeling aroused by the usage of expensive product. |

## 6.11 ANSWERS TO CHECK THE PROGRESS

I. True

II. Buying decision process

III. False

IV. False

V. True
VI. Shorter/quicker
VII. True
VIII. Problem recognition
IX. Low involvement
X. Variety seeking buying behavior
XI. Highly involved
XII. True
XIII. Complex Buying Behavior

## 6.12 TERMINAL QUESTIONS

- What is Consumer behaviour? Discuss the nature of consumer behaviour.
- Describe in detail the buying decision process by taking any product category.
- How the different stages of buying decision process are important for the marketers in strategy formulation?
- What is buying behaviour? What are the classifications for the buying behaviour, explain them with examples?
- What is post purchase buying behaviour and why such behaviour is important for the marketing managers?
- Explain in detail the post purchase dissonance.
- What is Internet Marketing and what are the strategies under internet marketing for consumer satisfaction?

**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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## UNIT-7 DIGITAL MARKETING STRATEGY: DIGITAL VS NON- DIGITAL MARKETING STRATEGY

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**STRUCTURE**


7.0 OBJECTIVES
7.1 INTRODCTION
7.2 MARKETING STRATEGIES
7.3 NON-DIGITAL MARKETING STRATEGIES
7.4 DIGITAL MARKETING STRATEGIES
7.5 DIFFERENCE BETWEEN TRADITIONAL MARKETING AND DIGITAL MARKETING
7.6 DIGITAL MARKETING ENVIRONMENT
7.7 FACTORS AFFECTING DIGITAL MARKETING
7.8 MICRO (INTERNAL) ENVIRONMENTAL FACTORS
7.9 MACRO (EXRERNAL) ENVIRONMEMTAL FACTORS
7.10 MARKET OPPORTUNITY ANALYSIS
7.11 LET US SUM UP
7.12 KEY WORDS
7.13 ANSWERS TO CHECK THE PROGRESS
7.14 TERMINAL QUESTIONS


### 7.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Frame the marketing strategies
- Understand the important dimensions for marketing strategies
- Compare the digital and non-digital marketing
- Describe the tools for digital marketing
- Elaborate the digital marketing environment
- Find out the different factors affecting the marketing strategies
- Evaluate the how micro and macro environment influence the marketing strategies

### 7.1 INTRODCTION

Marketing is a method of advertisement that is used by the companies to attract customers and making them aware about the products and services those are provided by the companies. Main goal of marketing is to reach the desired segment of customers that matches with the

company's products/services or we can say to reach the customers that needs or wants our company's products/services. Reaching the desired segment of customers ensures the profitability to the business firm.

Marketing is a tool that is used by the companies to sell their products/services to the customers. Marketing includes the sales, pricing, public relations, packaging and distribution. It is a kind of process that ensures the needs and wants of customers and delivering the products efficiently and ensures the profitability to the firm. It is all about addressing the needs of customers; through advertising, selling and delivering products to customers. The whole process includes following steps:

1. Coordination of identification
2. Selection and development of a product
3. Determination of its price
4. Selection of a distribution channel to reach the customer's place
5. Development and implementation of a promotional strategy.

Through traditional marketing organizations straightforwardly target and discover clients, while through digital marketing their goal is to have individuals discover them. Accomplishment of a digital marketing exceptionally relies upon the clients approaching the Internet and being comfortable with the channels used to target them, be those informal communities or sites.

## 7.2 MARKETING STRATEGIES

It is a long-term, forward looking approach of any business firm having a goal of achieving the competitive advantage by understanding the wants and needs of their customers. A marketing strategy covers the company's key brand messaging, value proposition; it contains the target customer's data demographics and other elements.

**Marketing strategy covers "four Ps" of marketing:**




- **NON-DIGITAL MARKETING:** It is termed as a type of marketing that is not conducted online. It includes print, broadcast, direct mail, phone and other outdoor

advertisements like billboards. Newspapers and radio help the company to reach targeted audiences.

It is not only one of the oldest methods of marketing but it is also one of the most researched. Many marketers adopt this method because it is tried and true. Traditional marketing is playing an important part in reaching the local audiences. Physical Ads those can be kept for longer period of time.

- It includes greater cost because it has various platforms.
- The scope of traditional marketing is limited, as the target audience is very specific.
- The campaigns tend to be rigid cause of no room for adjustments.
- It allows Uni-dimensional communication with having very little customer interaction.
- In non-digital marketing the employees can be available to the customers only during the working hours.
- A Non-digitalised advertisement takes time to spread among the audience.
- There is no any specific tool available to measure the performance of a campaign.
- Only general audience is targeted through non-digital marketing.
- Door to marketing is possible in case of traditional marketing the campaign can directly interact with the customers.
- This method requires huge investment as compared to the digital marketing.
- The reach to customers is very limited in traditional marketing.
- Non-digital marketing cannot target the audience groups effectively.
- Proper availability of budget is required to execute the campaign.
- Personalized advertisements are not possible.
- The conversion rates are low.
- Auditing is difficult.

- **DIGITAL MARKETING**: It refers to a marketing that is conducted online by the company. It includes email marketing, social media ads. It is becoming popular because the world is now becoming digitalised. It is more cost-efficient than the traditional marketing.

More audience can be targeted at once through digital marketing. Many customers prefer to purchase the products online that's why it becomes the most preferred platform for buying the products.

- It allows the multidimensional communication and also facilitates the active communication from consumers.
- The strategies of digital marketing have much room for facilitating the adjustments.
- Cost of promoting the campaign is very low, as predominant platform is internet.
- It has a large scope, all the information is made available to the customers as a whole.
- In digital marketing the company can target millions of people at once because all the people are connected with technology.
- The company/organization can provide 24/7 availability to the customers.
- The advertisement takes only few seconds to reach to your target audience.
- There are many tools available online to monitor the performance of marketing campaign.
- In digital marketing scheduling is possible making it possible for the employee to post even at non-working hours.
- Niche audience can be target with digital media.
- Two way communications is possible with the customers.
- It is more cost efficient the investment is not much.
- It can customize the advertisements according to the user's interests.
- This method is very cost effective and in some scenarios it is totally free.
- The conversion rates are high.
- Audit is possible at any time.

## 7.3 NON-DIGITAL MARKETING STRATEGIES

It relies on offline strategies such as direct mail, direct sales, word-of-mouth communication, and print advertisements in magazines, newspapers, billboards, radio and television. The main aim of the company behind the non-digital marketing is to create brand awareness. In

the recent survey, only 4% of the respondents rated the leads generated from radio, print and TV ads as of high quality.

- **Signage**: It comprises of digital photos those are framed and lighted in the dark. Now the companies started putting signage on mobile taxis irrespective on the boring walls. This method helps to reach the wider segment of audience than ever before.
- **Billboards**: Using printed or the hand painted canvas images are used by many organizations. Billboards have come a long way from the highways to hallways. Non-digital marketing uses more images and less text. A picture express thousand words, so it is best way for creating brand awareness. Most of the business firms are more familiar with this system of marketing. Billboards give wide reach across the social classes and the geographical boundaries.
- **Direct mail**: Business firms and many other organizations use the direct mail system for conveying the people about their services. Mailing is a personalizing, creative method for targeting a particular segment of audience. Direct mail has a great power to influence the readers; it is also easier to understand. Faster feedback is received in case of the direct mails, more purchases are made and it is an greater ease for retrieval making of the good old fashioned direct mail the real deal in new age of marketing.
- **Flyers and brochures**: Flyers and brochures are come in handy in places such as: streets, malls, brick and mortal establishments. Flyers and brochures are used for special discounts and offers. Business cards introduce a business to the client without having any personal interaction. Non-digital marketing is more connective and interactive way of dealing with the customers in face-to-face interactions.
- **Face to face interaction**: This method has been used for around ages. Face to face interaction is more attractive way to deal with the customers and conveying the details regarding their business products. It helps the customers also for understanding all the details regarding the products they want to buy in their preferred language. Customers also provide the feedback to the company regarding the product experience and the kinds of modifications they want in the products.
- **Direct sales:** It involves the marketing and sales of products/services directly to the customers, but the location may be differing. These kinds of sales are done at customer's homes or at their jobs. Direct sales are also done over the phone.
- **Tradeshows**: Tradeshows are continued to be a popular mode of marketing channel for many organizations and the business firms. In business to business space the

attendees are 34% more willing/likely to purchase the product than the persons who hear about the products through other channels of marketing.

- **Print marketing**: It creates awareness of the product and the service through advertisements in a magazines, pages, billboards and newspapers, etc. it is a targeted or broad way of marketing. But this mode of marketing is expensive as compared to the digital marketing.
- **Referral**: It is also known as word-of-mouth marketing. It leverages the company's existing customer's to advocate for company's business. Many business organizations provide referral payments to the customers who bring in other customers in the company.
- **Broadcast:** Many of the small business firms rely on the television and the radio advertisements to reach the target audience.
- **On-site activities**: Most of the organizations still invest in on-site marketing activities and events. It is a great way to make a lasting relationship/connection with the target market. On-site activities provide the opportunity to capture great content like photographs and videos.
- **Handwritten cards**: Sending the handwritten cards to the clients on some special occasions like birthdays, graduations and other special life events makes the clients feel special and this kind of special treatment adds a personal touch.
- **Speaking engagements**: Speaking engagements can be the great way for getting directly in front of the target audience and it helps to create brand awareness. It can be an effective way of marketing tool because speaking engagements helps to build face-to-face connection brands with the consumers.

**CHECK YOUR PROGRESS**

**I.** Reaching the desired segment of customers ensures the ……. to the business firm.

II. A marketing strategy covers the company's key brand messaging, value proposition; it contains the target customer's data demographics and other elements. (True/False)

**III.** ……. is termed as a type of marketing that is not conducted online.

**IV.** …… is more cost-efficient than the traditional marketing.

**V.** …….. interaction is more attractive way to deal with the customers and conveying the details regarding their business products.

a) Direct Mail b) Display advertising

c) Face to face marketing
d) Flyer and poster

**VI.** Flyers and brochures are not used for special discounts and offers. (True/False)

**VII.** The technique, business firms rely on the television and the radio advertisements to reach the target audience is known as ……

a) Broadcast
c) Display advertising
b) Direct Mail
d) Face to face marketing

**VIII.** Speaking engagements can be the great way for getting directly in front of the target audience and it helps to create brand awareness. (True/False)

## 7.4 DIGITAL MARKETING STRATEGIES

There are numerous digital marketing strategies those are used by the business firms for advertising their products and services. These are explained further:

- **Email marketing:** It is one of the earliest ways of digital marketing. Email marketing is composed of sending the commercial message regarding the company's product to a group of targeted customers using email and delivering the personalized emails and the targeted messages at the right time. With the help of email marketing software the company can maintain separate email lists on the bases of customer's likes and dislikes.
- **Social media marketing**: It is a form of marketing that utilizes the networking sites as a tool of marketing. The main goal of social media marketing is to produce that kind of content that the customers share with their social network groups. Many customers try to finds their favourite brands on social media so proper social media strategy is now become necessary for every organization to reach to their targeted audience. With the increased popularity of Google, face book, twitter and YouTube social media marketing became more popular. Posting the right kind of content is necessary so that the people will share your company's content, it helps to reach to the new customers. These kinds of sites also are used as an effective form of communication to engage with your customers.
- **Search engine optimization**: It is an essential strategy in digital marketing. It is the process in which the website's visibility is affected or making a web page visible in a search engine's unpaid results, it is often referred to as "natural results". This process is done by increasing the volume of keywords that a site ranks for.

Search engine optimization targets the various kinds of search such as video search, image search etc. it also covers the factors like how the search engine works, about what the people search for and the kind of keywords typed into search engines. The kind of search engines are preferred by the company's targeted customers also finds out by the search engine optimization.

- **Mobile advertising:** It is also one of the biggest growth areas in the digital marketing. The advertising is done via mobile phones. The mobile phones which are used for advertising are: smart phones, wireless phones or tablet computers.
- **Search engine marketing**: It is a type of internet marketing uses the search engines for advertising the company's website or business to customers using internet. The more traffic to company's website is generated via advertising or paid links. It includes all the paid listings, search engine optimization and other related services that will increase traffic to the company's web site.
- **Online advertising:** It is also known as internet advertising or web advertising, is a form of marketing and advertising that uses the internet services to deliver the promotional marketing messages to the consumers. Despite of many benefits of online marketing there are some reasons the consumers finds this mode disruptive and blocking the ads. Online advertising includes: Social media marketing, search engine marketing and Mobile marketing.
- **Affiliate marketing:** Affiliate marketing occurs when the business firm organize third parties for bring in customers for them. The payment is given to the third parties on the basis of sales generated through their advertising. Affiliate generates he traffic to the company through their affiliate networks; once the purchase is made by the visitors they receive the payment. The desired actions can be:
    - Email submission
    - Phone call
    - Filling out an online registration form.
- **Display advertising:** It is done through advertising on websites. The main purpose behind display advertising is to deliver brand messages to site visitors and deliver general advertisements. Display advertising includes different formats and contains many items such as:
    - Flash
    - Images

- Text
- Video
- Audio.

- **Adware:** It is software that once installed it automatically displays advertisements on the user's machine. All the ads may appear in the software itself, and integrated into the web pages visited by the user, or in pop-ups.

## 7.5 DIFFERENCE BETWEEN TRADITIONAL MARKETING AND DIGITAL MARKETING

The key distinction between traditional and digital marketing is how the marketing message is communicated to an audience. Here are some quick comparisons of digital and traditional marketing.

- **Cost:** Traditional Marketing has recurring costs that can add up quickly and result in a poor return on investment. An advertisement in the local newspaper or on the radio or television would only be worthwhile if it hits the target audience on the day it is transmitted or written. What are the odds of that happening?

  Any more publicity will require a re-run of the print or broadcast campaign, which will necessitate additional funding. Compare this to content marketing, which build once on website and can use for months or even years without costing anything extra. Digital marketing has the potential to be less costly.
- **Marketing Approach:** Since the marketer must build a personal relationship with the audience, traditional marketing requires a more personal approach. There is no need for a face-to-face partnership in digital marketing since all meetings take place online. However, in order to boost its image in the minds of the audience or customers, the marketer must maintain a considerable amount of online presence.
- **Target Audience:** Every marketing campaign has a specific target audience in mind. It is easy to reach out to the local audience or customers in the traditional market. Marketers need to figure out who target market is and then position marketing messages (via a channel) where they can easily see, hear, or communicate. It caters to a wide range of consumers and audiences. For example, Using newspaper advertisements, banners, and radio or television advertisements.

Digital marketing has a broader scope. To enter a global audience, digital marketing is made possible across the internet. It employs organic and paid search engine and social media material, as well as email marketing, video marketing, and influencer marketing. Single piece of content in digital marketing has a particular target market.

- **Customer interaction and participation:** Since traditional marketing mediums are not versatile enough to enable consumer engagement, traditional marketing provides very little interaction with the viewer. The viewer is left to see, hear, or interpret the marketing message without being able to quickly provide feedback.

  Engagement and interaction are made easier with digital marketing. Customers can easily provide feedback in the form of product reviews, buyer experiences, testimonies, and other similar products. This enables the company to quickly gather consumer reviews and implement it into their analytics.
- **Ease of measuring results:** Traditional marketing makes it difficult to track outcomes. Marketer never know how far ads can go when send fliers, give away brochures, or advertise in newspapers or magazines. Marketers can easily monitor results with digital marketing. Instead of going blind-eyed, they get a clear-sighted marketing strategy. To grasp where they are going, they have access to a lot of details about their clients and prospects. For example, they shall know how many people visit website and how many people watched video.

**Below is a table of distinguish between Non-Digital Marketing and Digital Marketing**

| **NON-DIGITAL MARKETING** | **DIGITAL MARKETING** |
|---|---|
| In this marketer cannot target audience group effectively. | In digital marketing can target audience very effectively. |
| Personalized advertisement is impossible. | Can customize the advertisement as per the interest of audience. |
| It can take long duration to implement campaign. | In this campaign can implement very fast and easily. |
| Huge budget is required to implement a campaign. | It is cost effective, in some scenario it is free of cost. |
| Can generate positive ROI based on the product. | Very high ROI compared to advertising cost. |

| | |
|---|---|
| Static ads mostly non-engaging or non-interactive. | Easily create engaging and interactive advertisements. |
| Measuring campaign results are difficult. | Can easily measure the campaign metrics and data. |

**CHECK YOUR PROGRESS**

**IX.** The main goal of …….. is to produce that kind of content that the customers share with their social network groups.

a) Display advertising
b) Email marketing
c) Social Media Marketing
d) Search Engine marketing

X. …… is the process in which the website's visibility is affected or making a web page visible in a search engine's unpaid results.

XI. Affiliate marketing occurs when the business firm organize third parties for bring in customers for them. (True/False)

XII. The main purpose behind display advertising is to deliver brand messages to site visitors and deliver general advertisements. (True/False)

XIII. …….. is software that once installed it automatically displays advertisements on the user's machine.

**7.6 DIGITAL MARKETING ENVIRONMENT**

It refers that all the surrounding of the business which affects the Digital Marketing internally and externally. Study of these factors is called Digital Marketing environment analysis, as the study of these factors or surroundings is very beneficial for developing marketing strategies. Environment which surrounds the Digital Marketing is flexible, unpredictable in nature and complex. Due to flexible in nature and cannot stands still, it gives number of new opportunities to the business, therefore it is very important to frame new strategies according to the changes in the environment.

## 7.7 FACTORS AFFECTING DIGITAL MARKETING

**INTERNAL FACTORS:** Digital markets exist in the environment where there are lot of changes are going to take place and all such changes directly affect to the Digital Marketing environment. The internal factors include:

- **Target Market:** The first factor in the online market Environment is target market. It is foremost factor in business. Before deciding for a digital marketing, marketer should firstly analyse or determine how the customers through use of digital marketing get the information about services and products. Marketers always post or update content which is suitable and interesting for the target market.
- **Budget:** In every organisation cost is a big factor in every environment. In case there is shortage of funds then business should avoid the major channels for Digital market. Businesses where there have huge budgets, they would have more options like pay per click (PPC), setting new websites, and short message (SMS) services. Digital marketing is cheaper than traditional method of marketing but it involves much cost.
- **Talent:** Talent is the most appropriate factor in the Digital Marketing environment. Without this Digital Marketing cannot establish as talent come from experiences and the knowledge. If there is no skilled talent in the environment than everything is out of the place. It includes to know the; Alternatives or options, Implementing ideas and Measure that ideas.
- **Time factor:** Online marketing takes time as lot of time required for planning, implementing and monitoring etc. Monitoring on the strategies of digital marketing is done all the time or constant monitoring is required. In small businesses this factors hardly influence the strategies.
- **Channels:** In Digital Marketing marketers need to use the various channels to approach the target markets**.** Manager should evaluate the all these channel for their cost effectiveness.

## 7.8 MICRO (INTERNAL) ENVIRONMENTAL FACTORS

It also called operating environment as micro environment factors also directly influence the electronic market environment. The Factors are:

- **Customer: E**very business wants to have more sale of products, so they try to increase more and more customers. Customer is a major part of marketing model and It is very important for the company to know about their customers. There are lot of customer in the market therefore company should have knowledge about the customer that what type of media customer used for buying process.
- **Competitor:** Next factor in micro environment is competitors. Marketing Manager should aware about the strategies; plan of competitors in the market and with techniques of benchmarking overtakes the competitor activities and strategies.
- **Suppliers/distributors: T**hey also affect the online marketing environment. This factor includes all digital channels start from seller place to buyer place. With rapidly growth of the internet the digital connection between the business and consumer has grown as there is a less need of intermediator like wholesaler and retailer etc.
- **Organisation structure:** Digital market is all depends on the organisation, which includes behaviour of the employee, skills, technique, adoption of new methods in the organisation. In some organisations peoples (employees, managers) do not want to change in the organisation and uses old methods for marketing. To overcome this types of situation manager have to setup or modify all organisational structure in such way that it is beneficial for Digital Marketing.

## 7.9 MACRO (EXRERNAL) ENVIRONMEMTAL FACTORS

Macro environment mean general environment of business. Macro forces are Uncontrollable in comparison to the micro forces of environment. The growth and survival of business depend upon its adaptability to Macro environmental factors which include Political, Economic, Social, Technological, Legal and Environmental forces.

- **Political:** The political environment has many factors influencing the trading environment; they are shaped by the interplay of government agencies, public opinions and consumer pressure groups. Some examples of these factors include taxation, investment and management of business and public affairs. So marketers need to frame marketing strategies as per the rule of government.
- **Economic:** The United Kingdom has an open economy and ranks among the sixth largest in the world and it has best market place in the world. Issues such as

Inflation, GDP, employment levels, and interest rates need to be considered to ensure sustainability of a competitive and strong position in the online market.

- **Social:** The key factors that make up social forces and the implications for online marketing include; social communities based on demographic profile, social exclusion and cultural factors. The highest important shift in demographic trends is that over 50% of the population of the world lives in an urban setting. As well as emerging markets in Russia, India, Brazil and China represent the market growth.
- **Technological:** Technology is vital for competitive advantage and it is the major driver of globalization. Marketers need to understand digital and internet technology as making mistakes can lead to significant consequences.
- **Legal:** Laws are in place to provide a framework of control and regulations to enable individuals and businesses to go about their business in a legal manner. There are many legal and ethical considerations in the online trading environments and marketers have to understand and work with them. PLT will follow the Data protection and privacy law so their customers are protected online.

## 7.10 MARKET OPPORTUNITY ANALYSIS

Market opportunities analysis focus on the discovery of new opportunities and to evaluate the current position of company's current technological, competitive and financial willingness to make use of that. It includes identifying the demands of customer which could not be met in past and identifying the target Markets and resources capacity to fulfil the requirements of the market's needs.

**There are several ways to find out the market opportunities:**

- **Consumer segmentation:** for understanding the demand of market first thing is to do market segmentation and identification of consumer segment. There are basically two types of segmentations:

  Soft variables: lifestyles, purchasing motivations, attitude of customers towards products.

Hard variables: age of consumer, geographical area of consumer, education level, income level and gender of the consumer.

- **Purchase situation analysis:** This type of analysis can be used for the expansion of the business like uncover expansion opportunities. There are several question arises in this analysis.

  When the people buy the product?

  Is it be there when people's need it?

  Where people makeup purchase?

  How they would pay for them?

- **Direct competition analysis:** After analysing purchasing situation and demands in the market next step is to find or analyse the supply. Its first aspect is to study about the players exist in the market where marketer going to compete. Several questions are arises in this analysis

  What are the growing brands and product of our Industry and why?

  What is the competitive advantage we have over them?

- **Indirect Competition analysis:** Market opportunities are also found with the help of analysing substitute industries. This type of analysis is helpful to provide additional opportunities in the growth.
- **Analysis of other industries:** In this type of analysis company have not only objective is to continue operating business within the same industry but also to expand the business in other industry or expand the business model.
- **Complementary products and services analysis:** In this type of analysis marketers have to monitor performance of the other companies which are complementary to the first one.

**CHECK YOUR PROGRESS**

XIV. Online marketing takes time as lot of time required for planning, implementing and monitoring etc. (True/False)

XV. Marketing Manager should not aware about the strategies; plan of competitors in the market and with techniques of benchmarking overtakes the competitor activities and strategies. (True/False)

XVI. Digital market is all depends on the organisation, which includes behaviour of the employee, skills, technique, adoption of new methods in the organisation. (True/False)

XVII. The growth and survival of business depend upon its adaptability to …….. factors.

## 7.11 LET US SUM UP

Digital Marketing draws heavily on Internet communications to co-ordinate many marketing activities, such as market research, New product development, market segmentation, positioning, product distribution, customer services, promotion, customer feedback, etc. These internet or electronic based activities should, in turn, be integrated with the overall marketing strategy to support the corporate objectives of the E-commerce. Implementing Digital Marketing strategy, requires an adequate understanding of changes in the way customers think and act on the World Wide Web. In other words, in a dynamic business environment, Digital Marketing is capable of cutting through the clutter to provide a precious opportunity for businesses to improve accessibility to the world and thrive. Marketers need to deliver product and services as per the requirement of customers. Digital Marketing Environment refers that all the surrounding of the business which affects the Digital Marketing internally and externally. Study of these factors is called Digital Marketing environment analysis, as the study of these factors or surroundings is very beneficial for developing marketing strategies.

## 7.12 KEY WORDS

| | |
|---|---|
| MARKETING | It is a tool that is used by the companies to sell their products/services to the customers. |
| NON-DIGITAL MARKETING | It is termed as a type of marketing that is not conducted online |
| DIGITAL MARKETING | It refers to a marketing that is conducted online by the company. |
| SIGNAGE | It comprises of digital photos those are framed and lighted in the dark. |
| REFERRAL | It is known as word-of-mouth marketing. |
| EMAIL MARKETING | It is composed of sending the commercial message regarding the company's product to a group of targeted customers |
| SOCIAL MEDIA | It is a form of marketing that utilizes the networking sites as a tool of |

| | |
|---|---|
| MARKETING | marketing |
| DISPLAY ADVERTISING | It is the advertising done on websites. |
| MACRO ENVIRONMENT | Macro forces are Uncontrollable in comparison to the micro forces of environment. |
| PURCHASE SITUATION ANALYSIS | The analysis can be used for the expansion of the business like uncover expansion opportunities. |

## 7.13 ANSWERS TO CHECK THE PROGRESS

I. Profitability
II. True
III. Non-digital marketing
IV. Digital Marketing
V. Face to face marketing
VI. False
VII. Broadcast
VIII. True
IX. Social Media Marketing
X. SEO
XI. True
XII. True
XIII. Adware
XIV. True
XV. False
XVI. True
XVII. Macro environmental

## 7.14 TERMINAL QUESTIONS

- What is the requirement of Digital Marketing Environment analysis? Discuss the Customer Centric Online Marketing.
- What is Off line marketing strategies? Discuss in detail the various activities taking place in this.
- What is on-line marketing strategy? Discuss in detail the various activities taking place in digital marketing.
- Describe in details the non-digital marketing strategies.
- What are the different digital marketing strategies and how they are useful for the marketers?
- What is traditional marketing and how it is different from the digital marketing?
- What is digital marketing environment? Discuss in details the different factors of macro environment and how they are affecting the marketing?

- What is market opportunity analysis? how the different factors of environment are important for analysis?
- Discuss in detail the Factors that marketers need to evaluate. What are the various variables affecting the Digital Marketing Environment?
- Describe the Market opportunity analysis. How marketers can find out the marketing opportunities prevailing the market?

**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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# UNIT-8 DIGITAL MARKETING DECISIONS- PRODUCT, PRICE, DISTRIBUTION AND PROMOTION

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**STRUCTURE**


8.0 OBJECTIVES
8.1 INTRODUCTION
8.2 MARKETING MIX WITH INTERNET
8.3 COMPONENTS OF DIGITAL MARKETING
8.4 DIGITAL MARKETING DECSIONS (DIGITAL MARKETING MIX)
8.5 EFFECTIVE DIGITAL MARKETING MIX DECSION IS EQUAL TO PROFITS
8.6 INTERNET HAS CHANGED THE MARKET
8.7 DISTRIBUTION
8.8 PROMOTION
8.9 PROMOTION TOOLS

**8.10 LET US SUM UP**

8.11 KEY WORDS
8.12 ANSWERS TO CHECK THE PROGRESS
8.13 TERMINAL QUESTIONS


## 8.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Take the digital marketing decisions
- Understand the Internet and marketing mix relationship
- Find out the important components of digital marketing
- Describe the digital marketing mix
- Frame the digital marketing strategies
- Understand how effective marketing leads to profit
- Elaborate how internet has changed the market
- Fin out the role of distribution and promotion for marketing effectiveness

## 8.1 INTRODUCTION

Digital marketing targets a specific segment of the customer base and is interactive. Digital marketing is booming and includes search results ads, email ads, and promotional tweets, anything that involves marketing with customer feedback or a two-way interaction between company and customer.

Digital marketing is a combination of two words namely digital and marketing. In simple terms, Digital means anything can see or hear from an electronic device such as a TV, cell phone, radio. Marketing means understanding the needs of the consumer and providing the products or services accordingly. Digital Marketing is designed to reach the target audience to analyse their needs, promote product and services and market awareness through various digital platforms available online. It is done mainly on the Internet.

The Internet provides an endless array of both useful and useless type of information. Marketers can discover how many cans of Coke are left in a Coke machine on the one side of the world; watch live coffee being brewed in a coffee pot; or make contact with old friends and new friends, tour a museum, explore libraries and encyclopaedias all online. There is no doubt about it; the Internet has its good and bad aspects in ethical, moral and social perspective. Equally in marketing, the Internet has its positive and negative features. Internet can help marketers in more ways than one.

Both the organization's own web site and other organization's web sites and associated technologies can help marketers in many ways, from conducting research, to database building, relationship management customer service, new product development, internal communications, cost reduction and last but not the least promotion, selling and distribution.

## 8.2 MARKETING MIX WITH INTERNET

| | |
|---|---|
| **Marketing Research** | ➢ Market information<br>➢ Competitor information<br>➢ Customer information<br>➢ Miscellaneous information<br>➢ Collect cost saving ideas |
| **Database Building** | ➢ World-wide club<br>➢ Dynamic relationship marketing |
| **Customer Service** | ➢ Self-servicing customers<br>➢ Self-service customer abuse<br>➢ Self-service cost saving |
| **New Product Development** | ➢ Collecting new ideas<br>➢ Tailor-made, products |

| | |
|---|---|
| **Internal Communications** | ➢ Intranets<br>➢ Extraneous |
| **Cost Reduction** | ➢ Print and distribution<br>➢ Phone calls<br>➢ Customer service<br>➢ Collecting cost saving tips<br>➢ Revenue generation |
| **Distribution** | ➢ Products<br>➢ Services<br>➢ Purchases |
| **Selling** | ➢ Few fairies' tale sales stories<br>➢ New markets<br>➢ Small value, big turnover<br>➢ Sales management tool |
| **Promotion** | ➢ Have a presence<br>➢ Interactive advertising<br>➢ Creative sponsorship<br>➢ Sales promotions<br>➢ Public relations<br>➢ Database marketing |

## 8.3 COMPONENTS OF DIGITAL MARKETING

- **Website streamlining (SEO)**: Search Engine Optimization is a cycle to change and adjust the site's information to improve the site's positioning in Search Engine.
- **Pay Per Click (PPC:** It's a training to pull in online rush hour gridlock towards their site by paying some measure of cash to ad distributer.
- **Email Marketing**: It's a straightforward and direct method of advanced advertising to arrive at end clients by sending them an email containing some significant data.
- **Partner Marketing**: In this sort of advanced advertising, the advertiser pays commission to member advertisers to advance their brands on various stages.
- **Content Marketing**: Contents like text, recordings, designs, pictures, and so on are utilized to associate with the focused on crowds to speak with them.

## 8.4 DIGITAL MARKETING DECSIONS (DIGITAL MARKETING MIX)

The marketing mix is a key foundation on which most modern marketing strategies and business activities work. As in the case of traditional marketing, Digital Marketing also uses combination of components of the marketing mix. E-marketers attempt to deliver value to ultimate customers, whether individuals, business, household, to satisfy their needs and wants in the best possible manner. Digital Marketing attempts to do the costs and benefit analysis. Benefits are based on consumer perceptions of the product by evaluating the features, attributes, brands and after-sale services. The costs associated with a product or services include the price plus other factors such as time invested in the purchase process and psychological factors.

In Digital Marketing, the internet provides facility to increase benefits while reducing the costs. The benefits include mass customization, digital delivery of products, and one-stop shopping. Lower costs are the result of direct selling, segmented pricing, and expanded delivery services through the web. The increased benefits and decreased costs can be explored by looking at the product, price, place and promotion components of the Digital Marketing mix.

- **Product:** With the introduction of Digital Marketing, the possibilities have increased for the development of several new and innovative products. Companies are working consistently to explore the customer needs and match those needs with the technological developments to create new products that can deliver value to users. The product life cycles (PLC) of the products have shortened because there has been advancement in the product development at a very high pace. With Digital Marketing the competition has also increased in the market and things are moving at a very fast face. So competition, speed of innovations and research and developments in product has become the phenomena for survival and growth thus building the potential for greater profits.

  The web is giving opportunity to both small and big business to grow. Even the small businesses can compete with the large giants globally using the web. Distance and time are not a constraint now. Transport, courier and logistic service firms like FedEx, DHL, and TNT facilitate the global exports, imports and speedy delivery of the products to the customers.

- **Price:** The standard pricing methods and strategies are not useful in Digital Marketing. Traditional pricing theory is based on the economic assumptions of laws of returns to scale which tells declining fixed costs as the volume expands. But this theory of cost advantage may not hold true in case of Digital Marketing. The constant product innovations makes the life cycles short thus require innovative pricing policies.

  The marketers have created efficiencies by lowering the costs associated with the final exchange of products marketed on the web. Self-service websites offer potential for costs and thus lower pricing on the web. Also the automation of order processing and payment adds to the potential savings.
- **Place:** The Digital Marketing uses internet and thus have expanded the ways marketers sell their products. Digital Marketing has resulted into disintermediation of many traditional channels of distribution and re-intermediation of many new and innovative channels of distributions. Many new channels of distribution have evolved from the use of internet to market goods. E-tailers represent a new distribution channel for traditional firms as well as for companies that exist only on the internet such as Amazon.com, eBay, Flipkart. In delivery process also e-marketers have developed new ways to deliver products and services including digital products, more efficient customer service, and new ways to sell directly to the customers. Innovative new intermediaries have emerged because of special needs associated with Digital Marketing
- **Promotion:** In traditional marketing, the consumer is passive in the communication process as they cannot interact with the company or marketer. They can only see and read advertisements, listen to radio ads, and view the TV commercials. Digital Marketing offers the interactive and active media where the consumers must choose, i.e., click, to see something and can view it for as long or as short as they like. They can have direct interactions with the company or marketers online. Also even in the personal selling process where the consumer is more involved, different techniques of promotion can be used by the marketers.

  Digital Marketing also changes the other promotional activities of a company. Nowadays, all advertisements contain the web address for the company offering the products and services. This is done with the intention that customers can further interact online to get more information.

**CHECK YOUR PROGRESS**

**I.** Digital Marketing is designed to reach the target audience to analyse their needs, promote product and services and market awareness through various digital platforms available online. (True/False)

**II.** ..... is a cycle to change and adjust the site's substance/information to improve the site's positioning in Search Engine.

a) PPC
b) SEO
c) Partner marketing
d) All three

III. …… is straightforward and direct method of advanced advertising to arrive at end clients by sending them an email containing some significant data.

**IV.** The …….. is a key foundation on which most modern marketing strategies and business activities work.

## 8.5 EFFECTIVE DIGITAL MARKETING MIX DECSION IS EQUAL TO PROFITS

What's an effective "marketing mix" and why should marketer care? An online "marketing mix" is what brings all of the different components of successful selling on the internet into a congruent and cohesive system to achieve its business goals. It effectively targets the right group of people, with the right products and services, at the right time and place, which all lends itself to the end goal of substantial and increased profits. It's also been called the 7 Ps of marketing.

The 7 Ps of the online marketing mix include **People, Product, Price, Promotion, Place, Process, and Physical Evidence.**

- **People:** This is where it all begins, people. First it's very important that marketer must find out through research if there are enough people in demand of a certain types of products and services. Typically marketer can get a good idea of the demand for certain products and services by research. In certain markets there may be several different types of products which can cater to a particular segment of people. If there is a high demand of certain types of products, then this can be great news for business. This will help marketers when it comes to creating their sales funnel and for future product development for repeat sales to that segment of people down the road. The

competitors may offer something similar, but if the marketers treat customers and satisfy their needs than it will result into them dealing with the same marketer again in the future!

- **Product:** Do the marketers have right products for the market they are trying to target? As mentioned earlier, marketers absolutely need to have the right types of products that are in demand for market. But, how do they know?

  If there is already products and services available than marketers should think, what can they do to offer a better product to this group of people than the competitors. What can give them the edge to stand out? Marketers can look for the consumer needs from online forums where people are asking where they can find a certain script that does "this or that", or who provides the best solution to a service they need. Skype groups, Facebook groups can be great for this type of research as well.

- **Price:** Price is the next thing that's important within the "Marketing Mix". This is actually an area where marketers have to be somewhat careful, plus, be mindful of what their target market might actually be willing to pay. Price is a touchy area. Pricing has a lot to do with how a product is perceived by the customers as well. If price of the product is too low, then it might be considered as somewhat inferior to the competitions. If marketers try and increase the price too high, it could result into creating a difference for people who may not think the benefits of the product or service are worth the asked price.

  The marketers should consider the competitor's products and services, their positioning, and pricing also how fit it is in the market. If company already have current customers, they can take their feedback about their perception.

- **Promotion:** The fourth "P" in the "Marketing Mix" is Promotion. This part of process in the marketing plan can include several components such as how the marketers may be communicating about the product to the customers, including:

  - ✓ PPC
  - ✓ Article marketing
  - ✓ Social media marketing such as YouTube, Facebook, Twitter etc.
  - ✓ JV partners
  - ✓ Media buys

The selection of promotion media and how the marketers will promote will depend on the budget, the message to communicate, and the group of target customers. Things to consider:

- ✓ What is the promotion budget?
- ✓ Access to partners willing to promote
- ✓ The types of incentives that can be offered

- **Place:** At first glance, marketers might think place is obvious. The place here means selling the products or services using web site. Some places to consider listing product: Clickbank, https://seller.flipkart.com/, *ebay.in* , PayDotCom, *sellers.snapdeal.com/*
- **Process:** The next thing to consider within the marketing mix is the process of how products are delivered. This is generally the technical part of the equation. For this the companies are going to need an effective "sales system".

  It's how marketers are going to get paid, and deliver the products. For most digital products this is all done online. However, if the products or services happen to be physical, marketers might require the use of a distribution channels to support the physical distribution of the products. There are several effective sales systems available in the market today which is capable of handling the main offer and any possible up-sell or down-sell offers.
- **Physical Evidence:** When it comes to online marketing "physical evidence" pertains to how organisations, products, or marketers are presented in the market place.

  Here there is need to give importance to branding, which is extremely important. This can include the professionalism in how products, logo, and the entire message that "brand" is trying to get across to the public is perceived. It's important that company and its products and services come across in a congruent manner, where each part can complement one another, to create the overall "brand". When customer see the Nike swoosh, or a McDonalds sign, they know immediately what their logos stand for.

## 8.6 INTERNET HAS CHANGED THE MARKET

The internet has changed the way to sell products and services. That's a fact, consumers now use the internet to research and purchase products/services online, so firms need online

strategies to attract and retain customers. The Digital Marketing mix considers the elements of traditional marketing, presenting the marketing mix online. Let us discuss this further:

- **E-Product Strategies:** We walk into a shop and see a product we like, we can assess it, touch it. Online, this immediate tangibility disappears. But, is that a disadvantage? Within the Indian e-commerce sales are increasing at extremely high rates. Why? What does buy products online offer over one to one sale? Firstly, there are clear online facts about the product, customers are purchasing. The buyer knows immediately about product features, the facts, not sales persons assumptions.

  The buying process is also customised for returning visitors, making repeat purchases easier. Organisations can also offer immediately ancillary products along with the main purchase. Example, offer to buy extra printer cartridges along printer purchases online. The product can also be customised to consumers' needs. www.nike.com offer customised trainers to users online. Users can design and see their trainers online before they order.

- **E-Price Strategies:** As mentioned in Marketing Mix section, pricing is always difficult to do and must take into account many considerations. Traditionally pricing was about finding about costs, discovering how much consumers are willing to pay, taking account competition pricing then setting your price. The internet has made pricing very competitive. Many costs i.e., store costs, staff cost have disappeared for complete online stores, placing price pressures on traditional retailers.

  The internet gives consumers the power to shop around for the best deal at a click of a button. Website such www.mysmartprice.com compares mobile prices from different websites informing consumers of where the best deal is. Such easy access to information helps to maintain prices within the online world. The growth of online auctions also helps consumers to dictate price. The online auction company www.ebay.com has grown in popularity with thousands of buyers and seller bidding daily.

  E-pricing can also easily reward loyal customers. Technology allows repeat visitors to be tracked, easily allowing loyalty incentives to be targeted towards them. Payment is

also easy, Paypal, or credit cards allows for easy online payments. However, the downside to this is internet fraud, which is growing rapidly around the world.

- **E-Place Strategies:** One of the biggest changes to the marketing mix is online purchasing. Consumers can purchase directly from the manufacturers eliminating the role of various intermediaries such as retailers and wholesalers totally from the transactions. The challenge for online retailers is to ensure that the product is delivered to the consumer within a reasonable time. Location is important within place strategy. Online location can refer to where links are placed on other websites. Placing a link on www.google.com home page would generate high consumer traffic. Knowing customer and knowing where they visit should help to understand where to place online links and advertisements.
- **E-Promotion strategies:** Promoting products and service online is concerned with a number of issues. Having a recognisable domain name is first stage towards e-promotion. Organisation such as www.apple.com, www.samsung.com, has successfully positioned the brand on the online world as an online bank.

  Most of the organisations today have websites and they use them for online promotions and Digital Marketing. Placing banner advertisements on other web pages is a common form of e-promotion. Banner ads must be placed where potential customers browse. Web public relations are another approach to promoting online. News worthy stories based on product or service launches can be placed on the company's web page, or WPR articles sent to review sites for consumers to read. Online promotion helps in attracting the attention of consumers and influencing their purchase behaviour. Direct email is a popular and common form of e-promotions, although slowly becoming the most disliked form of online promotion by many consumers. Organisations can send e-leaflets to hundreds and thousands of respondents, hoping a small percentage will reply. The problem is that for every 100 emails sent the response rate is not more than 1 to 2 per cent. Direct emailing is also known as SPAM which stands for Sending Persistent Annoying email.

**CHECK YOUR PROGRESS**

**V.** The product life cycles of the products have shortened because there has been advancement in the product development at a very high pace. (True/False)

**VI.** Traditional pricing theory is not based on the economic assumptions of laws of returns to scale which tells declining fixed costs as the volume expands. (True/False)

**VII.** In traditional marketing, the consumer is ……. in the communication process as they cannot interact with the company or marketer.

**VIII.** Marketer can not get a good idea of the demand for certain products and services by research. (True/False)

**IX.** ……. is important within place marketing strategy.

a) Value
b) Price
c) Location
d) Advertising

## 8.7 DISTRIBUTION

Place or distribution channel means how and where the product will be provided to the customer. In Digital marketing, there are numerous alternatives for the organization to sell on a wide scope of platforms. There are number of channels to use but not every channel is used to distribute every product. The product could be distributed via single channel or set of channels, depending upon the type of product they are selling, budget, audience to be reached etc.

some of the channels are:

- Social media stages (Facebook Shop)
- Dedicated online store (WooCommerce, Shopify,).
- Online commercial centres (Amazon, eBay)

Selecting the right channel for the product is crucial. The channel should be easily accessible, and the decision on the right kind of channel highly depends upon the targeted audience.

Whenever choosing place open doors in organization's web based showcasing blend, the requirement for sorting out how much market inclusion it is ready to reach inside that place. An online store can possibly have more extensive inclusion if there's a spending plan accessible for contacting the crowd/ people.

## 8.8 PROMOTION

Under digital marketing promotion means utilization of web based showcasing specialized apparatuses to arrive at objective people. Direct communication, sales promotion, public

relations, and advertising helps to reach to the people digitally. The organization and its online items require various methodologies when arriving at its clients.

Organizations can't put resources into each channel available in the market, the need to comprehend the crowd initially is critical for delivering and implementing a compelling promoting system digitally. Despite the fact that being limited by spending plan, time, areas, innovation, each organization can discover and use viable strategies for web-based advertising to achieve pre decided goals. The introductory showcasing procedure should incorporate limitations to keep away from plans that we can't execute as expected. For instance, putting resources into site. With the help of web analytics, the progress of the selected tool and strategy can be tracked in digital marketing. Digital marketing is quick and provides huge data for future policy making. Online promotion blend incorporates:

- **Advertising** - utilizing relational interchanges media.
- **Sales advancement** - helps present moment to animate fast deal.
- **Public Relations** - making a good picture for the intended interest group proceed.
- **Direct advertising** - utilizing client information bases for conditional and social advertising via reactions and estimations.

## 8.9 PROMOTION TOOLS

- Twitter can bring organizations image mindfulness up in a very brief timeframe; the chance of utilizing hashtags will keep the brand to stay apparent active on the web. Moreover, this stage offers a ton of helpful publicizing choices .twitter handles helps in one on one conversations and helps in creating a campaign starting with a # (hashtag) and can reach to larger crowd and become trending on twitter .
- Google+ is fit for advancing the product both among private clients and different organizations. So in case the organization is keen on Business to business activities, Google+ may be a decent wagered, even it can improve the SEO over the long-time.
- Pinterest is a visual stage. Pinterest permits organization to flaunt the item contributions, comparative pictures, and curated pin-sheets. Pinterest is a desert spring for specialists, ladies and grooms. Travel schedules, proposed pressing records, arranging thoughts, make activities, and wedding motivation are easily done on this platform .

- Instagram has huge amount of dynamic clients and has similar publicizing alternatives as Facebook. It's a visual stage, hHere people can follow the products official account and the people will get the information about the product, offers etc. in the form of Instagram stories and posts. Even the number of followers tells about the liking of the product by the people around the globe.
- LinkedIn  This stage is known as the essential long range informal communication stage for experts. Business can utilize LinkedIn to refresh clients in the list, associate with industry accomplices, and enrol new colleagues. Being an expert platform, it is preferred decision for business-to-business web-based media advertising.
- YouTube is a video real time stage which can be of extraordinary assistance to any organization as it can empower them to discover a gathering of individuals whom the organization wants to focus on and change over them into clients by instructing, engaging and giving answer for clients issues.
- Facebook permits the organization to target clients by their area, Age, Gender, pay, etc., which assists the business with directing people to the online business shops. Facebook help the business  in accomplishing staggered advertising Like and offer are astounding highlight. If somebody likes the organizations page the person will get information about new items and advancements .
- Email advertising is one of the conventional computerized showcasing channels that is both viable and economical. The leads produced by the marketers, can be utilized to send messages and contact the likely clients. The business can send clients pamphlets, digests, lists, direct ads, update messages, messages illuminating customers about extraordinary arrangements and limits, and the email promoting effort can be either centred around raising the image mindfulness or transformation rates
- In Display Advertising business advertisements put on the outsider sites or applications. This advertisements is normally connected to a greeting page of the advanced website. Display promoting can be a solid match in the event that business realize that some particular sites or applications are especially valuable for the business intended interest group, and with their assistance, we can raise the  image mindfulness and pull in new people. The costs of these advertisements are generally determined on the CPM premise.
- Affiliate showcasing is affiliating with different organizations and influencers in business specialty, organization can spread its image to a more extensive crowd and

increment its deals. it helps in setting advertisements or connections on partner sites and visitor presenting on sharing leads and trading complementary whoops.

**CHECK YOUR PROGRESS**

**X.** In Digital marketing, there are numerous alternatives for the organization to sell on a wide scope of platforms. (True/False)

**XI.** Under …….. promotion means utilization of web based showcasing specialized apparatuses to arrive at objective people.

**XII.** …… can bring organizations image mindfulness up in a very brief timeframe.

a) Twitter
b) Google Plus
c) Facebook
d) Pinterest

**XIII.** ……. has huge amount of dynamic clients and has similar publicizing alternatives as Facebook.

**XIV.** …….. permits the organization to target clients by their area, Age, Gender, pay, etc.

a) Twitter
b) Google Plus
c) Facebook
**d)** Pinterest

**XV.** Email advertising is one of the conventional computerized showcasing channels that is both viable and economical. (True/False)

## 8.10 LET US SUM UP

Digital marketing targets a specific segment of the customer base and is interactive. Digital marketing is booming and includes search results ads, email ads, and promotional tweets - anything that involves marketing with customer feedback or a two-way interaction between company and customer. The marketing mix is a key foundation on which most modern marketing strategies and business activities work. As in the case of traditional marketing, Digital Marketing also uses combination of components of the marketing mix. E-marketers attempt to deliver value to ultimate customers, whether individuals, business, household, to satisfy their needs and wants in the best possible manner. In Digital Marketing, the internet provides facility to increase benefits while reducing the costs. The benefits include mass customization, digital delivery of products, and one-stop shopping. What's an effective "marketing mix" and why should marketer care? An online "marketing mix" is what brings all of the different components of successful selling on the internet into a congruent and

cohesive system to achieve its business goals. It effectively targets the right group of people, with the right products and services, at the right time and place, which all lends itself to the end goal of substantial and increased profits. In Digital marketing, there are numerous alternatives for the organization to sell on a wide scope of platforms. There are number of channels to use but not every channel is used to distribute every product. The product could be distributed via single channel or set of channels, depending upon the type of product they are selling, budget, audience to be reached etc. Under digital marketing promotion means utilization of web based showcasing specialized apparatuses to arrive at objective people. direct communication, sales promotion, public relations, and advertising helps to reach to the people digitally.

## 8.11 KEY WORDS

| | |
|---|---|
| **MARKETING** | Marketing means understanding the needs of the consumer and providing the products or services accordingly. |
| **SEARCH ENGINE OPTIMIZATION** | It is a cycle to change and adjust the site's substance/information to improve the site's positioning in Search Engine. |
| **EMAIL MARKETING** | It's a straightforward and direct method of advanced advertising to arrive at end clients. |
| **PARTNER MARKETING** | In this sort of advanced advertising, the advertiser pays commission to member advertisers to advance their brands on various stages. |
| **MARKETING MIX** | It brings all of the different components of successful selling on the internet into a congruent and cohesive system. |
| **DISTRIBUTION** | It means how and where the product will be provided to the customer. |
| **PROMOTION** | It means utilization of web based showcasing specialized apparatuses to arrive at objective people. |

## 8.12 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | True | **V.** | True | **IX.** | Location |
| **II.** | SEO | **VI.** | False | **X.** | True |
| **III.** | Email Marketing | **VII.** | Passive | **XI.** | Digital marketing |
| **IV.** | Marketing Mix | **VIII.** | False | **XII.** | Twitter |

**XIII.** Instagram **XIV.** Facebook **XV.** True

## 8.13 TERMINAL QUESTIONS

- Define the term marketing mix. Explain structure of marketing mix and its elements.
- What are the issues and challenges in the way of Digital Marketing? What do you think are the possible opportunities for Digital Marketing?
- What is marketing mix and what would be the role of internet in marketing mix?
- What are the critical components of digital marketing and how they influence the digital marketing mix?
- How the marketing manager ensure the effectiveness of marketing strategies with the help of marketing mix?
- Why marketing mix effectiveness is important and how it will contribute towards profitability of organization?
- What kind of changes have taken place in the marketing mix as a result of internet?
- What do you mean by marketing mix? Discuss various elements of marketing mix with suitable examples.
- Write short notes on the followings: -
    a. Digital Marketing Mix Strategies
    b. E-Product Mix
    c. E-Price Mix
    d. E-Place Mix
    e. E-Promotion Mix

**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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## UNIT 9- DIGITAL MARKETING STRATEGY FORMULATION AND EXECUTION

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**STRUCTURE**


9.0 OBJECTIVES
*9.1 INTRODUCTION*
9.2 DIGITAL MARKETING STRATEGY IMPORTANT
9.3 COMPONENTS OF DIGITAL MARKETING STRATEGY
9.4 WAYS TO MAKE DIGITAL MARKETING STRATEGIES MORE EFFECTIVE
9.5 INBOUND VERSUS OUTBOUND MARKETING
9.6 INBOUND MARKETING METHODOLOGY
9.7 BREAKDOWN OF THE KEY FORMS OF DIGITAL MARKETING
9.8 PROCESS TO CREATE AN DIGITAL MARKETINGSTRATEGY
9.9 MARKET SEGMENTATION, TARGETING AND POSITIONING
9.10 E-MARKET SEGMENTATION
9.11 BASES FOR SEGMENTATION
9.12 TARGETING
9.13 MARKET POSITIONING
9.14 DEVELOPING A POSITIONING STRATEGY
9.15 PRODUCT POSITIONING AND DIFFERENTIATION
9.16 PRODUCT POSITIONING PROCESS
9.17 IMPORTANCE OF POSITIONING
9.18 LET US SUM UP
9.19 KEY WORDS
9.20 ANSWERS TO CHECK THE PROGRESS
9.21 TERMINAL QUESTIONS


### 9.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Have basic understanding for the digital marketing strategies
- Understand why digital marketing strategies are important and its components
- Find out how we can lake digital marketing strategies more effective
- Compare hoe inbound marketing is different from outbound marketing
- Effective use of inbound marketing methodology
- Know the process for creating digital marketing strategy
- Elaborate the segmentation, targeting and positioning
- Develop the positioning marketing strategy
- Know the importance of positioning and its importance

### *9.1 INTRODUCTION*

*The Internet* is **not** synonymous with *World Wide Web*, it is a massive network of networks or a networking infrastructure. It connects millions of computers together globally, forming a network in which any computer can communicate with any other computer as long as they are both connected to the Internet. The World Wide Web, or simply the Web, is a way of accessing information over the medium of the Internet. It is an information-sharing model that is built on top of the Internet.

Digital Marketing is the fastest growing and most exciting branch of marketing today. As the world becomes ever more connected, keeping up with developments and trends is vital for marketers trying to reach new audiences, who are more discerning, fragmented and cynical than ever. Technology and software are changing at such a high rate that it seems almost impossible to keep up with trends. Products and services are evolving and adapting to the online sphere. The web is constantly shifting, growing and changing everything is fleeting.

Digital marketing refers to the promotion of goods or services through the use of digital technologies such as the internet, social media, cell phones, and other digital platforms. It comprises not only advertising that is shown on websites, but also other kinds of online activities like email and social networking. Every aspect of Digital Marketing is digital, meaning that it is electronic information that is transmitted on a computer or similar device, though naturally it can tie in with traditional offline advertising and sales too.

### 9.2 DIGITAL MARKETING STRATEGY IMPORTANT

To achieve any aim, having a strategy is almost as important as having a plan. It optimises process execution, allowing for high efficacy while keeping an eye on different areas to evaluate data analytics and take appropriate action.

This allows for continuous improvement in various digital marketing techniques such as search marketing, conversion rate optimization (website user experience), email marketing, and social media marketing to help achieve business goal of attracting new customers and strengthening existing relationships.

Company also needs a competitive and long-term content marketing plan to reach and convert more consumers by leveraging the power of online content and combining digital and conventional marketing platforms.

As companies embrace digital transformation in their core operations and new avenues for reaching consumers, having a solid digital marketing plan is critical to their success.

## 9.3 COMPONENTS OF DIGITAL MARKETING STRATEGY

A digital marketing strategy should include the following elements:

- **Creating a brand:** To identify brand, use brand guidelines. Consider the company's USPs (Unique Selling Propositions).
- **Demographics:** Understanding demographic details such as age, gender, and place, as well as the reasons that motivate customers to select products and services, is key to developing consumer personas. Use Google Analytics to help build buyer personas and segment them based on organic traffic keywords.
- **Identifying target markets:** Perform market research and find possible target markets using market research tools including Google Keyword Planner, Google Trends, and Facebook Audience Insights.
- **Doing competitive analysis:** Evaluate the rivals and perform a SWOT analysis using web and social analytics tools including similarweb, Semrush, and SocialBakers.
- **Appropriate resource management and allocation to achieve objectives:** Manpower (in-house or outsourced, external marketing agencies) and budget are two resources.
- **Reviewing and improving campaign results:** Use digital marketing analytics tools like Google Analytics to monitor, assess, and report on the performance of digital marketing campaigns.

## 9.4 WAYS TO MAKE DIGITAL MARKETING STRATEGIES MORE EFFECTIVE

- **Involve Customer:** Customer needs to be motivated online to post their views regarding various kinds of products and there queries and questions should also be cleared promptly.
- **Consider all the customers:** All the customers should be kept in mind before marketing a product. The taste as well as preferences of all the customers should be considered and segmental.
- **Social welfare focused advertising:** Nowadays there is a trend of working for social welfare, so some social work should also be included so that customers feel attracted.

- **Advertising Frequency:** Specific occasions need to be consider while deciding the frequency of online advertising.
- **Advertising through effective ways**: The advertising of the products and services should be done in such a way so that customers feel attracted to see that particular product.
- **Target Customers:** The customers which are beneficial as well as profitable for the organization should be targeted so that they stood beneficial for the company and therefore benefit the company in long run afterwards.
- **Optimum use of resources:** Online Marketing is economical in terms of time, money as well as efforts involved. So all the resources which are used should be used in wise as well as efficient way.
- **Adequate Investment:** Investment in Online Marketing should be Adequate; there should be neither more nor less investment for Digital Marketing, it must be as per the requirement of the company and the competition in the market.
- **Market's Competition:** One should work by seeing others, that is the other competitors workings can't be ignored whenever there is an advantage than should be grabbed immediately.
- **Content of the advertisement:** The content that seems to be interesting should be taken into account so that customers feel attracted to see that particular advertisement.
- **Target market planning:** Proper planning should be done before targeting customer. All information about the customers should be collected before targeting any customer's segment.
- **Content Updating:** The content should be uploaded regularly so that the customers do not feel uninterested in the products.
- **Competitor's Strategy:** The strategy of competitors should be known so that counter strategy can be made by the companies. This is important because customer these days switch companies or products very easily.
- **Innovativeness:** Time to time updating of the technology should be there in the organization so that nothing outdated should be there in the company.
- **Contact with Customers:** The customers should be contacted time to time and proper reviews of the customers and their preferences about the various products should also be known.

## 9.5 INBOUND VERSUS OUTBOUND MARKETING

Outbound marketing was typically the traditional approach to market business and this was known as an interruption-based marketing.




Image Source: http://www.seomoz.org/blog/inbound-marketing-is-taking-off)

Inbound marketing is where marketers provide something of value that attracts a customer to come to shop. When marketers attract that customer, they try to build a relationship.

## 9.6 INBOUND MARKETING METHODOLOGY

1. **Attract:** In inbound marketing marketers want attract the right customer to website and to brand with a quality, answers that questions they have. We have to use blogging, social media, keyword and SEO strategy.
2. **Convert:** After attracting the strangers on websites, a company will ready to convert them into prospect, collect their contact information. Emails give important information for an inbound marketer. This includes eBooks, whitepapers, case studies and tips sheets.
3. **Close:** With the help of tools like lead scoring closed-looks reporting, lead nurturing and vast lead intelligence, paired with lead follow up best practices and sales tactics, marketers will then work to transform those leads into now business.

4. **Delight:** Delight refers to deliver the right information to the right person at the right person at the right time. Delight tools are such as Smart content, Email marketing, conversations inbox, attribution reporting and marketing automation can be used by the marketers.

## 9.7 BREAKDOWN OF THE KEY FORMS OF DIGITAL MARKETING

| Types | Explanation |
|---|---|
| Search Engine Optimization (SEO) | This is a process used to optimize a website so that it appears more in Google searches. |
| E-mail marketing | E-mail marketing is marketing through delivery of e-mails to current and potential clients. |
| Affiliate marketing | Affiliate marketing is where marketers get third party companies to promote company with a commission paid for a lead or sale. |
| Online PR | PR can be a very effective tool for promoting business and there are many ways of doing this online. |
| Online Advertising | There are many forms of online advertising. Although advertising through the likes of newspapers is not that effective as targeted advertising online can be very effective. For example, if we are searching to buy a Canon camera and the ad is directly relevant to this then we don't view this as a bad thing. |
| Social media | Social media marketing is marketing through conversation and engagement with potential customers. |
| Website | The website is a key Digital Marketing tool used to promote business online. |

## CHECK YOUR PROGRESS

I. Digital Marketing is the fastest growing and most exciting branch of marketing today. (True/False)

II. …….. refers to the promotion of goods or services through the use of digital technologies such as the internet, social media, cell phones, and other digital platforms.

III. Customer needs not to be motivated online to post their views regarding various kinds of products to involve the customer in strategy formulation. (True/False)

IV. …….. need to be considered while deciding the frequency of online advertising.

V. The customers which are beneficial as well as profitable for the organization should be ……..

a) Targeted
b) Segmented
c) Both
D) None of both

VI. The strategy of competitors should be known so that counter strategy can be made by the companies. (True/False)

VII. Outbound marketing known as an ……..

a) Interruption-based marketing
b) Psychological based marketing
c) Content based Marketing
d) All three

VIII. …….. is where we get third party companies to promote our company with a commission paid for a lead or sale.

a) Email Marketing
b) Direct Marketing
c) Affiliate Marketing
d) Online PR

## 9.8 PROCESS TO CREATE AN DIGITAL MARKETING STRATEGY

Online and brick-and-mortar businesses require Digital Marketing strategies. A comprehensive Digital Marketing strategy can launch or increase sales substantially for a business. Digital Marketing requires knowledge of social media, search engine optimization (SEO), blogs, email lists, affiliate marketing and more.

- **Create a Customer Persona:** Previously, digital marketers accrued qualitative and quantitative data approximately the target audience that blanketed age, gender, profession, hobbies, and location. The definition of the capability consumer has been taken to another level currently, with buyer personas taking over. Now, the most effective advertising strategies are incomplete without them. Buyer personas are a term used to explain the proper customer that can be defined through surveying and contacting the pre-defined target organization. To define personal consumer persona,

marketers could make use of on-line equipment like MakeMyPersona and Persona Creator.

- **Identify Goals and Tools:** Every expert marketer knows how vital this level is, without dreams, the strategy certainly will not work, so defining them is primary challenge. Make certain that the goals are suitable and lead them to measurable. Example of a vulnerable advertising intention: Increase the conversions at the internet site next year and create two promotional gives.

- **Focus on Blogging:** Creating notable content material is essential for any digital marketing strategy. Blogging is one way to create content for a website and enlarge content material advertising method. This key component of the method plays a few vital functions, including bringing extra visitors to website, reinforcing social media presence, positioning towards different organizations, and ranking all the ones lengthy-tail seek queries and key phrases.

- **Evaluate Existing Digital Marketing Channels:** Analyze the virtual property and channels that are already the usage of, inclusive of website, weblog content, social media account, word-of-mouth, local advertising, Google AdWords, paid advertising, and so on. Ask, how powerful had been they and how can they be used next year?

- **Automate Marketing:** Marketing automation is huge, and it's best getting higher with new generation and software. Today's main marketing automation platforms can do wonders for virtual advertising method, making it easy for automate activities such as content advertising, e-mail advertising and marketing, lead generation, and greater. It is easy to find advertising automation platforms which are integrated together with CRM, which improves the whole sales procedure.

- **Nail Mobile Optimization:** It's a cellular-first era, and there's no excuse for now not enhancing web page for a brilliant mobile revel in. Mobile optimization includes web page velocity, website online layout, and diverse different SEO practices to make sure that folks that come for web page the usage of a mobile device have a very good revel in. Review cellular responsive layout and e-mail templates to make sure that the use of the latest methods and offer handiest applicable.

- **Easy for Customers to Reach:** Online business is all approximately connecting with ability customers, so traffic to internet site ought to be excessive to ensure nice outcomes. Digital marketing strategy therefore should make certain that visitors are not exerting unnecessary attempt to hook up. Engaging together with customers is priceless in business. To remove the pointless effort, marketers ought to make sure that touchdown pages do now not ask for inappropriate facts. Make call-to-actions honestly seen at the landing page and other pages at the website.

- **Use the Right Technology:** Online marketing attempt is wasted if an ineffective or irrelevant technology is used. For a proper digital advertising approach, marketers shall need equipment along with advertising and marketing automation software in addition to enterprise equipment. There are equipment that allow marketer to during each level of the virtual advertising method, inclusive of equipment that assist identify goals to gear that assist song in which traffic are coming from.

- **Confirm Differentiators:** If corporation is not unique from competition, marketer should now not count on excessive profits. Make sure you convert your difference from the others via talking in your clients and asking them why they decided on your enterprise. Every business enterprise has a unique promoting proposition, an attribute that units you apart from the opposition. Do the research and work to discover what this is? Then, restore your existing differentiators if wanted. Incorporate this message into your content material marketing campaigns.

- **Track Process:** Constant tracking ought to be provided to make sure that the method is running successfully. This is executed by assigning teams that would supply this task. Remember to examine from the errors and continually find development opportunities.

## 9.9 MARKET SEGMENTATION, TARGETING AND POSITIONING

It is very important to learn what market segmentation, why it important is and the different dimensions used by marketers to segment the population. How marketers evaluate and select potential market segments is explained as is the development of a targeting strategy. We understand how a firm develops and implements a positioning strategy and creates a customer relationship management strategy to increase long-term success and profits.

## 9.10 E-MARKET SEGMENTATION

Market segmentation is an important process in conventional marketing. Segmentation is an important step in ensuring successful implementation of marketing strategies. Market segmentation means dividing a market into different groups or categories according to certain criteria such as household income, level of income, level of education, age, gender, hobbies and more. Such data can be collected through questionnaire survey or from statistical department. Once we have those groups ready, we can then use differentiated marketing strategies to target those groups based on their needs and wants. For example, ask yourself what you can sell to the senior citizens? Your answers could be nutritional products, tour packages, medicines, indoor exercising machines and more.

Now, how do we do market segmentation in the Internet marketplace, or rather marketspace? The concept is basically the same, the only difference is companies have a much larger marketplace, and the main concern is language and cultural differences. For example, if marketers wish to promote inbound tour packages, they can target adult travelers from different countries, using website that offers different major languages in the world, such as English, French, Spanish, German, Chinese and Japanese. If companies cannot do it themselves, they can always outsource to companies that provide translation services. Besides, organizations might want to customize the website according to different cultures, particularly those relating to food and things they like to see.

One of the most popular Internet outsourcing companies is **Odesk.com.** In this website, one can outsource jobs to suitable contractors who are mostly individual freelancers. One can bargain with them the price as well as other terms and conditions for handling their jobs. Jobs that can be outsourced are webpage design, contents writing and editing, graphic design, translation, copywriting, customer support and more.

## 9.11 BASES FOR SEGMENTATION

The next step in developing a market segmentation strategy is to select the most appropriate bases on which to segment the market. The major bases to segment consumer markets are the following:

1. Geographic segmentation
2. Demographic segmentation

3. Psychographic segmentation

## 9.12 TARGETING

In targeting, the marketers evaluate the attractiveness of each potential segment and decide which of these groups they will invest resources against to try to turn them into customers. The customer group or groups selected are the firm's target market. Target marketing can be carried out at different levels:

- Undifferentiated Marketing
- Differentiated Marketing
- Concentrated Marketing or Niche Marketing
- Customized Marketing or Micro Marketing

## CHECK YOUR PROGRESS

IX. Digital Marketing requires knowledge of social media, search engine optimization (SEO), blogs, email lists, affiliate marketing and more. (True/False)

X. ……. is one way to create nice content for a website and enlarge content material advertising method.

a) Email Marketing
b) Blogging
c) Advertising
d) Branding

XI. Online marketing attempt is wasted if an ineffective or irrelevant …… is used.

XII. Constant tracking ought to be provided to make sure that the method is running successfully. (True/False)

XIII. Market …… means dividing a market into different groups or categories according to certain criteria.

a) Positioning
b) Targeting
c) Segmentation
d) None of these

XIV. A ……. market consists of a set of buyers who share common needs or characteristics that the company decides to serve.

a) Positioned
b) Target
c) Segmented
d) None of these

XV. An …….. strategy is one that appeals to a wide-spectrum of people.

XVI. A …….. is often useful for smaller firms that do not have the resources or the desire to be all things to all people.

## 9.13 MARKET POSITIONING

The concept of positioning was propounded by two advertising executives, Al Ries and Jack Trout. They considered positioning as a creative exercise done by marketing people with both existing as well as new products. According to them positioning starts with a product, a piece of merchandise, a service, a company, an institution or even a person. But positioning is not what is done to a product. Positioning is what marketers do to the mind of the prospect. That is, marketers position the product in the mind of the prospect.

## 9.14 DEVELOPING A POSITIONING STRATEGY

Positioning means developing a marketing strategy aimed at influencing how a particular market segment perceives a product or service in comparison to the competition. Developing a positioning strategy entails gaining a clear understanding of the criteria that the target consumers use to evaluate competing products and then convincing them that your product will meet those needs. Positioning can be done in many ways. Marketers must devise a marketing mix that will effectively target the segment's members by positioning their products to appeal to that segment. A first step is to analyse the competitors' positions in the marketplace. Who are the direct competitors and what products or services are they providing? Indirect competition can also be important. The following is a list of some established product positioning strategies. (Already discussed in Unit 3)

- Against a competitor
- Product Categories
- Away from a Competitor
- Benefits
- Product Attributes
- Usage Occasions
- Users

## 9.15 PRODUCT POSITIONING AND DIFFERENTIATION

Marketers must also develop a positioning strategy that includes offering a product or service with a competitive advantage, providing a reason why consumers will perceive the product as better than the competition. Once a positioning strategy is set, marketers must finalize the marketing mix by putting all the pieces into place. The elements of the marketing mix must match the selected segment. This means that the goods or services must deliver benefits that the segment values, such as convenience or status. Furthermore, marketers must price this offering at a level these consumers will pay, make the offering available at places consumers are likely to go, and correctly communicate the offering's benefits in locations where consumers are likely to take notice. Finally, marketers must evaluate the target market's responses so they can modify strategies as needed. Over time, the firm may find that it needs to change which segments it targets or even redo a product's position to respond to marketplace changes.

In volatile markets, it can be necessary even urgent to reposition an entire company, rather than just a product line or brand. When Goldman Sachs and Morgan Stanley suddenly shifted from investment to commercial banks, for example, the expectations of investors, employees, clients and regulators all needed to shift, and each company needed to influence how these perceptions changed. Doing so involves repositioning the entire firm. This is especially true of small and medium-sized firms, many of which often lack strong brands for individual product lines. In a prolonged recession, business approaches that were effective during healthy economies often become ineffective and it becomes necessary to change a firm's positioning. Repositioning a company involves more than a marketing challenge. It involves making hard decisions about how a market is shifting and how a firm's competitors will react. Often these decisions must be made without the benefit of sufficient information, simply because the definition of "volatility" is that change becomes difficult or impossible to predict.

## 9.16 PRODUCT POSITIONING PROCESS

The product positioning process involves the following stages:

i. Defining the market in which the product or brand will compete (who the relevant and prospect buyers are)
ii. Identifying the attributes (also called dimensions) that define the product 'space'

iii. Collecting information from a sample of customers about their perceptions of each product on the relevant attributes
iv. Determine each product's share of mind
v. Determine each product's current location in the product space
vi. Determine the target market's preferred combination of attributes (referred to as an ideal vector)
vii. Examine the fit between the product and the market.

## 9.17 IMPORTANCE OF POSITIONING

Product positioning is a crucial ingredient in the buying process and should never be left to chance. It is company's opportunity to influence the market's perception of their products and services. Failure to proactively address product positioning is unlikely to end well. With or without marketer input, customers will position the product, probably based on information from the competitors, which will not flatter the organizations. Clear, concise, meaningful product positioning also helps companies cut through the relentless advertising and marketing noise of the marketplace. In customer's mind, product positioning gives the messages some context so they can be better heard and accepted.

## CHECK YOUR PROGRESS

XVII. …….. is developing a product and brand image in the minds of consumers.

a) Positioning
b) Targeting
c) Segmentation
d) None of these

XVIII. Effective positioning involves a good understanding of competing products and the benefits that are sought by the target market. (True/False)

XIX. …… means developing a marketing strategy aimed at influencing how a particular market segment perceives a product or service in comparison to the competition.

XX. Once a positioning strategy is set, marketers must finalize the marketing mix by putting all the pieces into place. (True/False)

XXI. Product positioning is a crucial ingredient in the buying process and should never be left to chance. (True/False)

## 9.18 LET US SUM UP

The goal of marketing is to create value and satisfy needs. However, everyone's needs are not the same. Understanding needs is a complex task. Market segmentation is an important process in conventional marketing. Segmentation is an important step in ensuring successful implementation of marketing strategies. Now, how do we do market segmentation in the Internet marketplace, or rather marketspace? The concept is basically the same, the only difference is companies have a much larger marketplace. Market research analysis using segmentation is a basic component of any marketing effort. The marketer will have to try different segmentation bases or segmentation variables, alone or in combination, to find the best way to view the market structures. In contrast to consumers, industrial customers tend to be fewer in number and purchase larger quantities. In targeting, the marketers evaluate the attractiveness of each potential segment and decide which of these groups they will invest resources against to try to turn them into customers. The customer group or groups selected are the firm's target market. A target market consists of a set of buyers who share common needs or characteristics that the company decides to serve. The business can positively influence the perceptions of its chosen customer base through strategic promotional activities and by carefully defining the business' marketing mix. Effective positioning involves a good understanding of competing products and the benefits that are sought by the target market. In volatile markets, it can be necessary even urgent to reposition an entire company, rather than just a product line or brand. Product positioning is a crucial ingredient in the buying process and should never be left to chance. It is company's opportunity to influence the market's perception of their products and services.

## 9.19 KEY WORDS

| | |
|---|---|
| DIGITAL MARKETING | It refers to the promotion of goods or services through the use of digital technologies such as the internet, |
| TARGET CUSTOMERS | The customers which are beneficial as well as profitable for the organization. |
| OUTBOUND MARKETING | Typically, the traditional approach to market business. |
| INBOUND MARKETING | Inbound marketing is where marketers provide something of value that attracts a customer to come to shop. |

| | |
|---|---|
| DELIGHT | It refers to deliver the right information to the right person at the right person at the right time. |
| AFFILIATE MARKETING | In this, we get third party companies to promote our company with a commission paid for a lead or sale. |
| MARKET SEGMENTATION | It means dividing a market into different groups or categories according to certain criteria. |
| TARGETING | In this, marketers evaluate the attractiveness of each potential segment and decide which of these groups they will invest resources against to try to turn them into customers. The |
| UNDIFFERENTIATED MARKETING | An undifferentiated targeting strategy is one that appeals to a wide-spectrum of people. |
| POSITIONING | It is developing a product and brand image in the minds of consumers. |

## 9.20 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | True | VIII. | Affiliate Marketing | XV. | Undifferentiated targeting |
| II. | Digital marketing | IX. | True | XVI. | Concentrated strategy |
| III. | False | X. | Blogging | XVII. | Positioning |
| IV. | Specific occasions | XI. | Technology | XVIII. | True |
| V. | Targeted | XII. | True | XIX. | Positioning |
| VI. | True | XIII. | Segmentation | XX. | True |
| VII. | Interruption-based marketing | XIV. | Target | XXI. | True |

## 9.21 TERMINAL QUESTIONS

- What is digital marketing strategy and why it is important?
- What is the importance of digital marketing strategies? What are the critical components of digital marketing?
- Highlight the important dimensions that must be considered by the marketers to make the digital marketing strategy more effective.
- What is Inbound marketing and how it is different from outbound marketing?

- Discuss the process for developing the effective digital marketing strategy.
- What is market segmentation, and why is it an important strategy in today's marketplace?
- Explain the major variables used to segment the consumer markets. Give example of each.
- How do we segment the business markets?
- What is target marketing? What are the different levels of target marketing?
- What is market positioning? How the companies do position of their products? Discuss with examples.

**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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# UNIT-10 DIGITAL MARKETING MECHANISMS: WEBSITES- COMPANY AND RETAIL SERVICE PROVIDERS

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**STRUCTURE**


10.0 OBJECTIVES
10.1 INTRODUCTION
10.2 OFFLINE MARKETING CHANNELS
10.3 DIGITAL MARKETING MECHANISMS
10.4 DIFFERENCE BETWEEN CHARACTERISTICS OF GOODS AND SERVICES
10.5 DIGITAL MARKETING STRATEGIES FOR RETAIL SECTOR
10.6 FACTORS FOR DECIDING THE RIGHT MARKETING MECHANISM
10.7 ELECTRONIC CHANNELS
10.8 BENEFITS OF ELECTRONIC CHANNELS
10.9 THE DESIGN OF A SERVICE DISTRIBUTION SYSTEM
10.10 LET US SUM UP
10.11 KEY WORDS
10.12 ANSWERS TO CHECK THE PROGRESS
10.13 TERMINAL QUESTIONS


## 10.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Understand the marketing and offline marketing channels
- Basic understanding of digital marketing mechanism
- Comparison among goods and services
- Know the digital marketing strategies for retailing
- Elaborate the critical factors influencing the digital marketing mechanism
- Understand the electronic channels and its benefits

## 10.1 INTRODUCTION

A business enterprise is a system that is created and managed by the people. The single main purpose of business is to create a satisfied customer. The business should always aim at creating and delivering values, to satisfy the customers. In order to understand clearly the business system, knowledge about marketing processes, systems and sub-systems are required. This will also help in knowing how the business and customers can be in advantageous position. From a general point of view, marketing is a practice of identifying and satisfying customer needs. With the explosion of digital technology, including the full

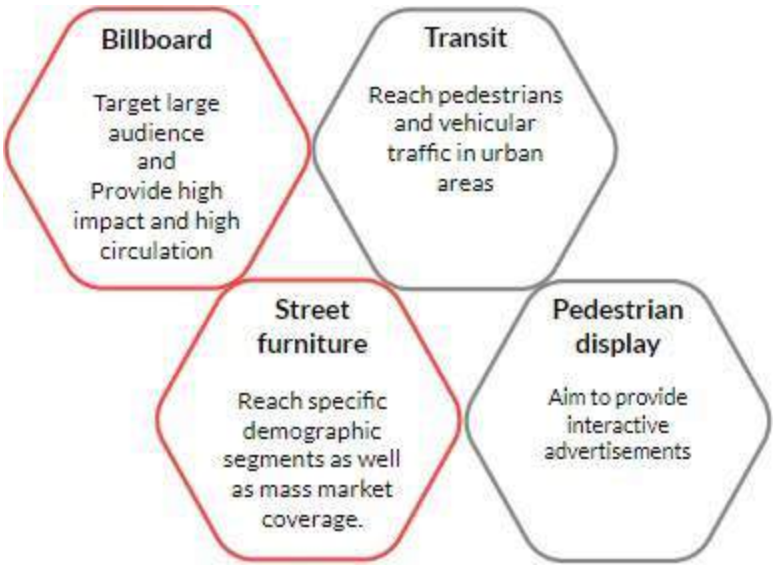
use and spread of computers and smartphones, businesses are beginning to try new ways of marketing. Marketing is a process through which value is communicated to the consumer.

## 10.2 OFFLINE MARKETING CHANNELS

- **TV and Radio Advertising:** It is one of the heavily used channels for marketing due to its wider reach to the local and rural people. But doing this there are certain things which should be kept in mind so that our marketing campaign should reach to max target audiences;
    - Deciding the right media vehicle or TV channel for Ad.
    - Deciding the placement of ad in chosen vehicle i.e., time of Ad.
    - Deciding the frequency of Ad.

- **Print Media Advertising:** Print media advertising includes advertisements through magazines, newspapers and pamphlets. To get max of desired responses along with the factors which we should keep in mind like Tv or radio advertising we have to keep certain additional factors too in print media.
    - Along with keeping in mind the selection of right media vehicle the section of the newspaper or magazine where we have to place the ad should also be checked. And ad should be placed in the relevant section of product only
    - Days of week should also be considered while this for ad. There should be more ads of discounts or sale on sun days than any other days.

- **Outdoor Advertising:** Outdoor advertising is used to advertise about broad messages, branding and support various campaigns. Some of ways of outdoor Advertising are



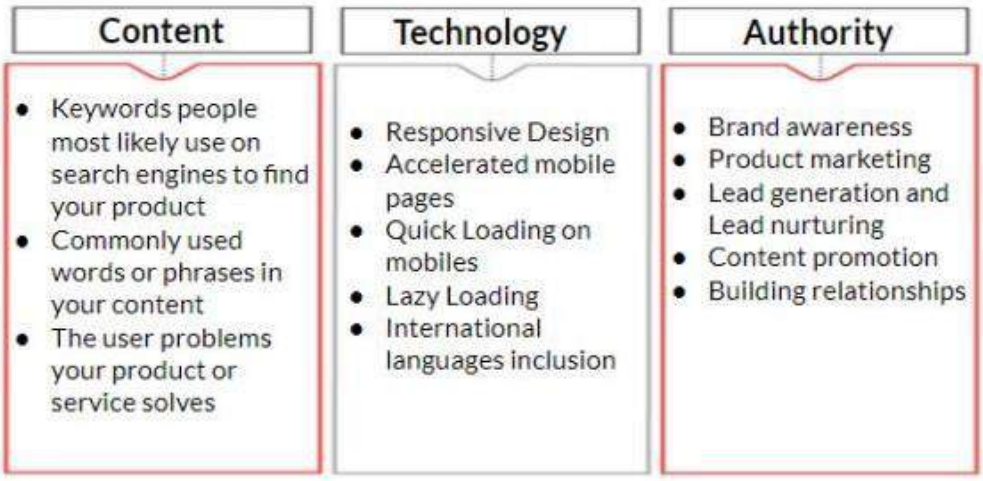
- **Event Advertising:** Event marketing helps to create more meaningful and long-lasting relationship with the customers. It involves presenting and advertising product via human commercials in a social gathering.

  Some of the areas where event advertising can be done:

  - Trade shows or social gatherings
  - Conferences which are majorly company specific marketing events.
  - On field events like of road shows, Converts etc.

## 10.3 DIGITAL MARKETING MECHANISMS

- **Search engine Optimization:** Search marketing strategies are used to increase any firm's presence online so that whenever a potential customer searches for their brand or a related service, their owned media assets are displayed at the top of search results. This can be done by improving the three factors-




- **E-Mail Marketing:** Emails are often used as a method by the companies to contact with their groups. E-mails are having a great role in brand awareness, Product marketing, Content promotion and lead generation. A normal person checks his email multiple times in a day. To build up retail presence, we can send him significant data about the thing is moving in the business. On the off chance that we send important data about their advantage individual would begin looking us as an asset and we can

utilize this position to pitch items.

Effectiveness of an email campaign is calculated on the following parameters:

- Deliverability: Rate at which email reach to intended subscriber`s inbox
- Open Rate: Percentage of people that open email once it reaches to their inbox.
- CTR: Percentage of people that click on CTA's.
- Unsubscribes: No. of people who opt out of email list.

- **Search Engine Marketing:** The major difference between SEO and SEM is this that SEM is a paid marketing strategy whereas SEO is an organic one. SEM is able to bring more visitor in a shorter period of time. SEM is also referred as Pay Per Click marketing. Main purpose of SEM is to:
  - Build Brands
  - Generate leads
  - Sell product

  Three major components of SEM are:

  - **Keywords:** These are the relevant words that shows on the web page in the first search result. Many of brands conduct keyword research and create campaigns that target best keywords.
  - **Ad text**: There should be customized text in the ad. Headline is the first thing that a person sees when he made a search. So, it should be attractive as it made customer click on the Ad.
  - **Landing Page**: It is the page where whole of traffic come from the campaign. So, this should be specific to the product and should use some of same keywords that are used in the Ad.
  - **Display Ads:** These are used to give general advertisements and brand messages to site visitors. Generally, are of three types:
    - ✓ Banner Ads: Appears on the side frame of the website.
    - ✓ Text only ads: Mostly seen in you tube videos they don't have any graphics or link included in them.
    - ✓ Rich media ads: Combination of heavy graphics and images which provide interactive experience to the viewer.

- **Social Media Marketing:** It is one of the major forms of marketing which is going more and more popular these days due to presence of large number of youngsters on the platforms like of Facebook, Instagram and so on.

  Throughout the consumer decision-making process, social media marketing serves the following purpose:

  - Awareness stage: Increase brand awareness, increase reach and impressions, Build an online community.
  - Consideration stage: Engage users, get traffic to website, get users to fill the forms.
  - Purchase stage: Convert users into customers, increase revenue, reduce cost of acquiring new customer.
  - Delight stage: Manage and build online reputation, Provide customer service.

The above-mentioned techniques are the major ones for marketing digitally to any of website of a company. But along with them there are some of other techniques are there:

- **Content marketing**: Content Marketing is making significant and appropriate content dependably on stages. A brand can use content marketing as a gadget to achieve better brand care by displaying itself as an association that is in contact with and important to the world. For example, this is the way Nike is persistently running ad campaigns for athletes that are on the climb. The channels that can have an influence in substance advertising technique include:
  - Blog posting
  - E-book and white papers
  - Infographic

- **Affiliate Marketing** - This is a kind of Marketing based on publicizing where affiliate company will get commission for advancing another person's product or services on their site.

These are the marketing mechanisms with which we can digitally market website of any company and so on.

But along with all these when we came to retail service providers there can be some of other ways or mechanism with which they can market their product. These ways no doubt are digitals but are not online.

- **By Mobile or cell phone:** Suppose a retail store owner message his customers about the new price slash or new arrivals at his store. This is a digital way to market product but this involves no use of internet. So, it can be referred as digital but not online method.

## CHECK YOUR PROGRESS

I. The business should not always aim at creating and delivering values, to satisfy the customers. (True/False)

II. …… media advertising includes advertisements through magazines, newspapers and pamphlets.

III. …… involves presenting and advertising product via human commercials in a social gathering.

a) Event Advertising
b) Print Advertising
c) Email Advertising
d) Social media Advertising

IV. ……. strategies are used to increase any firm's presence online.

a) Search engine optimization
b) Email Marketing
c) Social Media Marketing
d) All three

V. …….. are having a great role in brand awareness, Product marketing, Content promotion and lead generation.

VI. …… is the rate at which email reach to intended subscriber`s inbox

VII. ……. is the page where whole of traffic come from the campaign.

## 10.4 CHARACTERISTICS OF GOODS AND SERVICES

There are three basic attributes on the basis of which the differentiation of evaluation of goods and services take place. They are Search, Experience and Credence (SEC), explained below:

- **Search qualities:** This is a characteristic that can estimate before the purchase or

consumption of a product. This is the quality on the basis of which some goods/services can be searched. Goods have a higher degree of these search qualities as compared to services. (a) For goods it can be all physical attributes like, price, color, design, looks, style, shape, size, etc. So, they are easy to search. (b) For services this can be price, convenience, presentation, promptness of service, courtesy, mannerism, ambiance, etc. Here these are not easy to search, so other factors like tangibility are used for help in searching.

- **Experience qualities:** The quality of goods and services are those which can only be assessed after purchase, utilization, use or consumption, i.e., after the experience. Services have higher experience attributes than goods.
- **Credence qualities:** There are certain attribute of any goods or services that can't be assessed even after use/utilization/consumption. Because the customers lack certain ability to analyse or estimate them, like the effect of some nutritious food or vitamin. Some health service provider may claim that the food contains organically produced fertilizers, but there is no way to ascertain it. But, however, when services are offered by experts, professionals, specialists, it creates credence for services

## 10.5 DIGITAL MARKETING STRATEGIES FOR RETAIL SECTOR

Digital market has made his space in every field, due to its vast advantages. Every sector of industry is adopting digital methods of marketing. Following are the few online marketing strategies for retail service provider:

- **Using Facebook Ads to get more revenue:** In the retail industry it is one of the major strategies to generate more revenues. There are three stages of running a successful Facebook ad which will add up in resume:
  - To have a start, start with engagement campaigns.
  - Create a sense of urgency to the customers, by putting some of discounts on visits on particular time or a particular day.
  - This will dive more traffic to store.
- **Google shopping campaigns:** Google owns 92% of search engine market. Google Shopping ads are the main thing clients see, and they are additionally more unique than customary Google advertisements. Google Shopping highlights item pictures,

valuing, dispatching data, and star evaluations. The genuine stunt is to utilize Google Shopping efforts not withstanding other Google advertising systems.

- **Re-target customers:** It was proven that only 2% of the customer which visit website will purchase. There are such countless reasons why a client didn't choose to purchase on their first visit. They may have had more inquiries they required addressed first. Possibly they are holding for a very decent arrangement. Perhaps they outrageously need your item, yet it is not at the first spot on their list at this moment, and they were taking a gander at your site like window customers do in a shopping center.

  Retargeting ads should work to solve those potential points. For example, if it's the price, then an extra discount will sway them.

  Two main types of retargeting are:

  - Using email lists
  - Using a Facebook pixel on selected pages.

- **Use Influencer marketing for unique and value driven content:** Influencer showcasing is intended to be explicit, relatable, and individual. As clients need more pertinent substance, it's not difficult to perceive any reason why 65% of impact promoting spending plans are required to increment in 2022.

  Discovering credible influencers to advance the image, permits to acquire trust and enlist new clients. Instagram has been the home for most influencers. Instagram's expansiveness of client created content permits to discover influencers who are normal fits for vertical.

- **Buy online and pick up in store:** It is one of the most common method used by every big retailer as of the name suggests that a user or customer can buy online from the website of the retailer and can collect his or her item from the store. This allows store owner to advertise his products at two different platforms and by this he can pitch more product to the customer as customer has to visit store too for collecting the items. Store owner can track the activity of consumer on the web page and can give more discount on the product which customer has viewed but not purchased.

## 10.6 FACTORS FOR DECIDING THE RIGHT MARKETING MECHANISM

- **Goals:** Your choice of digital marketing channels depends on the goals you want to achieve. The goals can be: Brand awareness, creating new leads, improving online search ranking, increasing website traffic, improving conversation rate.
- **Budget:** Marketing costs contrast from one channel to another. Some offer apparatuses that you could use free of charge, while others must be utilized for an expense. All things considered, some others like paid hunt fall some place in the middle with execution showcasing benefits, where you possibly pay when somebody clicks your promotion.
- **Target Audience:** One approach to target explicit personas is to know on which channels they are generally dynamic or locked in. With this data, it is likewise simpler to think of channel that will target your crowd.
- **Competitors:** On the off chance that your rival is offering to clients through a specific advertising channel, you can either go a similar course and exploit that channel's current market or look the alternate route where there is less rivalry, in spite of the fact that you shall have to consider as well if there's sufficient chance for you to sell in less mainstream channels.
- **Functionality:** Contingent upon the size or nature of your business, you could conceivably require each one of those pleasant to-have highlights that a specific advanced advertising channel offers. Consider beginning with essential highlights and afterward increasing things once you see they're worth putting resources into.

## CHECK YOUR PROGRESS

VIII. …….. are certain attribute of any goods or services that can't be assessed even after use/utilization/consumption.

IX. Google owns 92% of search engine market. (True/False)

X. In the retail industry …… is one of the major strategies to generate more revenues.

XI. It has proven that only 2% of the customer which visit website will purchase. (True/False)

XII. Discovering credible influencers to advance the image, permits to acquire trust and enlist new clients. (True/False)

XIII. …… has been the home for most influencers.

a) Instagram
b) Facebook
c) LinkedIn
d) Snapchat

## 10.7 ELECTRONIC CHANNELS

Electronic channels are becoming more and more popular day by day as there is no direct man to man interaction. Internet, e-commerce, telephone, television, etc. are the examples of electronic channels. For retailers, the internet has become the main commercial medium. Many efficient distribution services are provided by the internet. Industries such as financial services, software, data processing and economy dominated by the electronic activities distance is not important. The service firms provide movies on demand, banking and financial services, multimedia libraries, database, video conferencing facilities, etc. through electronic channels. The businesses and consumers are able to exchange the not only information, but also different kinds of products and services through internet. The World Wide Web has provided many opportunities in speed, price and comparability to meet the expectations of the consumers. Due to the global market, service companies have to improve the quality constantly to be in competition. Technology has become important as well as it links the service providers, distributors and the consumers. As compared to the traditional methods, the electronic distribution will gain a big market share in the future. Multichannel retailers and the pure players share the online shopping market share. Pure players are the companies which sell the products online and do not have stores. Multichannel retailers are those which supplement the conventional stores with the online services.

## 10.8 BENEFITS OF ELECTRONIC CHANNELS

- **Quality Control:** Through the electronic channels the service organisations can reach the consumers without any change in the standard package of the services. The electronic channels do not interpret the services. Whatever is designed is transmitted to the consumers. The centralized design of the service package is facilitated by the electronic channel which leads to better quality control.
- **Cost:** As compared to the human being the cost of distribution through the electronic channel to reach each consumer is low.
- **Customer Convenience:** The most important benefit of the electronic channel is convenience to the consumers. Through the electronic media the consumers can access whatever and wherever consumers want the service.

- **Distribution:** Through the electronic channels cost effective market coverage is possible.
- **Customer choice:** A wide variety of the services can be offered to the consumers, according to the choice of the consumers. Movies, cables programmes, etc. are some of the electronic channels offered by the service organisations.

## 10.9 THE DESIGN OF A SERVICE DISTRIBUTION SYSTEM

While designing the electronic channel it should be kept in mind that the execution of the system should be effective and efficient. If the execution is poor, even the strong and sound system will lead to negative or poor results. Distribution can be used as a strong weapon if it is designed properly. Following are the points which should be kept in mind while designing the distribution system.

- **Align the system properly:** Service principles, intermediaries and customers are involved in the indirect distribution system. The service principles design the business system planning which has many dimensions. In the process which involves service production, delivery and consumption, the dimensions such as personal and business and the customers personal and social dimensions play a very important role. To make the distribution system work effectively there should be proper alignment of the dimensions, intermediaries and the customers. The goals of the distribution system and the organisation goals should match.
- **Remember each part of the sales cycle:** "Before sales", "during sales" and "after sales" form the sales cycle of the organisation. "Before the sale" there is initial contact between the service sales employee and the customer. Service organisations should see that the location of the services is convenient to the consumers. This stage of the sales is mainly affected by the design of the service process and promotion methods used by the service organisations. "During the sale", the service firms try to facilitate the customer participation. During this stage of the sales cycle, the service firms should focus on the quality performance and they should try to perform right at the first time. In the last stage, i.e., "after the sale" the service organisations try to retain the customers through the customer relationships, customer complaint handling, service recovery strategies. If all the three stages of the service sale cycle are

performed effectively and efficiently, these will have a positive impact on the quality perception of the consumers.

- **Balance retail and wholesale intermediaries:** The functions of the retailers and the wholesalers are different. Retailers come in direct contact with the consumers whereas the wholesalers are intermediaries between the producer and the retailers. So, both the retailers and the wholesalers require different skills. There should be a balance between the activities of the wholesalers and the retailers. The activities of both of them should be clear. For the efficient and effective working of the service firms, there should be a balance and coordination between the wholesalers and the retailers.

**CHECK YOUR PROGRESS**

XIV. Electronic channels are becoming more and more popular day by day as there is no direct man to man interaction. (True/False)

XV. The …… has provided many opportunities in speed, price and comparability to meet the expectations of the consumers.

XVI. The centralized design of the service package is facilitated by the electronic channel which leads to better quality control. (True/False)

XVII. ……. can be used as a strong weapon if it is designed properly.

**10.10 LET US SUM UP**

In the era of digital economy Internet marketing strategies are the one that promote effectiveness and success of companies on the market. It is a fact that companies which nowadays are not present online are literally invisible for the consumers. And here comes the digital marketing. Well, marketing has been a part of our system since ages. In the earlier times too, people use to market their products by announcements and with the invention of printing press marketing becomes cheaper and easy as now one has to just print poster. With the passage of time marketing techniques has also been evolved. With invention of Tv and Radio era of advertisements came in and when social media gain its advantage there has been a numerous no. of new ways of advertising., These days ads put a vast impact on every person`s purchasing decision. These are ads only who create awareness about the product and tell its features. After creating awareness, they try to give a sense of urgency to the customer pitch their product. With the use of digital media, it has become very easy to figure out that

which method of advertising works for one and which is not working. As we can track each and every visitor coming to our site from where he is coming what he is looking for what he is purchasing and what he is looking but not purchasing. Digital marketing has given a significant insight to the companies that what planes should be made to have maximum no of sales and how we can increase our sales and can left our competitor far behind. As traditional methods of advertising were way costlier and more inefficient than the digital ones. So, with the passage of time they are losing their importance.

## 10.11 KEY WORDS

| | |
|---|---|
| PRINT MEDIA ADVERTISING | It includes advertisements through magazines, newspapers and pamphlets. |
| EVENT ADVERTISING | It involves presenting and advertising product via human commercials in a social gathering. |
| SEARCH ENGINE OPTIMIZATION | Search marketing strategies are used to increase any firm's presence online. |
| SEARCH ENGINE MARKETING | SEM is able to bring more visitor in a shorter period of time. |
| LANDING PAGE | It is the page where whole of traffic come from the campaign. |
| AFFILIATE MARKETING | This is a kind of Marketing based on publicizing where affiliate company will get commission for advancing another person's product or services on their site |
| CREDENCE QUALITIES | Attribute of any goods or services that can't be assessed even after use/utilization/consumption. |

## 10.12 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | False | V. | E-mails | X. | Facebook ad |
| II. | Print | VI. | Deliverability | XI. | True |
| III. | Event Advertising | VII. | Landing Page | XII. | True |
| IV. | Search engine optimization | VIII. | Credence qualities | XIII. | Instagram |
| | | IX. | True | XIV. | True |

XV. World Wide Web XVI. True XVII. Distribution

## 10.13 TERMINAL QUESTIONS

- What is digital marketing mechanism? What are the off-line marketing channels?
- Describe the digital marketing mechanism and discuss its channels.
- What is the role of product in digital marketing mechanism? Describe the characteristic of good and services.
- What are the digital marketing strategies for the retailing?
- Define the digital marketing mechanism. What are the factors important for effective digital marketing mechanism?
- How would you define the electronic channels and how they are beneficial for the business organizations?

**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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# UNIT-11 SEARCH ENGINES- GOOGLE, BING, YAHOO, VIDEO HOSTING AND ENTERTAINMENT- YOUTUBE, AMAZON PRIME, NETFLIX, HOTSTAR

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**STRUCTURE**


11.0 OBJECTIVES
11.1 SEARCH ENGINE
11.2 GOOGLE- MEDIUM OF MARKETING
11.3 HOW TO ADVERTISE ON GOOGLE
11.4 GOOGLE TOOLS FOR MARKETING
11.5 GOOGLE +
11.6 BING
11.7 BING MARKETING
11.8 YAHOO
11.9 PRODUCT AND SERVICES OF YAHOO
11.10 VIDEO MARKETING
11.11 EVOLUTION OF VIDEO MARKETING
11.12 TOOLS OF VIDEO MARKETING
11.13 PLATFORMS FOR VIDEO MARKETING
11.14 VIDEO MARKETING STRATEGY
11.15 YOUTUBE
11.16 A BRIEF HISTORY OF YOUTUBE
11.17 WHY AUDIENCE SHOULD USE YOUTUBE
11.18 HOW TO KEEP AUDIENCE AWAKE
11.19 VIDEO HOSTING
11.20 VIDEO HOSTING PLATFORMS
11.21 ADVANTAGES OF VIDEO HOSTING
11.22 ENTERTAINMENT
11.23 USEAGE OF DIGITAL MARKETING TO PROMOTE THE ENTERTAINMENT INDUSTRY
11.24 BENEFITS OF DIGITAL MARKETING TO THE ENTERTAINMENT INDUSTRY
11.25 AMAZON PRIME, NETFLIX AND HOTSTAR
11.26 LET US SUM UP
11.27 KEY WORDS
11.28 ANSWERS TO CHECK THE PROGRESS
11.29 TERMINAL QUESTIONS


## 11.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Learn how Search Engine work
- Understand the Google as Marketing tool
- Have knowledge about Google+, Bing, and Yahoo as marketing tool

- Explore video marketing and its tools
- Highlight the different platforms and strategies for video marketing
- Learn about YouTube and why customers like it most
- Understand the Video Hosting and its platforms
- Importance of Entertainment for customers and how digital marketing involve in it
- Have basic understanding for Netflix, Amazon Prime and Hotstar

## 11.1 SEARCH ENGINE

Searching is one of the most used moves at the internet. Search engines like Google as a tool, are very famous and mostly used websites. Website online proprietors use main search engines like Google and yahoo for filing their sites on it, and for searching. Regular users use number one search engines like Google essentially for looking, and every now and then for filing their Webpages.

Search engine help the customers to find out the required information to the take the purchase decision. In the search engine either we talk about Google, Yahoo or any other search engine the show the results of website of companies. The sequencing of the website all would depends upon the algorithm, SEO and SEM. The customers can visit the companies' website as per the click they would have on the given links on the search engine results pages. The companies have lot of paid and unpaid strategies to bring their companies' website at the top on the search engine research page.

In order to become expertise in SEO and SEM, at beginner stage you ought to learn how to use engines like Google for looking the information. Individual should know that there are two methods of looking: by handle ding customer questionnaire or by using the resources of class. If individual have keyword to describe about their work art than it will be easily to understand or learn about it.

## 11.2 GOOGLE- MEDIUM OF MARKETING

Marketing on google is done through the digital marketing tools used for search engine marketing, such as adwards, google analytics. Google helps to market the products through the google adwards and google analytics by payperclick to the companies who are

advertisers. Google marketing strategy is developed on the product qyality and usability but there are also other espects effects the marketing strategy.

## 11.3 HOW TO ADVERTISE ON GOOGLE

- **Create a account on google**: First of all have to create an account on google and log in.
- **Setting of budget**: After logging into google ads, have to set daily budget for ads. It may be increase or decrease.
- **Set a location:** later have to set location where we want to taget the market/customers.
- **Choose a network :** After that the next step is to choose a network.
- **Select keywords:** Keywords are very important in google marketing. Before any advertisement, we have to choose the proper and attractive keywords that's related to business and product.
- **Create ads:** The last step would be to create and cast it.

## 11.4 GOOGLE TOOLS FOR MARKETING

In every second, there are around 40,000 quires o the google. So google search is the backbone of google bussinesses and processors. It is a powerfull and effective search engine , where a lot of people search information on the daily bases. They also provide various types of tools to the developers and marketers to develop their business.

**There are the basic uses of google marketing**:

1. Improves SEO Ranking.
2. Build Brand awareness
3. Attract and engaged many people with brand.
4. Maintain and create brand reputation.

## 11.5 GOOGLE +

Google+ is a powerfull marketing tool as compare to other social networks. We can share informations, images and videos. It is a tool where marketers promote their goods and services and connect with other individuals and make good relationships with them. If a

marketer creates an attractive profile and pages of their business it attracts the new peoples and companies.

Google+ is Google's own social network, enabling brands to build relationships with prospects, customers, and other businesses. Similar to other networks, you can share information and images, promote yourself as an individual and if, used correctly.

- Google+ is a powerful search engine marketing tool for companies, influencers, and your own personal branding.
- Google can be a powerful social media marketing tool.
- The importance of Google+ should be assessed on an individual basis, as it is based on your unique appeal. If is thought to be of benefit to your brand, it should be used as part of your overarching social media strategy.

So, Google+ is Google's flagship social network, allowing users to connect easily and often, through interests and friendship. It's not an independent service, instead, it is integrated and connected through all Google services as part of the ecosystem.

Interactions with individuals or companies are based on profiles or pages. Understanding google+ in many respects, Google+ is more of an `information network` than a social network.

**11.6 BING**

Under the leadership of the Ballmer company, Microsoft try to design new products or a new service and in this try they make a software Bing in 2009 they started this search engine Bing. Bing come with new features of software and also helps in marketing.

**11.7 BING MARKETING**

Bing has been used for advertising and promotion of goods and services by the business organisations. Markets have been taking the help from the Bing to promote their products and customers have been getting the information regarding the products and services.

**Benefits for advertisers**

- Bing face less competition
- Bing is economical than other

- Provide more and more options
- Help to tackle target consumers
- Provide control facilities
- Provide more transparency in the process
- Provide information about the demographic
- Handle many of consumers

**CHECK YOUR PROGRESS**

I. ……. help the customers to find out the required information to the take the purchase decision.

a. Emails
b. Blogs
c. Search Engine
d. All three

II. Website online proprietors use main search engines like Google and yahoo for filing their sites on it, and for searching. (True/False)

III. YouTube helps to market the products through the google adwards and google analytics by payperclick to the companies who are advertisers. (True/False)

IV. …… is a powerfull and effective search engine , where a lot of people search information on the daily bases.

V. Google+ is Google's own social network, enabling brands to build relationships with prospects, customers, and other businesses.

a. Blogging
b. YouTube
c. Google +
d. Search Engine

VI. Bing has been used for advertising and promotion of goods and services by the business organisations. (True/False)

## 11.8 YAHOO

Yahoo is a brand with related to research, predicts, crate and associates in the motion brand shows the new achievements and the way of doing work and yahoo logo is made from wordmark. This is organized as the dictionary and the web index which help to search by

most of people in march 1994 the web name as jerry and David ‘s Guide to the world wide web as the name Yahoo.

Later this is known as Yahoo dictionary and also the domain name is set for yahoo is the Yahoo.com

- In yahoo, advertisers can make the small chat group for the advertising.
- In yahoo can find best types of keyboard .
- Yahoo is automatically rolling the ads and advertisers can select the best platform for there advertisement.
- Yahoo search marketing is used by most of advertisers.
- Send the users to related pages and help to optimize website.

## 11.9 PRODUCT AND SERVICES OF YAHOO

- Yahoo! home page - This is the main page is main home page
- My Yahoo!
- Yahoo! Auctions
- Yahoo! Developer Network
- Yahoo! Entertainment
- Yahoo! Lifestyle
- Yahoo! Mail This is mail developed by the yahoo and there is for type of mail developed by yahoo
- Yahoo! Maktoob
- Yahoo Mobile
- Yahoo Movies
- Yahoo! News
- Yahoo! Research
- Yahoo! Smart TV
- Yahoo Sports
- Rivals.com
- Yahoo! Gemini,
- Yahoo! Search

- Yahoo! Shopping
- Yahoo! Small Business
- Yahoo search
- Yahoo video

## 11.10 VIDEO MARKETING

Video marketing is a part of marketing, by the means of which a company communicate the features of its product and services to its potential consumers. The basic objective of marketing by video is to convert the potential consumers to real time consumers.

A video is a representation of visual images with background music. Videos can consist of different pictures which changes with the frame per second. It is said that a picture says thousand words. Video is considered as the most effective Way to grab attention of the people. We humans, remember the thing visually more than remembering them by listening or talking. Companies promote their product or services by adding the information about their product in tits and bits of the video. A video could engage the consumer in a story and promote its product through it. Many companies try to hit the audience on the emotional part and try to connect to them.

## 11.11 EVOLUTION OF VIDEO MARKETING

Before the evolution of web, there were very limited options for the companies to introduce their product in the market. Companies used to beg the mainstream media that were television channels to play their advertisements on it and tell the story to the customers on the behalf of company. But now, with the evolution of internet, there are plenty of options to showcase the product promotional videos.

## 11.12 TOOLS OF VIDEO MARKETING

There are a lot of video marketing software which helps a manager to create a perfect marketing video for his product and services.

- **Flipagram:** Flipagram is a video editing software which combines the images to create short video stories. It is very easy to use and perfect for those videos which are going to be posted on Instagram and Facebook. This tool is available on the different

operating software like play store and apple app store since 2014 for free. It is one of the popular editing apps.

- **Stop Motion:** Stop Motion is really instinctive and will help to make amazing videos with this technique. This application is available for iOS and has features of green screen, image import and sound effect. This application can be used on phone as well as on laptops. This is a paid application, which helps to edit the video frame by frame while watching. It contains the new feature of thumb menu to control all the editing options available for each frame.
- **YouTube Editor:** This interesting tool is integrated by YouTube, which is available for free. It contains the interesting editing capabilities. Transcripts and annotations can be added to the videos to make them look interesting and search engine optimization friendly. It makes the editing easy as well as promotes the YouTube as a platform for uploading videos.
- **Animoto:** It is one of easiest apps to use for video editing. One can create a sunning video in just three simple steps:
    - Add pictures and videos
    - Customize video by adding music, style, text and other features of choice
    - Upload it to website

  In this video is ready in just few minutes and the application works for both editing and sharing videos.
- **WeVideo:** WeVideo is the web-based video editor which helps to create digital stories though still photographs. It also allows to voice over during the video plays. One can crop pictures, add text to the slides and edit audio files with the help of this app. Moreover, this application is available on mobile, so that you can get your videos edited on the go.
- **PowToons:** PowToon is free application for creating animated videos and presentations, which can be showcased on website and can be shared on social media handles. This app provides wide range of templates, characters, backgrounds and transition effects. It allows the user to create its own template from scratch.
- **Picovico:** Picovico is an amazing online tool that automatically creates the slideshow of the photos and videos, in the matter of few seconds. The main exciting features are voice-over, video clips, and pre-defined video templates. The videos created with the help of this app can be exported to any device and allows to upload directly to social

media handles. It offers videos for professional and well personal use and API option for heavy size videos.

- **Wideo:** Wideo is easy and fun to use as it offers the selection of templates, which can be customize to deliver message or just create own template from scratch. Moreover, you can create your own logos and add them into videos to make it more interesting. This app is also available in a lite edition as well.
- **Stupeflix:** Stupeflix is a great video editor around for mixing photographs, videos and music. It features wide selection of beautiful themes, which can be used for making the video making process quicker. Photos, videos, as well as text, a soundtrack, and even maps could be inserted with the help of this app. There is feature where two people can voice-over the video at the same time. After completing the video, you can post your videos on YouTube or on website and can download it. Stupeflix is a website which also available in the form of an app.
- **Sellamations:** There are very few applications and software which offers the animation feature and sellamations is one of those. It would be the best to choose this out of others. Doodle animations which are very attractive and fun to watch, can engage the viewers, can be done in this software. One can create fully customize specially for your brand and add that to your video. This software beneficial for professional voice-overs and script writing.

## 11.13 PLATFORMS FOR VIDEO MARKETING

Now, in the era of digitalization there are billion option to post videos, all that can become the way for promotion and marketing of a product by the means of video.

- **YouTube**: It is one of the most used app now a days. This platform provides the opportunity to share videos for free. Brands create there channels and post the videos for advertising there product and services. YouTube creates a lot of public engagement for brands. For example, t-series which is a music company has account on YouTube, they continuously keep posting the new songs on YouTube and made its mark with having most subscribers all across the world. YouTube has created a lot value in similar way for many brands. There is an another way marketing is done on YouTube which is, the youtubers who post videos regularly and become famous, brands approach them to use their product and review them in there videos. This

encourage the subscribers of that particular youtuber to buy your product and lend your services.

- **Instagram:** There may not anyone to not have an Instagram accounts. This is one of the most used app all over the world. The most common way to promote brand or product is to ask brand ambassador to make a video while using the product and post that on their official accounts. It helps the audience to get products and services and boost up sales. The other way is to make an account of brand and post videos there. It will increase the brand value and more people will get to know about product.
- **TickTok**: This is one of most popular apps among the people. Specially, teenagers really enjoy making videos on it. This application offers to make videos while using the background music. Brand have find their way to get the best use of this for marketing. They approach the creators who have a large number of followers and ask them to make the videos on the official sound tracks of the brand in an interesting way. They are asked to make a particular hashtag which is to be written in the caption of the video. When people make videos on the same track inspired from famous creators, the hashtag comes in the top used trending lists. This helps to gain lot of new customers to the brands and add on to the value and goodwill of the brand. For example, recently Coca-Cola made a new track for its video and it was in trending on TickTok also.
- **Television:** It has been the most traditional platforms for advertising the products. But, it have been working good even after the evolution of wide range of social media apps. Primarily, videos were made only to be played on television screens for promoting the products and services.

## 11.14 VIDEO MARKETING STRATEGY

There are some points which one need to take account of while making video for marketing purpose.

- **Allocation of resources:** For making the video, planning is going to be the first step. We need to plan and to set a budget for it. Things at least required are a decent equipment, a good editing software, a marketing agent for a good team and most important element, time to create it.
- **Storytelling:** Storytelling is the most important element for making the video. Brainstorm the ideas to decide what story you want to tell, the way it is going to be

told and how you will show product in that story. Select the most suitable story that shows the best of your product.

- **Audience engagement:** Telling a great story is not the only that you need to do, you must engage audiences while you do so. There must be some elements in video which could hook the customer throughout the video and to make them watch it till the end.
- **Duration of the video:** There is not a fix duration for the marketing videos although there are recommendations for it. But generally, it is believed that shorter the video is, better it is. Be very carefully will editing, cut everything unnecessary out and keep the major content in such a way that whole attention of the customer goes towards the product. Attention spans are short, so make the best that can be made out of it.
- **Publishing the video:** Use the wide range of platforms to upload videos and to promote product and services. The different platforms for video marketing are YouTube, whatsapp, Instagram, Facebook etc. The most effective way that could be possible to make video reach the most number of people, when the brand ask its brand ambassador to upload the video on their official accounts.
- **Analysis:** Track the statistics of video and to determine that when the video perform at its best. Identify the reasons for its best performance, so that you can add those elements in the future promotional projects.

## CHECK YOUR PROGRESS

VII. ……. is a part of marketing, by the means of which a company communicate the features of its product and services to its potential consumers.

VIII. …… is considered as the most effective Way to grab attention of the people.

a. Email
b. Blog
c. Video
d. All three

IX. …….. is a video editing software which combines the images to create short video stories.

a. WeVideo
b. Animoto
c. Flipagram
d. All three

X. ……. is available for iOS and has features of green screen, image import and sound effect.

XI. …….. is the web-based video editor which helps to create digital stories though still photographs.

a. WeVideo
b. Animoto
c. Flipagram
d. All three

XII. Under……. the most common way to promote brand or product is to ask brand ambassador to make a video while using the product and post that on their official accounts.

## 11.15 YOUTUBE

As we all know YouTube is a video sharing service where we can access to various videos. People can watch, share, like and download videos from YouTube. We can access videos through smart phones, PCs, laptops etc.

For teenagers it is an entertaining and learning source as well. As a teen, we can discover things which we like. For young generation, it is a source for watching movies, comedy shows, life hacks as well as a good source of education. Users can also create their personal YouTube channel and subscribe the channel which they want. As it is a video sharing website, that makes it easy to watch online videos.

YouTube was started by three employees of PayPal online payment service. They are Jawed karim, Chad Hurley and Steve Chen. YouTube was first launched in the year 2005. It gained so much popularity very fast and has now become one of the most visited websites in the history of internet. According to one of the data, it is seen that visitors watch around 6 billion hours of data every month.

We can find all kinds of videos on YouTube. There is always something new to watch on YouTube. Google has purchased YouTube in 1.65 million dollars. Why you should use it, depends on how you check out the site and see what you can get out of it.

YouTube is a video platform that is driven by two types of users:

- **Video Creator:** Video Creators are those people who have their YouTube channels and upload videos for viewers.
- **Video Viewers:** Video Viewers are those people who watch videos, interact videos and subscribe to channels.

You can be both a creator and viewer. YouTube is for everyone, whether you are an individual who is looking for entertainment stuff/creative stuff or CEO of an organization with a large budget for a video ad campaign.

Although it's user base ranges from young to older generation. There are almost 50 different languages on YouTube and a wide variety of content. Since it is owned by Google, all you need is a Google account to access you tube.

## 11.16 A BRIEF HISTORY OF YOUTUBE

In 2005, a content and photo sharing sites were more, the founder of YouTube noticed a problem that there was an explosion in the number of expensive and inexpensive ways to capture videos but there wasn't a good way to share videos.

On 14th February 2005, Hurley registered the trade mark, logo and domain of you tube. Three months later, in May 2005, a small group of early employees launched a site www.youtube.com. In November 2005, Sequoia capital gave funding to you tube. In December, YouTube officially become a corporation.

The first office of YouTube was located above a pizzeria and Japanese restaurant in San Mateo, California. Over a tine, YouTube has become popular, its employees increased which led to formation of chain. In October 2006, Google came knocking at the door. At the time YouTube had 65 employees. On the day, the acquisition was announced YouTube moved into a former GAP Office in San Bruno, California. The much-discussed deal was settled one month later.

There wouldn't be a YouTube without PayPal. YouTube was created by three former PayPal employees, staffed by other employees of the company and bankrolled by the people who used to work at PayPal which was launched in 1998.

All knowledge which Karim got from PayPal was summed up in two words "STAY FLEXIBLE". This mantra has guide YouTube to gain success and popularity in the world.

Today, YouTube is the largest online video destination in the world and third most visited website overall. This site almost got 2 billion views a day. Nearly about the prime-time audience of all three majors US network combined. This platform comprises the largest video sharing community in the world and includes users, advertisers and over 10,000 partners.

## 11.17 WHY AUDIENCE SHOULD USE YOUTUBE

There is wide variety of videos on YouTube. You can either watch videos or create videos. It is a source of entertainment, learning for the people who want to start their own business. It is the cheapest way for advertising. When it comes to marketing, we can easily give information about product and services to the users. YouTube is a great tool for getting your product in market in very low cost.

For singers and the person who creates music, this is the best way to reach the public. Earlier it was really very difficult to show talent to the public but YouTube made it easy in very little cost.

When a music creator creates a video with the help of public reviews and comments, he can easily know what public think about the video and can make changes as per public demand. Audience can also subscribe channels for regular update. So that whenever a person uploads any video, audiences get a notification of that. So, when you put a new video song on your channel, the people who are interested in your music can follow.

We can not only watch videos in fact it is also very easy to download video from YouTube. It is relatively easy and fast but depends on internet connection.

For watching videos all you need is to search for a particular video which we want to watch. We can easily access to the video. When it comes to the trending videos it is on the top of the you tube, so we can easily get updated about the trending videos on YouTube.

Video files are often very large and it takes time to send the whole video but with the help of YouTube we can easily share a video simply by sending other person a URL link, that is the address of the relevant internet page.

Nowadays, the term ‘Viral Video’ is common. Viral videos are the video clips that people have liked and shared too much by e-mails with millions of people around the world.

Companies have realized that they can harness this ability and can easily reach potential customers. So, companies started creating their own YouTube accounts for posting advertisement and other marketing video.

## 11.18 HOW TO KEEP AUDIENCE AWAKE

For any video creator the most important task is to keep the audience awake. Probably many of the users who are watching videos are tired. So, it is very much important for a you-tuber to help them stay awake, to actually pay attention and consider what they are saying.

First of all, tell your audience what they will get from your talk, so that the users time can be saved. We can use various strategies for this purpose:

- SPEAK LESS THAN THE TIME ALLOTED: When a you-tuber present any video, it is necessary that he gives great information in very short period of time. To attract the audience you can say that "I know I have total time of 20 minutes but I will only talk for 10 minutes. This will surely attract the audience and make them happy not to have to listen as long as they expect.
- USE SILENCE EFFECTIVELY: When we make a statement we have to wait in silence to see how people receive it. It is necessary for the user to use silence effectively. Don't throw more words and statement without giving your audience the chance to understand each sentence.
- EMPHASIZE KEY WORDS: It is necessary that the speaker should not speak in the same tone throughout the entire presentation because due to this no one understands what is really important. Make it obvious to your audience that what they really need to pay attention to.
- USE NUMBERS AND EMPHASIZE THEM: A person can pay much more attention when we use number strategies to solve this situation like "Number 1…., Number 2…." Every time when we say a number, it reengages audience's attention and helps their brain to listen.
- ADD SOME EMOTION OR HUMOR TO YOUR TALK: To engage audience and make topic interesting, we can use emotional words like "I am excited today to be here to tell some good news" etc.
- DO SOMETHING UNEXPECTED: In every video, do something unexpected so that it make the interest of the users. Like you can ask from the audience to give their views on the topic. This will surely change the energy. People start talking and come to some understanding before he went on.

## 11.19 VIDEO HOSTING

Video hosting platform is also known as video sharing platform. It provides a platform for businesses and individuals to share video. The video hosting platform handles video streaming and playback, providing users with a seamless video experience. It also helps to increase the traffic to the website. In addition to these advantages, a good hosting platform offers: Content security, Thumbnail management, adding subtitles, Basic analysis So far, everything looks good. Video hosting platforms allow to post videos online, increase engagement and provide excellent visibility to content. Therefore, we can customize video player (using a hosting platform), customize video, and understand audience.

## 11.20 VIDEO HOSTING PLATFORMS

- YouTube
- Vimeo
- Amazon Prime
- Netflix
- Hotstar
- Facebook
- Hippo Video
- Moj

## 11.21 ADVANTAGES OF VIDEO HOSTING

The biggest advantage of online video hosting is that videos can be shared in multiple locations and managed from one control panel at the same time. This means you can get the best experience with the least amount of effort and share it widely. This will help you create more videos and achieve better results. Here are some of the benefits of video hosting platforms: Great viewing experience. You can sharpen the video hosting image (adapted to your device) and control the video player. Time-saving tool. Hosting services can do a lot to automatically download videos. If necessary, you have the option to compress the video and automatically encode it for viewing on other devices. Otherwise, you have to remember that Windows Explorer requires H.264 codec and Google Chrome requires Webm codec. Video marketing is more effective. If you can manage all your videos

- **Save time with integration:** The hosting platform can be integrated with other apps, so you can target videos to different channels. You can also edit them after posting, or download them quickly if needed.
- **High availability:** The hosting platform plays videos in data centres around the world, so you can access them simultaneously in multiple countries. Hosting offers automatic backups. When a site goes down, the video doesn't go anywhere else.

## 11.22 ENTERTAINMENT

In today's fast-paced Internet world, entertainment is the most stressful part of everyday life. Entertainment falls into several categories such as television, films, music, animation, games, etc. The biggest challenge in the media and entertainment industry is attracting viewers and increasing fan base. Increased use of smartphones and lower costs of accessing digital data have led to increased competition. Today, billions of people have access to social channels like YouTube, Facebook, Twitter, Instagram, Pinterest and more. It makes it easy to promote movies, music albums and short films.

## 11.23 USEAGE OF DIGITAL MARKETING TO PROMOTE THE ENTERTAINMENT INDUSTRY

YouTube and social media are the largest platforms helping to advance the entertainment industry. Let's take a closer look.

- YouTube Marketing: YouTube is the second largest search engine reaching millions of people making huge profits from this platform. You are more likely to get into the 18-49 age group using mobile devices than television. It is the largest platform in the entertainment industry to instantly receive updates from people and connect with them via video.
    - Put your video in the best place when people are looking for video content.
    - Place multimedia and entertainment ads alongside other popular videos for your category. Improving YouTube video views and sharing.
    - Increase the likes and subscribers of your YouTube channel.
    - Build your YouTube channel brand.
- Social media marketing: through more forms of entertainment channels.

## 11.24 BENEFITS OF DIGITAL MARKETING TO THE ENTERTAINMENT INDUSTRY

Digital marketing is growing rapidly and many industries have benefited from it. Now, let's take a look at the biggest benefits of digital marketing in the entertainment industry.

- Reach a large audience.
- High-yeld investment program (HYIP) for upcoming entertainment and media updates.
- Find the best followers for your entertainment fans.
- Make a good impression of your project.
- Encourage the audience to participate in viewing the media.

## 11.25 AMAZON PRIME, NETFLIX AND HOTSTAR

Netflix and Amazon Prime's core business strategy is that users will have to browse both apps and continue to pay more for a membership. The competition is intensifying and it is up to someone to decide which application to choose and why. When people can make payment transactions online and they become available, they will hesitate when they read both reviews, which means that the two applications will vibrate and create strong competition with each other.

Amazon Prime Video and Netflix are two of the most popular streaming services in the United States. The more people are interested in streaming online, the more competitive the market will be. This confusion has led many consumers to wonder which of the two players in the code-shortening industry is better. Netflix v/s Amazon Prime Video: Which Streaming Service Is Better?

Of course, both services have different content, so having both is not a bad idea. However, if you only use one, it can be difficult to choose between the two. If you decide to use Netflix or Amazon Prime Video, the following part provides a detailed description of both services so you can decide which one is best for you.

### Netflix v/s Prime Video Functionality

The Netflix Experience: Online Payment Service AlphrHOME, PAYPALNetflix vs. Amazon Prime Video: Which Streaming Service Is Better? Kassandra, December 24, 2020 Amazon

Prime Video Email and Netflix are two of the most popular streaming services in the United States. The more people are interested in streaming online, the more competitive the market will be. This confusion has led many consumers to wonder which of the two players in the code-shortening industry is better. Netflix vs Amazon Prime Video: Which Streaming Service Is Better? Of course, the content of the two services is different, so it's not a bad idea for both. However, if you only use one, it can be difficult to choose between the two. If you decide to use Netflix or Amazon Prime Video, this article provides a detailed description of both services so you can decide which one is best for you. Freestar Netflix vs. Prime Video Netflix Experience Netflix is mostly digital nowadays. Use

The Prime Video Experience: At the bottom of the list is the Show All option, which does not include Netflix. There is a lot of free content on this service, but some movies and shows charge additional fees for rentals, third-party subscriptions, or purchases. However, Prime members can see a long list of available Prime content.

**Netflix v/s Prime Video Price Comparison**

Netflix vs Prime Video Price Comparison Netflix and Amazon Prime Video offer at least a 7-day trial, but often you can use it for 30 days. If you want to give it a try before you buy, this is your chance to see what each product has to offer and how it works. If you're a student, Amazon also offers a 6-month free trial. So, if you are still learning, there is no reason not to use Amazon Prime Video.

As mentioned earlier, Netflix charges a monthly fee, while Prime Video offers several options. With Prime Video, you create an account and only buy the content you want to watch, or pay monthly or yearly for your Amazon Prime account. If you choose Amazon Prime, you get free 2-day shipping, Prime Music Service, and more.

**Hotstar**

Hotstar is an Indian video streaming service owned and operated by Star India, a subsidiary of Walt Disney Company India. This service mainly includes content from the Star India and Fox networks, including films, TV shows, sports content and original programming, as well as third-party content such as HBO, Showtime and Sony Pictures.

Hotstar operates international versions of the service in Canada, Singapore, the United Kingdom and the United States. The service is aimed at overseas Indians and is mainly focused on Star India home entertainment and sports content (Disney is a self-service in this

market). Disney's Star has expanded the integrated version of the Disney service to other markets such as Indonesia and plans to launch the service in Malaysia, the Philippines and Thailand in 2021.

Hotstar, India's leading OTT platform, and Zapr Media Labs, a media technology company, today announced a strategic partnership to promote India's next generation mobile audience analytics. In a development process that will appeal to advertisers and agencies, the two companies will work together to create a deeper understanding of mobile audiences that brands can use to create personalized communications and offerings.

Internet access in India has skyrocketed in recent years, especially on mobile screens, but mobile marketing is constrained by the lack of platforms for active user engagement and audience segmentation. While many brands have invested a lot of money in mobile in recent years, especially with banner and display ads, marketers have been frustrated by the lack of online brand building tools that can be used to conduct in-depth audience analysis. With an obvious leap towards digital marketing, this partnership could lead to more rigorous audience analysis and greater accountability for results in the mobile marketing world.

**CHECK YOUR PROGRESS**

XIII. …… was started by three employees of PayPal online payment service.

a. YouTube
b. Email
c. Instagram
d. FaceBook

XIV. Video Viewers are those people who watch videos, interact videos and subscribe to channels. (True/False)

XV. …… platform is also known as video sharing platform.

XVI. Amazon Prime Video and Netflix are two of the most popular streaming services in the United States. (True/False)

XVII. Hotstar is an Indian video streaming service owned and operated by Star India, a subsidiary of Walt Disney Company India. (True/False)

**11.26 LET US SUM UP**

Searching is one of the most used moves at the internet. Search engines like Google as a tool, are very famous and mostly used websites. Website online proprietors use main search engines like Google and yahoo for filing their sites on it, and for searching. Regular users use

number one search engines like Google essentially for looking, and every now and then for filing their Webpages. Google helps to market the products through the google adwards and google analytics by payperclick to the companies who are advertisers. Google marketing strategy is developed on the product qyality and usability but there are also other espects effects the marketing strategy. Google+ is a powerfull marketing tool as compare to other social networks. We can share informations, images and videos. Under the leadership of the Ballmer company, Microsoft try to design new products or a new service and in this try they make a software Bing in 2009 they started this search engine Bing. Bing come with new features of software and also helps in marketing. Yahoo is a brand with related to research, predicts, crate and associates in the motion brand shows the new achievements and the way of doing work and yahoo logo is made from wordmark. This is organized as the dictionary and the web index which help to search by most of people in march 1994 the web name as jerry and David ‘s Guide to the world wide web as the name Yahoo.

Video marketing is a part of marketing, by the means of which a company communicate the features of its product and services to its potential consumers. The basic objective of marketing by video is to convert the potential consumers to real time consumers. There are a lot of video marketing software which helps a manager to create a perfect marketing video for his product and services. As we all know YouTube is a video sharing service where we can access to various videos. People can watch, share, like and download videos from YouTube. We can access videos through smart phones, PCs, laptops etc. For any video creator the most important task is to keep the audience awake. Probably many of the users who are watching videos are tired. So, it is very much important for a you-tuber to help them stay awake, to actually pay attention and consider what they are saying. Video hosting platform is also known as video sharing platform. It provides a platform for businesses and individuals to share video. The video hosting platform handles video streaming and playback, providing users with a seamless video experience. It also helps to increase the traffic to the website. In addition to these advantages, a good hosting platform offers: Content security, Thumbnail management, adding subtitles, Basic analysis So far, everything looks good. In today’s fast-paced Internet world, entertainment is the most stressful part of everyday life. Entertainment falls into several categories such as television, films, music, animation, games, etc. The biggest challenge in the media and entertainment industry is attracting viewers and increasing fan base. Increased use of smartphones and lower costs of accessing digital data have led to increased competition.

## 11.27 KEY WORDS

| | |
|---|---|
| **SEO** | Digital marketing tool to have high ranking for the company's website. |
| **GOOGLE+** | It is a tool where marketers promote their goods and services and connect with other individuals and make good relationships with them. |
| **VIDEO MARKETING** | It is a part of marketing tool to communicate the features of product and services to its potential consumers. |
| **FLIPAGRAM** | It is a video editing software which combines the images to create short video stories. |
| **WEVIDEO** | It is the web-based video editor which helps to create digital stories though still photographs. |
| **VIDEO CREATORS** | These are those people who have their YouTube channels and upload videos for viewers. |
| **VIDEO VIEWERS** | These are those people who watch videos, interact videos and subscribe to channels. |
| **VIDEO HOSTING** | It is a platform handles video streaming and playback, providing users with a seamless video experience. |

## 11.28 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | Search Engine | VII. | Video marketing | XIII. | YouTube |
| II. | True | VIII. | Video | XIV. | True |
| III. | False | IX. | All three | XV. | Video hosting |
| IV. | Google | X. | Stop Motion | XVI. | True |
| V. | Google+ | XI. | WeVideo | XVII. | True |
| VI. | True | XII. | Instagram | | |

## 11.29 TERMINAL QUESTIONS

- What is search engine and how it contributes for the promotion of products and services?

- How Google is useful marketing tools for marketers? How marketing is done under Google? What are the tools of Google?
- What is Google+ and Bing? How they are useful tool for the business organizations?
- What is Video Marketing? Highlight the platforms used for promotion of products and services.
- Discuss the various tool video marketing used by the markets for marketing and what are their features?
- How YouTube has been emerged as one of the best marketing tools in the online market?
- What is video hosting and what are its benefits? Discuss the different platform for video hosting.
- Why entertainment in important for the customer and how Netflix and Hotstar contribute for the same?

**BACHELOR OF COMPUTER APPLICATIONS (BCA)**
**Semester-II**
**FDM-1-02T: Fundamentals of Digital Marketing**

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**UNIT-12.A MOBILE PHONES, E-MAILS, BLOGS**

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**STRUCTURE**


12.A.0 OBJECTIVES
12.A.1 INTRODUCTION
12.A.2 MOBILE STRATEGY
12.A.3 UNIQUE BENEFITS OF MOBILE
12.A.4 MOBILE PHONES: REVOLUTIONARY DEVICES
12.A.5 SIGNIFICANCE OF MOBILE MARKETING
12.A.6 MOBILE MARKETING STRATEGIES
12.A.7 E-MAIL MARKETING
12.A.8 BENEFITS OF E-MAIL MARKETING
12.A.9 CHALLEGES WITH E-MAIL MARKETING
12.A.10 EVALUATING THE SUCCESS OF E-MAIL MARKETING
12.A.11 BLOGS
12.A.12 BLOG MARKETIG
12.A.13 PROS OF BLOG MARKETING
12.A.14 CONS OF BLOG MARKETING
12.A.15 EFFECTIVE BLOGGING STRATEGY
12.A.16 ELEMENTS OF BUSINESS BLOG
12.A.17 LET US SUM UP
12.A.18 KEY WORDS
12.A.19 ANSWERS TO CHECK THE PROGRESS
12.A.20 TERMINAL QUESTIONS


## 12.A.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Use the Mobile strategy for product promotion
- Know the development of mobile and its benefits for business
- Learn about mobile marketing strategies and their importance
- Understand the Email marketing and its benefits
- Evaluate the success of email marketing strategy
- Elaborate the Blog Marketing and its significance
- Know the importance of Business Blog and its requirements

## 12.A.1 INTRODUCTION

Marketing is a concept to anticipate the needs and wants of targeted customers and satisfy them in order to create the new customers and retain the old customers. There are different

ways of marketing that an organization opts for in order to perform more efficiently. Digital Marketing is one of the most efficient and effective way of marketing these days.

Mobile marketing is a part of digital marketing. It is a multi-channel strategy aimed at reaching large number of targeted audiences via social media, websites, emails, multimedia messages and different apps etc.

According to a report on "mobile marketing 2018" of Sherry Moats on brandonagency.com, there are over 3.5 billion individual internet users on mobile phones. On an average individual user spend 69% of their media time on smart-phones and 80% of the global internet usage is on mobile devices. As now 48% of the buyers use mobile devices or smart phones to start search on search engines therefore one must optimize their mobile marketing strategy to perform better than their competitors in the market.

Mobile connectivity not only enables people to connect to the Internet via a cellular telephone, PDA or other gadget, but also consolidates the **different communication channels** in a simple, yet effective manner. Cheaper than traditional means for both the consumer as well as for the marketer and easy enough for almost any age group to understand and engage with Mobile Marketing.

### 12.A.2 MOBILE STRATEGY

While considering mobile strategy, there are a number of things that need to take into account. These things need to be **planned in advance and implemented** as campaign takes shape.

- **Define goals:** What would business like to achieve, sales leads, newsletter signups. Remember to think SMART (Specific. Measurable. Achievable. Realistic. Timely.)
- **Research market:** Gain as much market understanding as possible to ensure that business approach is correct.
- **Plot presence:** Decide what mediums to use (MMS, mobile website, social media), and how to cross pollinate between them.
- **Define message:** What tone and angle is business going to take to inspire target audience to get involved.
- **Create sharing opportunities:** Create share points, and invite users to share content or information between handsets or platforms easily.

- **Feed campaign:** Fan the flames by releasing updates and encouraging renewed interest.
- **Track, analyse and optimise:** Mobile Marketing is great in that it allows for precision analysis and tracking, making campaign optimisation an ongoing process.

### 12.A.3 UNIQUE BENEFITS OF MOBILE

With direct response and relatively lower cost of communication, mobile is changing the face of the marketing and advertising horizon. Below has been given the seven features, unique to mobile phones, highlighting the unique benefits and challenges of the mobile phone.

- The mobile phone is personal
- The mobile phone is always carried
- The mobile phone is always on
- The mobile phone has an inbuilt payment system
- The mobile phone is available at the point of creative inspiration
    - The mobile phone presents accurate audience measurement
    - The mobile phone captures the social context of media consumption

### 12.A.4 MOBILE PHONES: REVOLUTIONARY DEVICES

Mobile phones are central to the lives of most people in developed countries and are growing in importance in developing countries. Since their mainstream adoption in the 1990s, they have remained primarily communication devices. We use mobile phones to talk to other people and we carry mobile phones with us so that other people can talk to us.

However, the situation is changing. Mobile phone manufacturers have developed mobile devices that can serve many functions beyond voice communication such as taking photos and listening to music. Mobile network operators are offering services that give greater value to subscribers, such as portable email for business users. Mobile phones are now equipped with cameras with the potential to turn them into portable bar code scanners. Handset manufacturers are developing RFID chips that can turn mobile phones into mobile wallets able to carry and exchange electronic money securely and engage in other transactions with RFID readers in the physical world.

The combination of more powerful mobile devices, more innovative mobile operators and change in the mobile network infrastructure (such as 3G networks able to carry large amounts of data at high speed as broadband connections do for computers) is setting the stage for an enormous change in an already fast-moving sector. Mobile devices are taking the place, where numerous technologies meet and create applications that are useful for both consumers and businesses across the globe. The mobile phone of the future is a device that enables users to communicate, connect, transact and innovate. In most markets, phones with the characteristics below are already becoming available:

- **A communicative device:** The mobile phone will continue to be a device that is used to communicate with others. Although this may be extended beyond voice to instant messaging and email, it is important not to forget communication is a central strength of mobile devices. As it becomes easier and cheaper to transfer larger amounts of data, sharing photos and videos with others will further extend this role.
- **A connective device:** Mobile phones enable people to connect to other sources of data anytime, anywhere. This is what is happening with mobile email. As data on the web becomes more structured, mobile devices will become more and more powerful as entry points to tasks that have moved from offline to online but are currently still only available through fixed computers.
- **A transactional device:** Mobile phones are ideal devices to be used for payments and transactions. There are a wide range of applications that aim to transform the mobile phone into an electronic wallet that can be used as a payment device.
- **An intelligent device:** Mobile phones are a place where multiple applications can meet and fuse. Mobile devices that integrate a phone, a camera, a location finder (GPS) and a connection to the internet make it possible for a user to request context-dependent information such as finding out where a store selling a product they want to buy is located. As usage increases, mobile phones can become agents of change, tools that facilitate connecting things in the physical world to information about them in the digital world.

## 12.A.5 SIGNIFICANCE OF MOBILE MARKETING

Significance components of mobile marketing are given under below:

- **Availability of fast administrations:** People need great, simple and speedy administrations. They are searching for a specialist cooperative which can satisfy their fundamentals. An organization can contact a client by means of mobile marketing showcasing strategies. A client can likewise send input without any problem.
- **Mobile has become an unreplaceable piece of life:** Mobile is a vital piece of day-by-day life. It can certainly convey to anyplace and that is the reason turns into a most loved gadget for e-shopping in recreation time.
- **Mobile is not utilized uniquely for e-shopping:** An actual store additionally utilizes useful administrations for offering types of help and promoting. Many stores will save your number to tell you about special items and limits offers.
- **SMS promoting:** "SMS" & "MMS" showcasing get a huge change advertising. Presently clients are getting offers and limits or get advised available to be purchased by means of "SMS" or "MMS".
- **Primary Contents for Ranking:** Google will make search file dependent on versatile search positioning instead of work area search positioning; thus, your site search positioning will be founded on portable looking as opposed to work area looking.
- **Importance of Mobile Marketing:** Advertising on portable destinations or directly to useful appears to be more compelling in showcasing.

## 12.A.6 MOBILE MARKETING STRATEGIES

- **Mobile applications:** Mobile applications, document you to remember notices for versatile applications plan. Portable applications can incorporate gadgets, virtual machines or local applications, I think Facebook is an extraordinary illustration of promotions in an application.
- **In-game:** in this strategy we include advertisements inside a portable game.
- **SMS:** Utilizing SMS, advertisers can send direct messages to clients with offers and other data.

- **MMS (Sight & Sound Message administration):** MMS advertising sends direct messages that contain media things like pictures, video, or sound.
- **QR Codes (fast reaction standardized identification):** QR codes can be checked with the camera on a mobile phone. Once filtered, it will take shoppers to the connected site where they can see more data about a business.
- **Location-based:** Area based advertising utilizes the client's useful area to showcase a business in that space through GPS. For instance, you may be visiting Chicago. You may see advertisements for eateries close to you.
- **Mobile Banner Advertisements:** These are standards that are similar advertisements you will see on a work area, yet will be more uncertain to fit the cell phone's screen.
- **Near Field Communication (NFC):** "NFC" is a sort of invention that can send information to a purchaser's cell using a short-range remote association. "NFC" can share site pages or online media. It is most suitable for zones that are packed.
- **Bluetooth or Proximity Marketing:** Purchasers get area clear notices, which is empowered from their Bluetooth.
- **Voice Marketing:** Voice promoting utilizes a mechanized and (PC) created call to purchasers. The customer has the alternative to tune into the message or they may hang up. I often consider voice showcasing with legislative issues or noble cause.
- **Pay Per Call:** This kind of notice documents the client to tap the telephone number that is directly recorded in the advertisement.
- **Mobile Search Advertisements:** Useful inquiry advertisements are like Google's however are enhanced for portable.

## CHECK THE PROGRESS

I. …… is a multi-channel strategy aimed at reaching large number of targeted audiences via social media, websites, emails, multimedia messages and different apps etc.

   a. Email Marketing
   b. Blog Marketing
   c. Mobile Marketing
   d. All three

II. Mobile phones are central to the lives of most people in developed countries and are growing in importance in developing countries. (True/False)

III. Handset manufacturers are developing …… chips that can turn mobile phones into mobile wallets able to carry and exchange electronic money securely.

IV. Utilizing SMS, advertisers can send direct messages to clients with offers and other data. (True/False)

V. Area based advertising does not utilizes the client's useful area to showcase a business in that space through GPS. (True/False)

## 12.A.7 E-MAIL MARKETING

Email marketing is useful to enhance business through emails where businessmen can approach infinite numbers of customers with just a single click. Business uses different ways to send Email, as Email marketing is one of the best and most effective way of communication. E-mail marketing allow to keep a proper check on the results of email campaigns on the real time basis. Senders and receivers can communicate directly with each other.

Concept of the Email marketing is very simple, although there is different way a marketer can use e-mail. The different ways to use email marketing are:

- Use of software to sync all the emails together etc.
- Sending one email to thousands of customers on the real time and check the success rate, delivery percentage to know customer’s behaviour.

## 12.A.8 BENEFITS OF E-MAIL MARKETING

- **LOW-COST:** The biggest benefit of email marketing is its cut a larger portion of cost as compared to other mainstream marketing channels. In case of email marketing there is no print or postage costs and also no need to pay fee for big billboards, magazine or television channel. Businessmen who uses the Email marketing might consider investing in specialist software to automate, track and evaluate their emails. There may be a small cost expense for sending thousands of emails at a one time, but these costs are very much lower than what other marketing media would expect us to pay using their marketing channels.
- **EASY TO CREATE:** In case of Email marketing it does not need a group of people or technical expert in order to use it smoothly. Its use is very simple to use as well as

it is possible to create an email with fancy templates, videos, images and logos. But, most of people uses simple plain text emails, it shows that it's the content of an email that is the most important thing not the format.

- **EASY TO TRACK:** The other benefit of email marketing is that it's easy to check where we have committed the error. Email marketing software also permit us to track open, click-through and conversion rates, making it simple to spot how an email can be improved. These changes can be made immediately, whereas print or broadcast advertising requires quite a bit of effort to improve the error.
- **GLOBAL:** Email marketing give an option to send a message to hundreds/thousands of customers around the globe. It helps you spread the word amongst a global audience and also indicate us who's actually reading our content. This kind of flexibility is not there in traditional marketing.
- **COST EFFECTIVE:** The costs of email marketing are very much effective as it is much lower than any other type of marketing medium. In case of Email marketing there are no advertising fees or printing or media costs.
- **EASY SORTING:** In electronic mail marketing the mail listing is made from costumer who want the e-mail communications from the company. Customers who are interested about the goods or services are maximum possible to have interaction with the enterprise.
- **FLEXIBLE LAYOUT:** The marketer can send a simple text, pictures or connect files, whichever fits to his message. Flexible design gives an option to show the companies branding.
- **SCALABLE:** The email marketing can also be used to reach large group of audiences or smaller targeted lists whichever is preferred by marketing manager.
- **PERSONALISATION AND SEGMENTATION: W**ith the help of email marketing manager can also personalise the messages. He/she can also segment his marketing list, so that his customers receive messages that they are interested in, this will help boost customers engagement with the business.
- **SHAREABLE:** Forwarding and sharing of email is very easy and the costumers can easily forward the mail content to other people which helps in building companies' reputation by means of word-of-mouth or viral marketing. This will help influence new customers to boost their engagement with the business.

- **CONVERSION AND INCRESED SALES**: If the company have any new policy customers can simply click on links and follow the company's new policies immediately. Email marketing is also very useful at every phase of the purchasing process like Marketing manager can guide the costumer to choose his product, nurture the relationship with the customer and also inspire him/her for his future purchases.
- **MEASURABLE**: We can also evaluate the progress of our product by using web analytics software which helps in comparing our products. We can test different copy, subject lines and designs to see which is most efficient. This allows us to optimise future plan for our product.
- **BENCHMARK:** We can compare outcome from other industry which are in competition. There are thousands of free email marketing benchmarking reports available online, we just have to find these benchmarks by searching online. Benchmarking data can help you to evaluate and prioritise improvement opportunities in the future.
- **TEST BEFORE SENDING:** There is several software which help to, personalisation, email copy, images or messages and ensure the email content is effective and you can send it to the customers.
- **LESS INTRUSIVE:** As compared to cell phone marketing, customers can see our mail at any time that fits him. Customers also can change their choices if they like our email or unsubscribe if they do not need our e-mail communications any more.
- **ENVIROMENTAL FRIENDLY:** The email marketing is very much environment friendly as it is sent through means of internet and we don't have to print anything like in postal services.
- **TIME SAVING**: Through automation marketer could make emails to be despatched to clients primarily based on movement they've carried out at the website e.g. They can send a welcome e-mail while a person signs up at the website, or give them an e-mail presenting a discount in product if person remove items from purchasing cart. Once a template is generated it could reuse for many email campaigns.
- **REAL TIME MARKETING:** With the help of e-mail marketing a marketer can easily get in touch with customers in real-time. By using different automated software's like website activity, recent purchase or shopping cart a marketer can easily reach to the right customer, at the right time, in the right place and with the right offer.

## 12.A.9 CHALLEGES WITH E-MAIL MARKETING

- **NEED FOR WELL DEFINED TARGET COSTUMER:** First of all, to make the e-mail advertising and marketing a success whether small or at big scale, every company want highly focused client. Company cannot shoot in the dark because it will make the efforts of marketing officer fail. So, e-mail should be sent to the best targeted costumers. Otherwise, business will be losing a major client and the marketer will be wasting his and companies valuable time and efforts on wrong customer. Any such targeting a wrong costumer will waste not only companies time and resources but also be end up in, dropping credibility and also leads to negative effect companies brand image.
- **NEED FOR PERSONALIZATION:** Now, an increase of personalization is needed to seize and preserve the consumers attention. Without the personalization, the emails will no longer will be preferred by target audience. However, with the vital personalization, the ROI to marketer e-mail marketing improves. It is a crucial task that e-mail marketers need to understand. They need to use the information and facts that they have already got about a costumer to send personalised emails.
- **NEED FOR DEVELOPED LAYOUT SKILLS:** Marketer wants that the costumer must read their emails. However, until marketer message didn't seem appealing, the target consumer will become bored and will no longer reply to the conversation as marketer need them to. It is why e-mail marketers want a mail design skill. Businesses are looking for marketing persons who specialized in such skills.
- **NEED TO CONSTRUCT BETTER CREDIBILITY:** Now the competition level in the market has increased, the achievement of the marketers e-mail marketing relies upon at the credibility of company's brand value. If the company has a famous brand name, then there is no problem. Otherwise, marketers should first attempt to construct credibility. First of all, emails should firstly send to whose customers which have opted for the electronic mail advertising. Email layout also have an effect on the credibility of company's brand. Apart from that, the email should not feel like spam message.
- **LOWER POSSIBILITY FOR GETTING OBSERVED:** Now that each marketer desires that his message must be observed while each costumer has thousands of every day's emails receiving in his account, the possibilities of e-mail being opened

and read are low. Marketer has to do something which make him stand out to make sure his e-mail has been read. Getting observed is one of the most difficult components of e-mail marketing. The e-mail headlines appearance should be appealing for being opened. The message of the e-mail has to be brief and to the point and the use of words and pictures should be the proper proportion.

## 12.A.10 EVALUATING THE SUCCESS OF E-MAIL MARKETING

There are thousand reasons why the business needs to measure his overall success consistently. Marketer should know that what they are doing with their target customers is actually working or not. After that they should to be able to demonstrate their effectiveness to target customers. Finally, marketer need to use the company's success to construct loyalty from the consumers, even while they expand their audience base.

**There are lots ways to check the success of marketer email campaigns:**

- Open rate: No. of times the people open the e-mail
- Click-through rate: No. of people who click on the link in the e-mail
- Conversion rate: No. of person who become customers because of the e-mail
- Bounce rate: No. of unread or mail which don't reach to the audience.
- Unsubscribe rate: People that unsubscribe themselves from the marketer's e-mail list

## CHECK THE PROGRESS

VI. Email marketing is useful to enhance business through emails where businessmen can approach infinite numbers of customers with just a single click. (True/False)

VII. ……. marketing allow to keep a proper check on the results of email campaigns on the real time basis.

a. Affiliate Marketing
b. Blog Marketing
c. Email Marketing
d. Viral Marketing

VIII. …….. software also permit us to track open, click-through and conversion rates, making it simple to spot how an email can be improved.

IX. There are thousands of free email marketing benchmarking reports available online, we just have to find these benchmarks by searching online. (True/False)

## 12.A.11 BLOGS

The Word Web-Blog is a combination of two words ‘web’ and ‘Log’. The blog first appeared in 1990s and at that time it’s just online diaries, where people provide personal information of their accounts of their life. Now companies used blogs as an information tool. It is used to provide information and updates to their customers. Now it is known as developing marketing strategy. All companies adopt this technique for marketing of their product or services. Blogging has more popular in these days and many people chosen it as their business.

## 12.A.12 BLOG MARKETIG

Starting of a new blog is not a work of just minutes. It will take some time for planning and management. Below are the steps for blog marketing:

- **Planning for Blogs**: First of all we need to do planning before the implementation of blog. It Includes planning regarding type of content that we want to share with customers and what time we have to update blogs, is it be daily, weekly or monthly.
- **Creation of blog:** After planning about the blog you need to create a blog. Insure that you can use same logo for your blog that you can use for website. The name of the blog should be attractive for customers.
- **Filling Blog With Posts:** Insure that you fill the blog with several posts because customers don’t like to read just one or two posts. So you need to add more than ten posts quickly and need to update them on regular intervals.
- **Market your Blog:** You have to try to reach your followers . For this purpose you need to integrate social media into your blogs. It increase the reach of content.
- **Reply To Comments**: Blogs are social so remember to reply the comments of peoples. If peoples ask questions than you have to answer these questions. And you need to think about the opinions given by peoples about content.
- **Encourage E-Mail Signups:** you need to encourage customers to signups with e mails.

## 12.A.13 PROS OF BLOG MARKETING

Blog marketing is helpful for businesses to reach their customers. They provide content to their customers with the help of blog marketing. Blog marketing has many benefits some of these are discuss below:

- **Less Cost**: Blog marketing is cost effective tool for businesses. At the cost of domain name and web hosting you can easily reach to customers.
- **Easy to use:** Blog marketing is easy to use. It is convenient tool for the business to promote their products or services.
- **Increase Popularity:** If businesses gives some offers and new content to their customers, it will increase the traffic on the website and gives the opportunity to customers for purchasing.
- **Improve Rankings:** Google always ranks new content so, blogging is helpful in rankings of the business, these rankings make businesses popular among customers.
- **Helping to gain trust:** With the help of blogging business prove that it is expert in their work. And business also give valuable information to their customers. Then customers feel good about business and they get ready to spend on products or services.
- **Build market:** Blogs helps the business to build their market. It is helpful to gain the trust of customers and it takes feedback from customers so in this way Blog provide customer services.
- **Increase revenues:** Blog is cost effective tool and it is helpful to increase the revenue of the business.

### 12.A.14 CONS OF BLOG MARKETING

- **Time consuming:** Blog is a time consuming work. Because creation of new content and to update blog takes maximum amount of time .
- **Lack of content**: It is difficult to think about new content. Bloggers face lack of content when they try to blogging.
- **No quick results:** Blog cannot give quick results. It takes some time to build the audience for blogs. We cannot think it gives us quick results.
- **Need to be marketed:** we use blog to market the business. For marketing we try to find out targeted market and the whole team for blogs.

## 12.A.15 EFFECTIVE BLOGGING STRATEGY

Blogging is a marketing tool for businesses in modern era. The followings are the main areas of concern to make blogging effective:

- **Plan**: Before starting blogging it is necessary to makes plans regarding the blogs like what type of content to be present and when to be present ( time of update).
- **Research**: Before uploading any content through blogs it is necessary to research about Athe content and also research about the peoples who are interested to read this content.
- **Write**: After these two steps the next thing is to write the content. It should be in simple language or it should be attractive for the readers.
- **Upload**: After writing the content the next thing is to upload it. It is necessary that bloggers update the blog on regular intervals and the content should be attractive for readers.
- **Promote**: Promotion of the blog is very important for making blogs effective. You have to integrate blogs with your social media for this purpose.
- **Measure:** At the end we need to measure the effects of blogs. It should be the feedback given by the readers. These feedbacks help us to be better in the future. And it gives the idea to the business about the popularity of their content.

## 12.A.16 ELEMENTS OF BUSINESS BLOG

Now blogs are used by business to reach their customers and to show them that business is expert in their own works. Blogging helps the business to increase the brand name. It increases the followers of the business and establish themselves as an expert. The followings are the main elements of business blogs:

- **Good content:** It is necessary that business upload good content for their customers because good content increase the attention of customers. It increase the number of followers of the business .
- **It should have images and videos**: If in the blogs business have no images and videos then people don’t like it. In these days peoples are very visuals so we have to use the images, videos in the blogs.

- **Attractive**: Attractive content is a key element of business blog. In case business not able to provide good content then it fails to seek the attraction of peoples.
- **Shareable**: The information given by the business in their blogs should be shareable. It is necessary that information or content shared by business have good for the readers.
- **Post related things**: The business has need to post the related things in the blogs. It helps to catch attention of customers and with the help of these related posts readers continue reading your blogs and they don't get bored.

**CHECK THE PROGRESS**

X. The blog first appeared in 1990s and at that time it's just online diaries, where people provide personal information of their accounts of their life. (True/False)

XI. Blog marketing is easy to use as it is convenient tool for the business to promote their products or services. (True/False)

XII. Google does not ranks new content so, blogging is helpful in rankings of the business, these rankings make businesses popular among customers. (True/False)

XIII. The information given by the business in their blogs should be shareable. (True/False)

**12.A.17 LET US SUM UP**

Marketing is a concept to anticipate the needs and wants of targeted customers and satisfy them in order to create the new customers and retain the old customers. There are different ways of marketing that an organization opts for in order to perform more efficiently. Digital Marketing is one of the most efficient and effective way of marketing these days. With direct response and relatively lower cost of communication, mobile is changing the face of the marketing and advertising horizon. Mobile phones are central to the lives of most people in developed countries and are growing in importance in developing countries. Since their mainstream adoption in the 1990s, they have remained primarily communication devices. We use mobile phones to talk to other people and we carry mobile phones with us so that other people can talk to us. Email marketing is useful to enhance business through emails where businessmen can approach infinite numbers of customers with just a single click. Business uses different ways to send Email, as Email marketing is one of the best and most effective way of communication. E-mail marketing allow to keep a proper check on the results of email

campaigns on the real time basis. Senders and receivers can communicate directly with each other. The Word Web-Blog is a combination of two words ‘web’ and ‘Log’. The blog first appeared in 1990s and at that time it’s just online diaries, where people provide personal information of their accounts of their life. Now companies used blogs as an information tool. It is used to provide information and updates to their customers. Now it is known as developing marketing strategy. All companies adopt this technique for marketing of their product or services. Blogging has more popular in these days and many people chosen it as their business.

## 12.A.18 KEY WORDS

| | |
|---|---|
| MMS ADVERTISING | In this direct message are send that contain media things like pictures, video, or sound. |
| NEAR FIELD COMMUNICATION | It is a sort of invention that can send information to a purchaser's cell using a short-range remote association. |
| EMAIL MARKETING | It is one of the best and most effective way of communication. |
| CONVERSION RATE | Number of persons who become customers because of the e-mail. |
| BOUNCE RATE | Number of unread or mail which don’t reach to the audience. |
| BLOG | It is used to provide information and updates to their customers. |

## 12.A.19 ANSWERS TO CHECK THE PROGRESS

| | | | | | |
|---|---|---|---|---|---|
| I. | Mobile Marketing | VI. | True | XI. | True |
| II. | True | VII. | Email Marketing | XII. | False |
| III. | RFID | VIII. | Email marketing | XIII. | True |
| IV. | True | IX. | True | | |
| V. | False | X. | True | | |

## 12.A.20 TERMINAL QUESTIONS

- What is mobile marketing? Discuss the process for developing the Mobile strategy.
- Explain the Mobile evolution. What are the benefits of mobile?
- What is significance of mobile marketing? Highlight the mobile marketing strategies.

- What is Email marketing? What are the benefits of email marketing?
- Highlight the barriers for email marketing.
- What is blog marketing? Discuss the pros and cons of blog marketing.
- What are the elements of business blog? How to make the blog marketing effective?

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## UNIT 12.B-- SOCIAL MEDIA: FACEBOOK, INSTAGRAM, TWITTER, WHATSAPP

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**STRUCTURE**


12.B.0 OBJECTIVES
12.B.1 SOCIAL NETWORK
12.B.2 IMPORTANCE OF SOCIAL MEDIA FOR MARKETERS
12.B.3 INSTAGRAM
12.B.4 INSTAGRAM MARKETING
12.B.5 HOW TO CREATE AN INSTAGRAM ACCOUNT
12.B.6 STRATEGIES OF INSTAGRAM MARKETING
12.B.7 SOME OTHER INSTAGRAM MARKETING BASIC STRATEGIES
12.B.8 ADVANTAGES OF INSTAGRAM MARKETING
12.B.9 BENEFITS OF INSTAGRAM MARKETING
12.B.10 INSTAGRAM STATISTICS
12.B.11 DRAWBACKS OF INSTAGRAM FOR BUSINESS
12.B.12 TWITTER
12.B.13 TWITTER MARKETING
12.B.14 FEATURES OF TWITTER MARKETING
12.B.15 HOW TO USE TWITTER FOR MARKETING
12.B.16 TIPS FOR TWITTER MARKETING
12.B.17 TOOLS FOR TWITTER MARKETING
12.B.18 BENEFITS OR MODES OF TWITTER MARKETING
12.B.19 WHATSAPP MARKETING
12.B.20 WHATSAPP MARKETING STRATEGY PROCESS
12.B.21 LET US SUM UP
12.B.22 KEY WORDS
12.B.23 ANSWERS TO CHECK THE PROGRESS
12.B.24TERMINAL QUESTIONS


## 12.B.0 OBJECTIVES

**After studying the Unit, you would be able to**

- Learn about the social network and significance of the social media marketing
- Best use of Instagram as marketing tool
- Learn how Instagram is important for marketing activities
- Have the knowledge how twitter emerged and marketers started using it in marketing
- Understand the tools of Twitter
- Learn about the WhatsApp and its best use in the marketing

## 12.B.1 SOCIAL NETWORK

The primary objective of SMM is to improve correspondence with clients, increment brand perceivability and arrive at increasingly (potential) clients. SMM is being finished by making quality substance that the clients of social systems share with their companions (through transmitting data electronically, for example Electronic Word of Mouth) by methods for intelligent alternatives on social systems, the clients find the opportunity to be heard, either by posing inquiries or by making objections.

We can make social media marketing more effective or efficiencies by proper planning. In social media marketing planning, we need to know about how much to invest in social media management tools, how to create engagement content, etc. Other thing which relates to social media marketing planning is how to drive traffic on website. Content is most necessary part to attract the consumer because attractive content makes traffic on website. All the customers like to see interesting things so marketers attract audience by creating good content. The different kinds of social media management tools are available in the market.

## 12.B.2 IMPORTANCE OF SOCIAL MEDIA FOR MARKETERS

- **Improve Brand Awareness:** Social media is one of the most peaceful and beneficial advanced marketing technique that can be utilized to build marketers' business perceivability. To begin, make social media profiles for business and begin organizing with others.
- **Cost Effective:** For a publicizing procedure, social media marketing is potentially the most financially savvy way. Making a record and joining is free for practically all social systems. On the off chance that marketer chooses to utilize paid promoting on social media, consistently begin little to perceive what they ought to anticipate. Being practical is significant as it causes accomplish a more prominent rate of profitability and hold a greater spending plan for other marketing.
- **Engage Customer:** Social media is a decent path for drawing in and associating clients. The more marketers speak with the group of spectators, the more possibilities they have of change. Set up a two-path correspondence with intended interest group so their desires are known well.
- **Improve Brand Loyalty:** Marketers having social media must make it simpler for clients to discover and interface with them. By interfacing with clients through social media,

marketers are increasingly likely to upsurge client maintenance and client dependability. Since building up a dedicated client base is one of the primary objectives of practically any business.

In today's world where competition has become very stiff there is a need felt by every business to advertise its product to the fullest and reach its target consumers. Today the old techniques of marketing have taken a backseat and new marketing methods are being used. The use of social media for marketing has increased. Almost every business house is using social media for its products and service promotion. There are many social media platforms which are used by business houses for marketing like Instagram, Twitter, Facebook, YouTube, Google, Pinterest, etc.

### 12.B.3 INSTAGRAM

As the growth of social media has increased tremendously, which is helpful in building the relationships with the users. Social media has changed the behavior of the consumers of seeking the information, evaluation of the products and giving the feedback regarding the products or services to the companies. Moreover, the studies shows that the different videos and photos helps the brands or companies to attract more consumers, as a result this will helps in acquiring more attention of the consumers. As from the past years, Instagram has been at the top of all other social media platforms to advertise the products because now, everyone is using the Instagram.

### 12.B.4 INSTAGRAM MARKETING

We all know that Instagram marketing is the most competitive, but of course it is not impossible. Like, if anyone has huge number of audience or followers with him, then more and more brands will come to him for advertising or for promoting of the products.

Some of the related points to Instagram-

- Instagram sees more than one billion of the monthly users with more than 500 million stories.
- In the U.S, there are about 130 million Instagram users.
- Here on the Instagram, every user follows at least one business from which 83% users said that they are helped by discovering new products and services over Instagram.

### 12.B.5 HOW TO CREATE AN INSTAGRAM ACCOUNT

- Download the Instagram app form the play store or through the link on the google.
- Now, start with sign up the account or create a new account or sign in, if you already have an account.
- Enter the full name or business name so that profile ca be easily recognized.
- Now the username you have now is your unique username which no one can create again because the username is assigned only once.
- It is also important to pick the easy username that can be easily recognized.
- Optimize Instagram account with the right profile from which you are known or your business is related with. For the business, you can consider right logo from which your business can easily recognized.
- Fill up your bio with at least 150 characters. It is concise summary of you or your business.

### 12.B.6 STRATEGIES OF INSTAGRAM MARKETING

- **Organic Content:** Organic content is a way through which users upload their photos and videos which are unpaid. But to make audience engaged, the brands will collaborate with the users having higher followers and who are providing organic content.
- **Instagram Ads:** Instagram ads are more effective than the organic content if the users are looking for hard sales. So, the ads can be run on the Instagram like story ads, image ads, carousel ads, videos ads etc. Video and image ads can be run on the Instagram feed. There are some shoppable posts which directly advertise the products by adding tags on the images. For example, if a model wears any jewelry, the links would be provided with the image.
- **Influencer Marketing:** This is the most popular form of marketing where different influencers promote the products in their posts, stories, videos. Influencers can be from any industry like from tech to fashion to finance to food.

### 12.B.7 SOME OTHER INSTAGRAM MARKETING BASIC STRATEGIES

- **Firstly, find routine audiences,** this could be users produced by pixel track, an email record, a follower's directory or another means. Record of customers who have linked with you previously perform most excellently.

- **When your previous custom viewers, similar viewers as previous must be your next target**, Facebook/Instagram's search router is great at discovering similar viewers that will react liking to your advertisement.
- **Conventional pictures of users are important, as it** accumulate photos RATHER than working on Instagram.
- **Create attractive offers,** Instagram's image character attracts desirable buyers but they might not buy or view that if you haven't present something persuasive.
- **Hashtags are mandatory, as** they motivate users and grandly connect with niche Instagram's user.

### 12.B.8 ADVANTAGES OF INSTAGRAM MARKETING

If you are not using Instagram for business marketing than here are few good reasons to startup marketing on Instagram. Since its foundation, Instagram has established as an influential digital marketing platform for businesses. It is beneficial for companies or brands thinking to develop their existence and for promotion of their products.

- **Increases the brand reputation:** Instagram helps in increasing the brand reputation. As we can see large portion of people are present on this platform, so it's easy to advertise the product on the Instagram to gain more customers towards the brand. If more and more people are engaging with you brand, you can build a strong brand reputation.
- **More traffic:** So, the need for the traffic is more important. So, choosing the right keywords which the customers may type or search for, would help to increase the traffic to your page. So, analyzing of social media platforms is must for reaching to the loyal customers.
- **Improves the ranking of search engine:** By using the social media platforms effectively, this will improve the ranking of the pages. Search engine optimization helps in optimizing which further improves the traffic.
- **Having more conversion rates:** If the conversion rates are high, this will help in having more opportunities because every post, blog, image or video helps the viewers to come to your website. Moreover, if the viewers share your webpage with others, it will automatically give a positive impression for your website.

### 12.B.9 BENEFITS OF INSTAGRAM MARKETING

- It will help in generating the income. It acts as an income source for all. You can earn online easily on the Instagram by promoting the different products or brands over the Instagram.
- It also helps in the brand awareness which means more and more people will know about business if you are running any business or if you have a business account.
- You can also conduct the social listening by doing conversations or making videos on some social topics which are beneficial for the public too.
- You can also share the story of your brand so that people would know about your brand and show some interest towards your brand. Effective stories really helpful for the brands.
- You can also have the feedback from customers about brand and services which you are providing to them. Specific keywords to be used in content is important, so that customers get easy access to your business.

**12.B.10 INSTAGRAM STATISTICS**

- ✓ Business profiles = 25 MILLION+
- ✓ Instagram is used by 71% U.S marketers.
- ✓ Instagram users following business accounts is 80%.
- ✓ New products and services are discovered by 85% of users daily.
- ✓ Instagram assists 80% of users choose which service or product to buy.
- ✓ About 30% users by some product or service(s)on their mobile APP.
- ✓ Daily about 200 million users check out one business account.
- ✓ Instagram is used by about 2 million advertisers all over the world.
- ✓ Funded videos get 3 times more comments than funded photos.

- **Millions of Instagram Users:** According to the stats of Instagram, there are currently about eight hundred million active users. Out of these million users about five hundred million day to day users and thirty eight percent only surf the account numerous times a day. With that load of accessible users, there is no limit to accomplish a top business with a fanatical Instagram plan.
- **Any size of business can thrive:** Among so many active users to pick from there is no limit for business to get promotion. That goes for large, well-known MNCs as well as smaller single-man handed business, even the well setup MNCs can't get well success achievement in a day, but if their promotion team wants to get their business

on top, they can achieve so by being active online and sustain a regular update of at least one post a day.

- **Direct money can be made from Instagram:** Instagram has progressed and updated over the years therefore it has better prominence of earning money by product promotion. The most up-to-date feature is called shoppable posts which allow businesses to pin tags to the products and services in their photos along with links that comprise a product explanation, cost and the facility to "shop now", which directs the user to retailer's online store. Due to this new feature, attracting actual sales has been simplified for business and with seventy two percent of Instagram users admitted to buy product and services through this social media platform.
- **Stories create your business significant:** Instagram is a big platform to demonstrate prospective customers that you are more than just an anonymous firm. This can be made by numerous app's features, but you can truly build an intuition with live posts and stories. The relevant method to utilize live stories is to let people see behind-the-scenes snippets of your company and employs. FOR examples the videos that illustrate how products are prepared, videos of organization workers intermingle among themselves and live question and answers conference between you and your spectators.

  Instagram live posts are also superb mode to construct connection, faith and reliability with followers and presenting them labor operations of your business. If clients notice you as more than a unit looking to earn money, then they may get more expectation and hopes from your product.

- **Efficiently connecting with customers:** What is superior way of making your presence known to customers? How regarding chance to connect with them each day? The reality is that public like to express their opinions and desires something, therefore, IG is platform on which users like, comment and share their nearly all wanted posts. Companies' promotion and business marketing all depends upon no of likes and comments they get.
- **Mobility is king:** Contrasting to Facebook and Twitter, that started as browser-based sites, IG was formed primally to be an APP. Since 90 percent of time mobile time is spent on APPs, company can be the leader of promotion and make their products posts reachable to customers wherever they are through IG. Smartphone client lean to

Instagram as it has a cleaner and manageable presentation than the muddled view that Facebook produces, and with Instagram having TEN times higher active users than on Facebook marketing is more efficiently done.

- **Competitors can be analyses regularly:** Through Instagram, keen eye and regular updates on opposite companies can be kept. You can keep noting how many followers they have, what are their strategies, what measures they are taking to attract consumers towards themselves, what they are posting and how often, etc. It will help you or your company to use the information you assembled to enhance your own personal strategy for marketing.

**CHECK THE PROGRESS**

I. The primary objective of SMM is to improve correspondence with clients, increment brand perceivability and arrive at increasingly (potential) clients. (True/False)

II. Marketers can make social media marketing more effective or efficiencies by proper……..

III. …….. sees more than one billion of the monthly users with more than 500 million stories.

a. WhatsApp
b. YouTube
c. Instagram
d. Twitter

IV. ……. content is a way through which users upload their photos and videos which are unpaid.

V. Instagram ads are more effective than the …… if the users are looking for hard sales.

VI. About …….. users by some product or service(s)on their mobile APP.

a. 20%
b. 10%
c. 50%
d. 30%

## 12.B.11 DRAWBACKS OF INSTAGRAM FOR BUSINESS

Most likely the first Instagram drawback is that Instagram is not a medium that just focus on businesses. Generally, users are using Instagram to surpass their free time and bond with other users. There is only a little number of users who have purpose to buy the product or service they spot on their timeline. Due to which, using Instagram as the only medium to advertise your business directs to the following disadvantages.

- **The Biggest Disadvantage is its Advantage:** IMAGES and VIDEOS are main content that is advantage of Instagram which can be turn out to be major disadvantage Instagram. This implies that you have to be very aware of the images or videos you post as it acts as content and will attract followers. Dull and boring pictures will make audience that follow you to skip your page in their timeline and not read the messages you want to convey in your status.
- **Everyone Is Not on Instagram:** As everyone doesn't use Instagram to socialize it may come out to disadvantage for marketing. Instagram works only on an iPhone and Android app therefore if you are using Blackberry, or Linux it would not install on it. This problem will inhibit you to reach your target addressees.
- **Limitations on Contents:** Instagram has 60 seconds long limit of posting the video therefore you have to explain about your product or service in 60 seconds video only. Therefore, it comes as big drawbacks as you won't be able to further give explanations of product in your post. Also, the ultimate length of captions on Instagram is 138-150 characters. For commercial purpose, the ideal length of the caption is 125 Characters which is very less. Also, using too many hashtags' threats to get your profile banned therefore you can only use 5-7 hashtags only.
- **Difficulty in advertising:** Targeting and attracting local market is really problematic on Instagram as it has fewer choices to target users. Also, big and financially stable companies or business can only afford the commercial on Instagram as it is very expensive to sponsored by Instagram.

### 12.B.12 TWITTER

Twitter is an American online micro blogging and social networking service. On Twitter users interact through 'tweets' which are like messages. Initially, tweets were restricted to 140 characters but now it has been increased to 240 characters except for some languages. Twitter Inc. was founded in 2006 by Jack Dorsey, Noah Glass, Biz Stone and Evan Williams and is based in San Fransciso, CA. It was launched on 15$^{th}$ July, 2006.

Twitter is the one of the best digital platform or social media platform to start business and also there are lot of things which moves very quickly on this platform. If we look at the average watching or seeing of one tweet it is only about 16 minutes and there are more than 9000 new tweets have been tweeting every single second on this platform.

Twitter is now being used by brands and other business houses to promote their products and services. They are now actively engaging with people on the social media. Twitter has more than 300 million monthly active users and this makes it a preferable platform for marketers. A company can make its twitter account by signing up on twitter for free. A company has to make its twitter handle upload its details and then it can send tweets.

### 12.B.13 TWITTER MARKETING

Twitter is used by businesses for marketing. For marketing on Twitter firstly a company should have a Twitter handle. For this the company needs to sign up on Twitter. Following steps need to be followed:

- Go to Twitter.com and sign up, using your name, email id, password and username.
- Click on create my account.
- Build up timeline and follow people.
- Confirm the email id.
- A profile picture relevant to the brand should be uploaded.
- The business website should also be added to the profile so that people are able to easily trace the website and visit it.
- Add bio. The maximum character limit is 160 to tell the world about the business, be suffice. Something personal or quirky about the company or about the products and service can also be stated or the company can talk about their upcoming projects or events.
- Save the information.

Creating a twitter account is easy but it is not an easy task to grow the Twitter account and to turn it into an actual tool that builds up the brand. For successful Twitter marketing a company needs to engage with its audience and interact with them. Twitter marketing is a powerful tool. What makes Twitter different from other social media sites is that Twitter thrives off communication. Some of the main ways in which business houses use Twitter include:

- Sharing content
- Undertaking promotional activities
- Customer interaction
- Handling their grievances

- Twitter polls
- Providing expertise

## 12.B.14 FEATURES OF TWITTER MARKETING

- **Flexibility**: Marketing on Twitter is absolutely free and completely depends upon the user that how you want to operate it. There is completely your choice that what kind of content you want to post. This is really a good start kick for the small businesses as medium of advertising and promotion.
- **Ease of access:** Twitter is simplest social media platform and is easy to operate. Twitter is completely user-friendly.
- **Advertising**: Twitter like other social platforms provides advertisement support to the business to promote themselves and increasing their interactions.
- **Analytics**: One more feature of twitter is that it is inbuilt tracking platform that shows you your account activity. It is same like of google, Instagram and face book's analytics which show your activity in form of graph and reports to show you the important metrices.

## 12.B.15 HOW TO USE TWITTER FOR MARKETING

- **Customize and brand the profile:** When people look at a company's profile, they should be able to know that it's the company's profile. It means a company should customize their Twitter profile with their logo, header image, and any other recognizable and memorable details. Using the following a company can customize its profile:
  - Handle: Twitter handle is the username of the company (e.g., @hm) this should include the company's name so that the followers, customers can easily find the company's account on the platform.
  - Header: It is the background image on a profile. A company can choose to create a unique image for its header, it can use its logo or any other image related to its product or service.
  - Profile picture: Company's Twitter profile picture represents the company's twitter account it is the identity of the company it shows every move of the company, interaction and tweet. It is the image that is placed above the company's bio and might include a picture of company's founder or director.

- Bio: A company's bio provides brief information about the company. It tells the users what the account is about what kind of content the people will find in this account. The company can include in its bio about their upcoming projects, product releases, engagements, objectives, their proud achievements, upcoming events, etc. A link to the company's website can also be given in the bio for the ease of finding about the company and to generate leads. The character limit for the bio is about 160 so, the information should be precise and the company should use creativity to best describe its business and to attract people.

- **Twitter chats:** If a company wants to get more active followers on twitter, then the company should try to interact with its followers and the target consumers through twitter chats. There should be an interactive approach by the company when they Tweet something to start a conversation. The tweets should also be replied so that the audience feels connected with the company and it will add to the goodwill of the company.
- **Plan ahead:** It is very essential for the company to plan in advance about its upcoming events. Planning should be done in advance to make the upcoming events successful. For example, before tweeting about the launch of a product or before an occasion or event hash tags (#) can be used for the trend. The company should start planning about the campaigns prior to the start of the event. The hints about the new releases can also be given by the company to engage the audience.
- **Twitter video:** Another way of using twitter for marketing is using videos for advertisement. Twitter's native video feature can be used for advertisement of the products and services. Videos can be recorded and uploaded to twitter live stream. Another option is to use Periscope, a live streaming app owned by Twitter. It integrates into Twitter to show the live streams in followers' feed. The recording can be watched even after the live stream is over. There are different ways by which videos can be added on twitter the content of the video should be interesting so that it is liked and shared by the audience.
- **Follow people:** Following people and to engage in conversation with them is an important thing for marketing through Twitter. The business should follow influential people, journalists, etc. So that their content is able to reach many people at large. One thing that should be kept in mind is the number of followers following the company and the people the company is following. This ratio should be appropriate as

if the followers are less than the following then it puts out a negative impact. Business handles should not unnecessarily follow hundreds of people at once only those people should be followed who will help in promoting the brand and help in increasing the followers. Influential people should be followed. Some business houses also get paid promotions done on social networking sites through influencers the people who have huge fan following.

- **Advertise on Twitter:** By advertising on Twitter a company can easily reach its target audience. The company can advertise through visual ads, paid promotions, promoted tweets, etc.

  Promoted tweets make the tweets to appear in the twitter streams or twitter search results of specific users. It is a great option for getting more traffic on a specific webpage. The company will have to pay a certain sum of monthly fee as long as it wants to promote a tweet.

  If a company is using different tweets to achieve one objective, then the company can use twitter ads to achieve its goals in an efficient manner. Different companies have different objectives it includes app installs, video advertisement, website conversations, etc. So, the company has to decide between different objectives. This decision will impact the price the company will have to pay for running its ads.
- **Driving traffic to website:** Twitter can be used to drive traffic to the company's website. There are numerous ways in which this can be done. The company's URL can be included in the company's profile. The URL can be put in the bio of the company's twitter profile. In the tweets different links can be added.
- **Verified Twitter account:** The Company's account should look authentic for this purpose the company should get its account verified by Twitter. Twitter generally verifies the accounts if the account relates to a person who is into film and fashion industry, is a business personality, sportsperson, politician, content creator, etc. If Twitter accepts the company's application and verifies the profile a badge with a blue checkmark will appear next to the company's handle. Being verified will prevent the audience from following fake accounts and being confused by impersonator accounts or accounts with the same content. Business having a verified twitter account makes it more trustworthy and legitimate and differentiates it from a spam account.
- **Focus on increasing Twitter followers:** It is essential for the businesses to more the followers the company has more are the people looking at the have a large following

so as to reach more audience and target consumers. The company's content and interacting with it. There are a number of ways by which a company can increase its followers:

- The content posted by the company should be sharable.
- Hash tags should be used for making it trendy.
- The company can use strategies like giveaways, contests, questions, surveys, etc.
- The social media influencers can be looked into for promoting the business.
- The links of the company's twitter profile should be displayed on the company's website.

- **Twitter analytics:** By using twitter analytics the company can know about the performance of its twitter campaigns and individual tweets. The monthly review about the company's tweet and be seen and the performance can be analysed. By using analytics, the company can see whether it has been able to reach its target or not.
- **Twitter polls:** By conducting polls on Twitter the company can know about the popularity of the brand and its different products. It can know about the taste and preferences of its target consumers and can really know what actually the people want. It is a great way by which the company can interact with its customers and make them realize that the company does care about the opinions and needs of people.

### 12.B.16 TIPS FOR TWITTER MARKETING

- Use keyword targeting in Twitter Ads.
- Implement hashtags.
- Content sharing schedule should be organised.
- Twitter campaign.
- Create interesting content keeping in mind the different types of followers.
- Businesses can advertise about the offers offered by them through ads and video advertisement.
- Keeping an eye on the competitors twitter account.
- Celebrity endorsed advertisements can be done.
- Checking the DM's and replying them.

- External tools can also be employed by the company to monitor its twitter activities. There are many tools available in the market for different purposes.

### 12.B.17 TOOLS FOR TWITTER MARKETING

There are many twitter marketing tools which can be used for better marketing and making the work easy. Some of the marketing tools are:

- **Sendible:** It is an all-around social media management tool that can be used to manage accounts from a plethora of different platforms including Twitter. With this tool the tweets can be scheduled and direct messages can be answered. Everything can be managed from a centralised dashboard. One of the most important features of this tool is the ability to schedule social media posts ahead of time. It helps in monitoring the brand's status on Twitter by integrating analytics from the brand's account and giving updates about the mentions of the brand.
- **Commun.it:** It is another social media management tool. This is the only tool which supports Twitter exclusively and is focused on engagement. It allows managing the mentions of the company in a much more efficient way by marking them as replied to, reviewed to and more. This section also allows monitoring the mentions of the brand. The posts can also be scheduled.
- **TweetDeck:** It is a twitter management tool built directly into twitter itself. It can be accessed with company's twitter account by navigating to tweetdeck.twitter.com or downloading the Mac app. This tool is essentially an extension of the Twitter dashboard and allows managing the company's main account and several additional accounts more efficiently.
- **Awario**: It is a different type of social media management tool than the other. Its main focus is on social listening and social monitoring. One of the most powerful features is its ability to spot potential leads. One of the ways it does this is by notifying about any tweets that ask for recommendations of a product or service that's similar to the business's product.
- **Social Sanp:** It helps in growing the audience and social reach by making your content more shareable. It starts with social share buttons which can placed throughout the site. This allows controlling the way the tweets appear on twitter. Customization can be done of the tweets image, title and description. Followers can

be encouraged to share the content on twitter by using Social Snap's click-to-tweet tool.

- **Hashtagify:** This tool shows the statics on hashtags from Instagram and twitter. It can be previewed by entering a hashtag on the homepage. You can search for a hashtag you are interested in using and the tool generates stats for it. These include the popularity of the hashtag, whether or not it's trending, related hashtags, etc. Individual hashtags can also be monitored.
- **Paper.li:** It is a tool that allows collecting and curating content with ease. A newspaper can be curated with the content from twitter and other social media platforms. Once the content has been gathered it can deliver to the people in the company's email list.

## 12.B.18 BENEFITS OR MODES OF TWITTER MARKETING

- **Direct messages**: like its other main competitors, twitter also allows direct messaging features for private conversation between two users but here is a difference that the two accounts who want to chat must follow each other. It sometimes becomes hurdles for the marketers because they have to follow each other but it surely creates genuine connections.
- **Tags promoting engagements**: The @ is a key which becomes a connection link between the tweets, by using this you can mention someone and it appears as a notification to the receiver so that they can easily view it.
- **Multiple posts are expectable, not annoying**: As we all know that Twitter is a fast-moving social media app, you never know what can be happened in just 1 or 2 hours so for being in updates the business have to be regular active and have to keep posting as there is no restrictions on the maximum posts or tweets to be send.
- **Tweet deck:** In simple language twitter deck, be said as the shortcut to be in the selected conversation. It is a free tool that helps monitoring accounts and hashtags you follow. It is an effective way to be in the conversation while avoiding other non-usable accounts.

  It is very useful for the businesses as the companies can watch their competitor's activity all at once so that they can makes strategies to beat all at once. For example, if you see a user who is complaining about a competing brand of your company

because you're tracking their company, so you can reply and recommend your brand as a viable solution that will solve their problems.

- **Power of influencers for your campaigns**: Twitter is a huge platform where there are lots of marketers and influencers. The companies knew the powers of influencers, so they can use them to gain popularity and increasing their sales. There are approx. 40% chances of more sales when the users see the tweets of products from the brand companies and influencers. 49% users are those who responds because they rely on the recommendations from influencers and 40% are those who directly made purchase just by watching tweets from the influencers.
- **Low-cost advertising:** Advertising on twitter is really cost effective, it does not cost much so the marketers can grab the opportunities to Ad from the twitter. Twitter Ads guides marketers all kind of experiences through campaign creation process by suggesting various parameters to maximize impact.
- **Branded hashtags for community management:** Hashtags are the approximately used in all the social media platforms but is mostly on twitter. In twitter these hashtags are used to make a simple topic trending by using the hashtags again and again. The marketers can use this hashtag to promote their brands or products and can reach at trending level by regular deploying these hashtags.
- **Viral:** Here on twitter anyone can go viral. Here on Twitter the message or tweet spread like wildfire which sometimes became impossible to control. These viral messages can be funny, relatable or can be news. Those tweets can be generated from any of twitter account no matter how many followers a person have or not. Brands can use this technique to go viral with their tweets which can be worldwide reachable.

Till now we have discussed a lot about how companies can use twitter as a great marketing tool but we can't forget that there are various companies who were masters at engaging users on Twitter. Yes, they are the worldwide companies who knows the importance of twitter marketing.

**There are lots of companies using twitter but here we will be discussing top 3:**

- **PLAYSTATION:** PlayStation is a video game brand which was produced by the Sony interactive Entertainment and the first console of the PlayStation was released in December 1994. This video giant is also an active user of twitter and is on second list with 21 million followers. On twitter they post wide variety of posts including links,

videos and tweets. PlayStation keep themselves engage with their fans and also retweet them.

- **STARBUCKS:** We all are aware that Starbucks is known for its coffees and roastery reserves. It is an American multinational company whose headquarter is in Seattle, Washington. In Sep. 2020, the company had 32,600 stores in approx. 83 countries. As we talk about the twitter, Starbucks is an active user of twitter and have nearly 11 million genuine followers. Starbucks is quite active on twitter and keep posting tweets and pictures of their coffee to promote them.

  Main motive of using twitter by Starbucks are:

  - Satisfying customers
  - Listening and learning new from them
  - Bringing in-store experience to twitter
  - Focus on customer service

- **SAMSUNG MOBILE US:** Samsung Galaxy is a series of mobile computing devices that were designed and developed by the Samsung electronics. It launched on 29 June 2009 and is dealing in smartphones, tablets, phablet and smartwatches. There are various reasons why Samsung is at top 3 with 4.8 million followers which are:

  - Wide variety of content
  - Lots of retweets
  - Optimal utilization of hashtags

### 12.B.19 WHATSAPP MARKETING

WhatsApp marketing is similar to courier marketing in that it involves promoting a whole through WhatsApp. This channel assists brands in reaching a large audience and establishing strong customer relationships.

“Do you have WhatsApp?” we are sure someone has asked you that hundreds of times, and we are guessing you said yes. As a result, this app's popularity has skyrocketed. you'll realize ideas and tips to require advantage of this tool to the utmost and to try to WhatsApp promoting with success.

WhatsApp was founded in 2009 by January Koum and Brian Acton, two former Yahoo employees. Since then, the application's popularity has grown, especially in Western

countries, with over 1200 million users registered in 2017. As a reward for this impressive distance, WhatsApp provides you with a promotional deal.

### 12.B.20 WHATSAPP MARKETING STRATEGY PROCESS

The following would be the process for the effective WhatsApp marketing strategy:

- Outline the objectives and key performance indicators (KPIs).
- Determine your target demographic.
- Download the company software.
- create a complete persona
- Create a contact list.
- design your contact profile

### CHECK THE PROGRESS

VII. IMAGES and VIDEOS are main content that is advantage of Instagram which can be turn out to be major disadvantage Instagram. (True/False)

VIII. As everyone doesn't use Instagram to socialize it may come out to disadvantage for marketing. (True/False)

IX. A company can not make its twitter account by signing up on twitter for free. (True/False)

X. In Bio the maximum character limit is ……. to tell the world about the business, be suffice.

a. 100
c. 120
b. 200
d. 160

XI. A company's …….. provides brief information about the company as it tells the users what the account is about what kind of content the people will find in this account.

XII. By conducting polls on Twitter, the company can not know about the popularity of the brand and its different products. (True/False)

XIII. …….. main focus is on social listening and social monitoring.

a. Commun.it
c. Awario
b. TweetDeck
d. Social Sanp

XIV. …….. helps in growing the audience and social reach by making your content more shareable.

a. Commun.it
b. TweetDeck

c. Awario d. Social Sanp

XV. …… is a video game brand which was produced by the Sony interactive Entertainment.

XVI. WhatsApp was founded in 2009 by January Koum and Brian Acton, two former Yahoo employees. (True/False)

**12.B.21 LET US SUM UP**

The primary objective of SMM is to improve correspondence with clients, increment brand perceivability and arrive at increasingly (potential) clients. SMM is being finished by making quality substance that the clients of social systems share with their companions (through transmitting data electronically, for example Electronic Word of Mouth) by methods for intelligent alternatives on social systems, the clients find the opportunity to be heard, either by posing inquiries or by making objections. Social media has changed the behavior of the consumers of seeking the information, evaluation of the products and giving the feedback regarding the products or services to the companies. Moreover, the studies shows that the different videos and photos helps the brands or companies to attract more consumers, as a result this will helps in acquiring more attention of the consumers. As from the past years, Instagram has been at the top of all other social media platforms to advertise the products because now, everyone is using the Instagram. Most likely the first Instagram drawback is that Instagram is not a medium that just focus on businesses. Generally, users are using Instagram to surpass their free time and bond with other users. There is only a little number of users who have purpose to buy the product or service they spot on their timeline. Twitter is the one of the best digital platform or social media platform to start business and also there are lot of things which moves very quickly on this platform. If we look at the average watching or seeing of one tweet it is only about 16 minutes and there are more than 9000 new tweets have been tweeting every single second on this platform. Twitter is now being used by brands and other business houses to promote their products and services. WhatsApp marketing is similar to courier marketing in that it involves promoting a whole through WhatsApp. This channel assists brands in reaching a large audience and establishing strong customer relationships.

**12.B.22 KEY WORDS**

INFLUENCER This is the most popular form of marketing where different influencers

| | |
|---|---|
| MARKETING | promote the products in their posts, stories, videos. |
| TWITTER | It is the one of the best digital platform or social media platform to start business and also there are lot of things which moves very quickly. |
| BIO | A company's bio provides brief information about the company. |
| SENDIBLE | It is an all-around social media management tool that can be used to manage accounts from a plethora of different platforms including Twitter. |
| TWEETDECK | It is a twitter management tool built directly into twitter itself. |

## 12.B.23 ANSWERS TO CHECK THE PROGRESS

I. True
II. Planning
III. Instagram
IV. Organic
V. Organic content
VI. 30%
VII. True
VIII. True
IX. False
X. 160
XI. Bio
XII. False
XIII. Awario
XIV. Social Sanp
XV. PlayStation
XVI. True

## 12.B.24TERMINAL QUESTIONS

- What do you mean by Social Media Marketing?
- Discuss some of the social networking websites and their advantages.
- What is social network and how social media marketing is important for the marketers?
- What is Instagram marketing? Discuss the strategies of Instagram marketing.
- Highlight the fact and figures for the Instagram marketing.
- What is Twitter marketing? Explain the features of twitter marketing.
- What are the important elements of twitter marketing? Explain the key tips for twitter marketing.
- What are the tools and strategies for the twitter marketing?
- What is WhatsApp marketing and how it is significant for the company to promote the products?