



Final Exam Study Guide: Spring 2012

Online Branding

Branding by domain name - goals
Internet domain protocols - common domains
Role of ICANN
Domain challenges

Positioning

Definition of positioning
Review each positioning strategy

Pricing Strategies

Purpose
Impact of the Internet
Factors impacting upward and downward pressure on pricing
Fixed pricing strategies
Dynamic pricing strategies

Free Pricing Models

Cross-subsidies
Evolution of pricing
Anderson's Taxonomy - review each free pricing strategy

Website Usability & Design

Dynamics of web visits
Usability for task-oriented users
Usability for experiential users
Web design process - Garrett's user design model

Search Engine Marketing: Organic

How search engines work
Optimization strategies

Search Engine Marketing: Paid

Benefits of paid placement
Payment options
Key steps in optimizing paid search

E-mail Strategies

The "killer app"
Advantages
Can-Spam Act
E-mail campaign process - review 5 steps
Types of permission



Social Media Strategies

Social media goals

The campaign - review 6 steps

Mobile Strategies

Smartphone penetration

Mobile campaign - review 5 steps

Proximity marketing

Web Analytics

Cost-per-action

Best/worst IMC tactics

Click-through - know how to calculate

Cost-per-click - know how to calculate

Conversion rate - know how to calculate

Website traffic analysis - review key metrics

Online Branding

Kurt Komaromi



Learning Objectives

- Review shift to online branding
- Discuss domain options & strategies
- Understand how the web deepens brand relationships

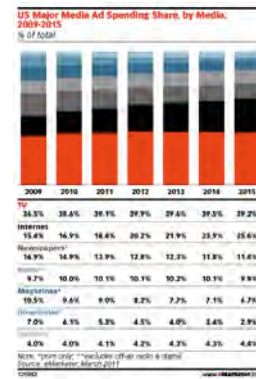


Shifting Landscape of Branding

- Threats to traditional advertising:
 - shrinking audiences
 - rising costs
 - competing technologies
- Rise of new media:
 - blogs & podcasts
 - online video
 - social networking



Media Spending



Building Brands Online

- Web spending up - keyword search, banner ads, interstitials
- Content and development key to online branding efforts - blogs, social media, user-generated
- Improved multi-media technology increases effectiveness - virtual reality, simulations, etc.



Branding by Domain Name

- Reinforce brand identity and image
- Build traffic
- Facilitate organic search
- Anticipate consumer behavior and mistakes
- Simple & memorable domains matter



Internet Domain Names

- URL (Uniform Resource Locator) is a Web site address - also called an IP address and domain name.
- Domain names contain several levels:
 - <http://> indicates the browser should expect data using the hypertext protocol
 - the second-level is often the name of the company
 - the top-level may be .com or many other choices

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Common Domains

- .com - commercial and personal
- .net - Internet providers
- .biz - commercial and business
- .co - commercial and business
- .info - commercial and personal
- .org - non-profits
- .edu – schools, colleges, universities
- .ca, .jp, etc. – country specific
- .mobi - websites designed for mobile usage



Guidelines for Effective Domains

- Obtain a category domain - www.donuts.com
- Avoid confusing domains - www.dvd4u.com
- Register simple, memorable domains
- Register related names and common typos:
 - www.mcdonalds.com
 - www.bigmac.com
- Avoid long and complicated domains from third-party hosts www.earthlink.net/acmeinstrument



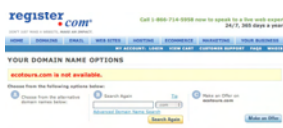
Obtaining Domain Names

- The Internet Corporation for Assigned Names and Numbers (ICANN) regulates protocol and domain name assignment.
- Register, GoDaddy and other sites provide domain registration services at low cost
- Domains can be purchased and transferred



Domain Challenges

- More than 97% of words in the dictionary have already been registered.
- Every combination of 3 letters already registered.
- Cyber squatting and domain speculators



Branding by Domain Name



SOURCE: Bloomberg News/Landov



The Challenge of Multiple Brands

- Multi-brand companies must determine whether each brand stands alone or is linked by the common firm
- A *branded house* treats all products as an integrated brand
- A *house of brands* emphasizes product-specific marketing with few ties to other company brands



Branding Options



Monolithic

single identity for all products



Endorsed

product brands endorsed by parent identity



Branded

unique product brands



The Challenge of Multiple Brands Online

	BRANDED HOUSE	HOUSE OF BRANDS
Branding Advantages	Efficient use of resources Lower cost of product introductions, brand extensions Focus on key users	Avoids confusion Dominance in product category Reduces or minimizes channel conflict
Online Advantages	Traffic steered to single page Authority status of site through shared in-bound links Easier user tracking	Focused content Simplified imagery Better measurement of brand-specific campaigns
Online Challenges	Complicates content choice Potential navigation problems Difficult to measure advertising effectiveness per individual brand	Hinders cross-selling opportunities "Content fatigue" reduces likelihood of frequent customer visits
URL Choices	Homepage as umbrella Virgin.com/books Virgin.com/travel	Separate URLs per brand www.tide.com www.pantene.com

Source: Hansom & Kalyanam



Enhancing Brand Meaning

- Online images and content reinforce brand personality and imagery
- Digital content transforms a brand into an authority
 - [The Stain Guide at Tide.com](#)



Enhancing Brand Meaning

- Pairing traditional media campaigns with Web advertising helps drive customer response to a brand
 - Billboards, television have wide reach but limited information
 - Internet provides deep content and collaboration
 - Integrated strategy recognizes strengths and weaknesses of each media type



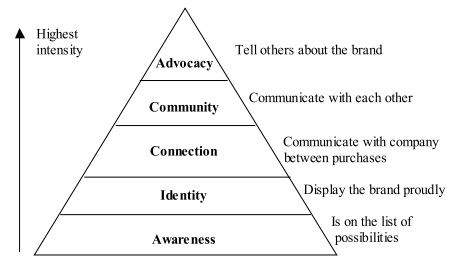
Progressive's Integrated Marketing



Forging Brand Relationships

- Online content can deepen consumer attachment to a specific brand
- Integrated marketing enhances communication with customers to build stronger relationships and loyalty
- *Brand communities* connect consumers and build stronger loyalty

Levels of Brand Relationship Intensity



Positioning

Kurt Komaromi



Learning Objectives

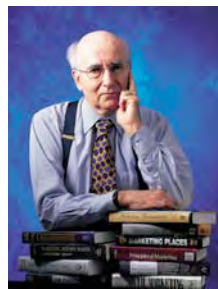
- Define differentiation and identify key dimensions
- Review Internet-specific differentiation strategies
- Discuss six strategic options for positioning



Differentiation

"the process of adding a set of meaningful and valued differences to distinguish the company's offering from competitors' offerings."

- Philip Kotler



Differentiation Dimensions

1. Product
2. Service
3. Personnel
4. Channel
5. Image



Product Differentiation

- Features & benefits
- Product line depth
- Customization
- Bundling



Service Differentiation

- Rapid response
- 24/7 access
- Convenient delivery
- Personalized options



Personnel Differentiation

- Low cost channels
- Automated processes
- Reduced dependence on personnel
- Lower transaction costs



Channel Differentiation

- Internet is location-free and time-free channel
- Serves as both transaction & distribution channel
- Becomes entire distribution channel for digital products

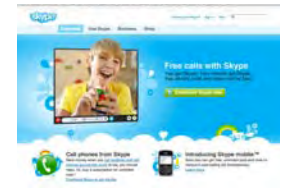


Image Differentiation

- "Experience branding" - creating a unique online experience
- User-generated content
- Entertainment factor
- Engagement - online chats, live customer service, networking



Internet-Specific Differentiation

1. Site Environment/ Atmospherics <small>(Watson et al., 2000)</small> <ul style="list-style-type: none"> • Look and feel of site • User friendly • Virtual to us 	2. Trust <ul style="list-style-type: none"> • Clearly state privacy policy • Use encryption for secure transactions 	3. Efficiency and Timeliness <ul style="list-style-type: none"> • Deliver what is promised to customers • Deliver in a timely manner
4. Pricing <ul style="list-style-type: none"> • Be aware of competitor pricing • Potential customer savings 	5. CRM <ul style="list-style-type: none"> • Customer tracking • Seamless communication • Greater relationship efficiency 	6. User-Generated Content (UGC) <ul style="list-style-type: none"> • Allow site/blog visitor comments • Provide space for UGC images and videos • Trust, listen, and learn

Positioning

- The process of creating a desired image for a company and its products in the minds of a target group of consumers
- Goals - differentiate from competitors and position the brand in a market niche
- Must be consistent with strengths of company and be defensible

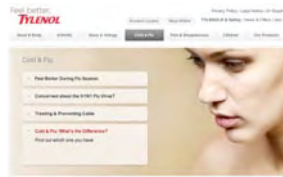
Positioning Strategies

1. Product or service attribute
2. Technology positioning
3. Benefit positioning
4. User category
5. Competitor positioning
6. Integrator positioning



Product/Service Attribute

- Amazon's 1-Click checkout process
- iVillage's custom menus
- Pillsbury's recipes
- Tylenol's health information



Technology Positioning

- Shows firm is on the cutting edge
- Especially important for online companies
- Example: Land's End virtual model



Benefit Positioning

- WIFM (What's in it for me?)
- Stronger than features
- Examples - Polo lifestyle, Huggies community



User Category

- Relies on customer segments
- Ties benefits to unique needs of the customer segment
- Examples - Yahoo groups, Eons (social network for boomers)



Competitor Positioning

- Position benefits that provide advantages over specific competitors
- Position against company or entire industry



Integrator Positioning

- Provide everything consumer needs in a specific product category
- Offer convenience and one-stop shopping
- Examples - Martha Stewart, Blue Nile



Repositioning

- Repositioning - the process of creating a new or modified brand, company, or product position
- Yahoo! repositioned from online guide to Web portal
- Amazon repositioned from world's largest bookstore to "Earth's biggest selection"
- Facebook hosts business page profiles and third-party applications



Pricing Strategies

Kurt Komaromi



The purpose of price is not to recover cost but to capture the **perceived** value of the product.

- Dan Nimer, Pricing Guru

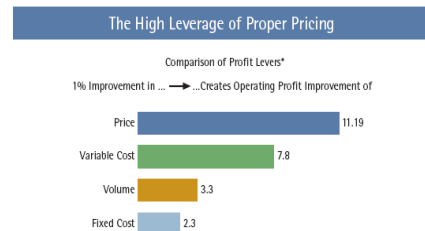


Power of Pricing

- The most active and dynamic marketing tool
- The most digital of marketing actions
- Pricing = information
- Pricing impacts profits



Behold the Power of Pricing



*Based on average economics of 2,463 companies in Compustat aggregate

SOURCE: Marr and Rossiello, (1992), "Managing price, gaining profit," The McKinsey Quarterly, No. 4, pp. 18-37.



Internet Pricing Questions

- How does the presence of the Internet change price sensitivity of products?
- How can online content influence price sensitivity of customers?
- What new pricing tools work better online than through traditional methods?



Impact of the Internet

- The Internet increases price sensitivity, but prices online are not automatically lower or less dispersed
- Value uncertainty contributes to price sensitivity
- Internet shifts power from seller to buyer



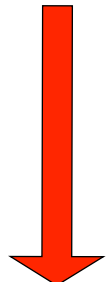
Factors for Upward Pressure

- Online customer service
- Distribution costs
- Affiliate programs
- Website development & maintenance
- Customer acquisition costs



Factors for Downward Pressure

- Self-service order processing
- JIT (just-in-time) inventory
- Lower facility overhead
- Automated customer service
- Lower printing & mail costs
- Digital product distribution
- Transparency of price comparisons



Content Affects Price Sensitivity

- Branding
- Customization
- Delivery options
- Customer ratings
- Payment options



Steps in Setting Price



Overall Pricing Goals

- Profit-oriented
- Market-oriented
- Competitor-oriented



Goal Considerations

- | | |
|---|---|
| <p>Internal</p> <ul style="list-style-type: none"> • Marketing goals • Profit objectives • Costs | <p>External</p> <ul style="list-style-type: none"> • Demand • Competition • Product life cycle |
|---|---|

Internet Pricing Strategies

- All traditional pricing models apply online
- Need for online/offline consistency
- Technology facilitates dynamic pricing

Fixed Pricing Strategies

(same for all customers)

- Markup
- Volume-based
- Bundling
- Promotional



Fixed Pricing Strategies

Markup Pricing

The cost of buying the product from the producer plus amounts for profit and expenses.

Volume-based Pricing

Establish separate price levels based on quantity purchased.

Fixed Pricing Strategies

Bundling Pricing

Establish price for a combination of more than one product/service.

Promotional Pricing

Short term discount or incentive to purchase.

Bundling

- Types:
 - Aggregation
 - Joint performance
 - Margin spread
 - Trade-up
 - Loyalty



Dynamic Pricing Strategies

(variable by customer)

- Yield management
- Negotiated
- Segmented
- Personalized



Dynamic Pricing Strategies

Yield Management

Adjust prices to fill unused capacity for perishable services.

Negotiated

Price established through back and forth negotiation between buyer and seller.

Negotiated Pricing

- Auctions
- Reverse auctions
- Buyer offers



Dynamic Pricing Strategies

Segmented Pricing

Adjust prices for customer groups based on predetermined factors.

Personalized Pricing

Customize pricing options for an individual customer.

Personalized Pricing

- Coupons and loyalty discounts
- Price pegged to credit scores
- Personal-level pricing contracts
- Personalized bundling

Free Pricing Strategies

Kurt Komaromi

Source: C. Anderson, *Free: The future of a radical price*



Learning Objectives

- Trace history of cross-subsidies
- Discuss current applications of concept
- Review Anderson's taxonomy of free pricing strategies



Hail to the King



Cross-Subsidy

- Get something free in return for buying another product or service
- Shifting cost from one product to another
- Fundamental pricing strategy



Cross-Subsidies



+

Monthly Unlimited Minutes	Monthly Access	Per-Minute Rate After Allowance
450 Minutes	\$99.99	\$0.45
900 with unlimited calling to friends & family numbers	\$119.99	\$0.42
1350 with unlimited calling to friends & family numbers	\$129.99	\$0.39
Unlimited Minutes	\$149.99	\$0.00



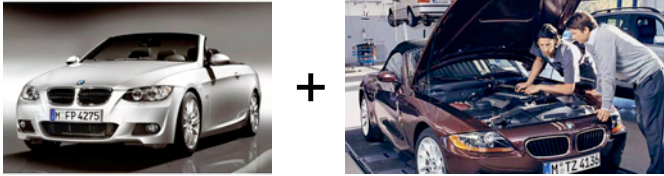
Cross-Subsidies



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Cross-Subsidies



The Challenge of the Digital Age

“Information wants to be free. Information also wants to be expensive...that tension will not go away.”

- Stewart Brand (1987)



New Price Paradigm for Web 2.0



Evolution of Pricing



Fixed



Dynamic



Free



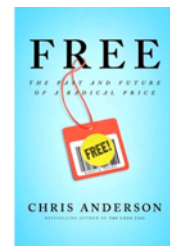
- Web search
- E-mail
- Photo sharing
- Weblog hosting
- Word processing

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Anderson's Taxonomy

- Freemium
- Advertising
- Zero marginal cost
- Cross-subsidies
- Gift economy

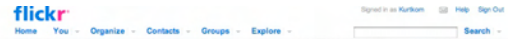


Freemium

- Web software and services
- Varying tiers of content from free to professional versions
- Ratio of paid vs. free users often as low as 1%
- Cost to serve other 99% is negligible



Freemium



Holy smokes! That's cheap!
Just \$24.95 for a 1 year pro account.

Here's what you get...

- Unlimited uploads and storage
- Unlimited sets and collections
- Access to your original files
- Stats on your account
- Ad-free browsing and sharing
- HD playback for high-definition video uploads

That's about \$2 a month!

Buy Now!

You can get a 2 year account for just \$47.99 and that's even less per month!

Just as you know... Flickr will always offer a [free account](#) and all prices on the site are quoted in US dollars.

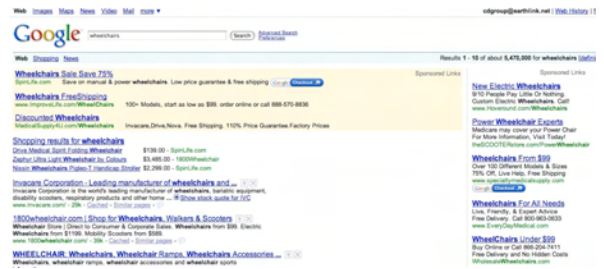


Advertising Model

- Free content sponsored by advertisers
- Examples:
 - Paid search
 - Social ads
 - Video sites



Advertising Model



Advertising Model



Zero Marginal Cost

- Digital content distributed at virtually no cost to large audiences
- Example:
 - Digital music
 - Video downloads



Zero Marginal Cost



Cross-Subsidies

- Free product/service that entices you to pay for something else
- Examples:
 - Free CD's to promote concerts
 - DVR/monthly cable subscription

Cross-Subsidies



Labor Exchange

- Free web services in return for users who create content
- Examples:
 - YouTube
 - Flickr

Labor Exchange



Gift Economy

- Altruistic sharing of talent & content
- Examples:
 - Wikipedia
 - Freecycle
 - Open-source applications

Gift Economy



Website Design & Usability

Kurt Komaromi

Sources: Hanson & Kalyanam; J.J. Garrett



Learning Objectives

- Review the dynamics of web visits
- Define task and experiential users and design considerations for each
- Understand Garrett's web design process



Dynamics of a Web Visit

- Average length of time less than three page views on most sites
- *Look ahead model*: decision to continue based on value of current page and expected value of any page yet to come
- Site visits are short - first impressions matter



Dynamics of a Web Visit

- Visits that extend past a few clicks offer information about motives, results
- Dynamic personalization systems adjust information to user goals
- Identifying major entry and exit points also can improve customization



Match Content to Location

Web Analytics Data	Marketer's Response
Most Popular Entry Pages	Place product offers, rotate weekly Promote online store Sell advertising Include toll-free number Remind users to bookmark page
Visits by Day of the Week	Replace offers on the least-visited day Ramp up sales pitch leading up to most popular day "Liquidation Sale" on day following most popular Increase pay-for-performance positions on search engines during strongest performing days
Most Popular Exit Pages	Promote "limited time" offers Offer coupons in exchange for email addresses Launch exit pop-up surveys



Two types of users

- Task-oriented user
- Experiential user



Task-oriented users

- E-commerce
- Corporate information retrieval
- Technical support
- Web search



Experiential users

- Gamers
- Entertainment
- Social networking
- Media creation



Usability for Task-Oriented Sites

- Users looking to solve problems want efficiency and effectiveness
 - Fast response time
 - Effective navigation
 - Responsiveness to user goals
 - Higher interactivity and quality content

Usability for Task-Oriented Sites

Delay Time	Impact
0.1 second	Upper limit of delay leading to perception of instantaneous response
1.0 second	Upper limit on delay for user's flow of thought to stay uninterrupted
10 seconds	Upper limit on delay to keep user's attention focused on dialogue

Effective Navigation

- Three key questions must be answered:
 - Where am I?
 - Where have I been?
 - Where can I go?

Effective navigation techniques

- Navigation bars
- Mouse-overs to reveal additional options
- Drop down menus
- Breadcrumb trail
 - Ex. Back to: Home>Products>Laptops

Good example



Not so good example



Usability for Experiential Sites

- Gaming and entertainment sites among the “stickiest” and most profitable online
- Pokerstar.com, Xbox Live
- Different priorities than for task-oriented web sites
- Emphasis on beauty, flow, engagement
- Greater concerns about latency

Experiential usability techniques

- Flash animation
- Multimedia options
- Audio, video
- Design engaging virtual reality environment
- Provide user with enhanced functionality
- Navigate avatars
- Engage with other users

Good example: Experiential usability



Credibility and Persuasion

- Anyone can build a web site
- Users seek out *credibility clues*
- Ease of use
- Indicators of outside endorsements
- Accurate and complete information
- Absence of advertisements

Credibility and Persuasion

The Stanford Credibility Guidelines	
1	Make it easy to verify accuracy of information on the site.
2	Show that there is a real organization behind the site.
3	Highlight expertise in organization, content and services.
4	Show honest and trustworthy people behind the site.
5	Make it easy to contact.
6	Design site so it looks professional and appropriate.
7	Make the site easy to use – and useful.
8	Update site's content often (or indicate recent review).
9	If possible, avoid advertisements on the site.
10	Avoid errors of all types, no matter how small they seem.

SOURCE: B.H. Fogg, Stanford Web Credibility Project

Simple credible design

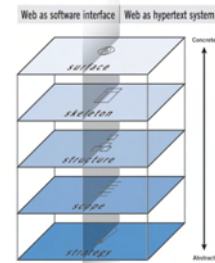


Web Design Process



“The Elements of User Experience”
Jesse James Garrett

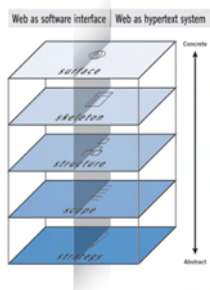
User Design Model



Source: Jesse James Garrett, The Elements of User Experience

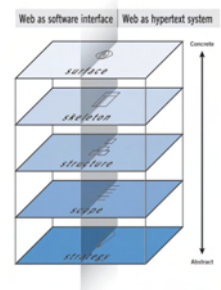
Strategy plane

- What site owners want to accomplish
- What users want to get out of the site



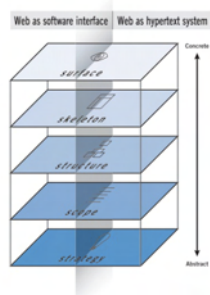
Scope plane

- Identify features and functions of the site
- Defines how features and functions fit together



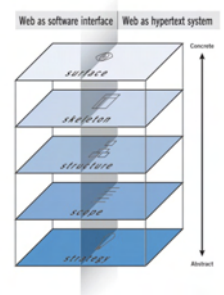
Structure plane

- Flow diagram of the site
- Defines the navigational routes and options of the site



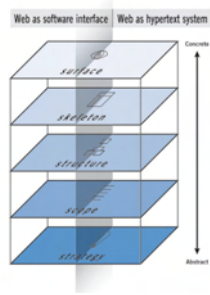
Skeleton plane

- Physical placement of objects - buttons, tabs, navigation bars
- Page layouts optimized to provide impact and user efficiency



Surface plane

- Visual display of the site
- Combines text, images, navigation clues



Search Engine Marketing: Organic

Kurt Komaromi



Learning Objectives

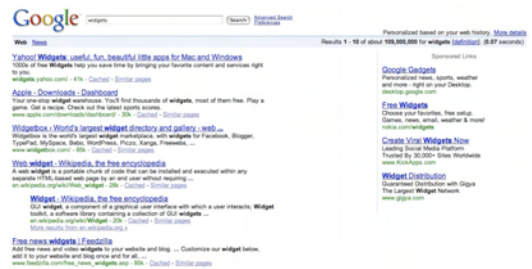
- Discuss importance of building traffic
- Understand how search engines work
- Review strategies for improving organic search results



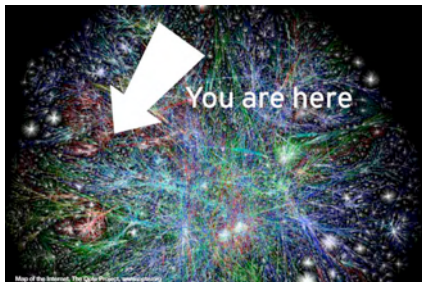
Old Paradigm: Location



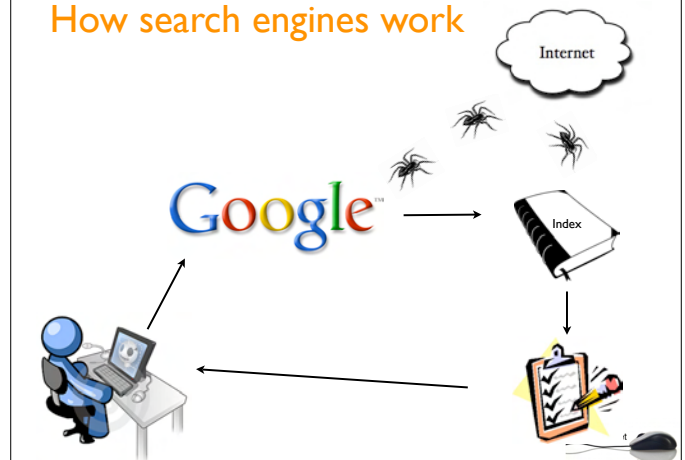
New Paradigm: Page Rank



How search engines find you



How search engines work



Search Engine Steps

- Match the search query
- Rank the matches
- Display search results



Match Search Query

- Ignore case
- Word variants
- Correct spelling
- Antiphrases
- Stop words



Rank Matches

Organic Ranking Algorithm

- Keyword density
- Keyword prominence
- Link popularity
- Assign page rank

Paid Placement Matches

- High bidder auction
- Hybrid auction (Google)
 - ➔ Combination of high bid and clickthrough rates

Display Search Results

- Distinguish between organic and paid results
- Display title of page plus summary of text
- Paid search - advertiser controls displayed message



The secrets of search



Start with a good domain

- Type in traffic accounts for 10-15%
- Register short, memorable domains
- Index your domain with search engines



Index your Site

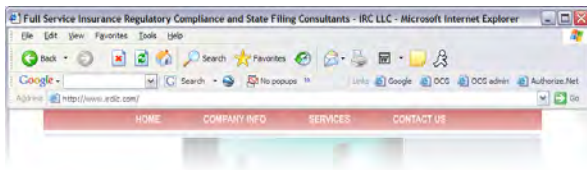


Optimization Strategies

- Title Tags
- Site Content
- Headlines
- Descriptive URLs
- Meta Tags
- Popularity



Title Tags



- Appear at the top of the browser
- 40-60 characters
- Unique to each page



Title Tags



- Used for more than just Search Engines
- Bad examples would be "Welcome to Mysite.com" or "Home"



Site Content



- First 200 characters are most important
- Media/graphics can help build traffic



Headlines



- Larger text
- <H1> html tags
- Some even pick up bolding



Descriptive URLs



- Path and file names

www.immigrate2usa.com/practiceareas/non-immigrant-visas/h-1b.html

VS.

www.immigrate2usa.com/services/page1.html



Meta Tags

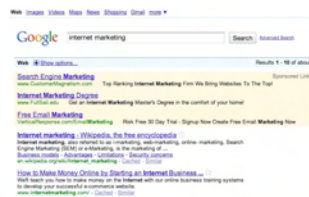
- Embedding additional information into the HTML source code (does not appear on web page)
- Description - What is the page about and who is it targeted to? (200 character limit)
- Keywords and phrases - anticipate search terms (300-500 characters)
- Robots - tells the search engine how to index the page

```
<TITLE>
Warren Real Estate of Ithaca, New York, NY
</TITLE>
<META NAME="description" content="Warren Real Estate of Ithaca - We sell Ithaca Real Estate.">
<META NAME="keywords" content="Ithaca real estate, real estate, Warren Real Estate of Ithaca, houses, homes, land, waterfront, property, Ithaca, Cayuga, Truansburg, Groton, Newfield, Norwich, Cortland, Cough Heights, Corwell, Lansing">
```



Keyword Considerations

- Proximity - physical location of keywords
- Repetition - repeating keywords meaninglessly is called spamming and will result in your page being excluded
- Relevancy - keywords must be relevant to the site content



Popularity



- Who's Linking to you
- Larger sites carry a larger weight
- Value of affiliates



Search Engine Marketing: Paid

Kurt Komaromi

Sources: Moran & Hunt



Learning Objectives

- Discuss advantages of paid search
- Review paid search options
- Learn a process for optimizing paid search



Benefits of Paid Placement

1. Attracts qualified visitors
2. Immediate results
3. Inexpensive to get started
4. Pay for performance model
5. Allows audience targeting



Benefits of Paid Placement

6. Message design and control
7. Precise navigation to landing page
8. Unlimited keyword targeting
9. Flexibility to adjust campaign
10. Detailed evaluation metrics



Paid Search Options

- Search engines: Google, Yahoo, Bing
- Sponsored links
- Contextual advertising



Payment Options

- CPM - cost per thousand impressions
- CPC - cost per click-through
- CPA - cost per action



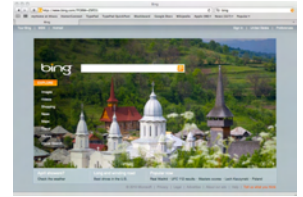
Key Steps: Optimizing Paid Search

1. Set up paid search program
2. Choose targets
3. Develop ads
4. Optimize paid search landing pages
5. Measure and adjust campaign



Key Steps

1. Set up paid search program
 - establish budget: creative, management, media
 - select partners
 - determine bid management tools



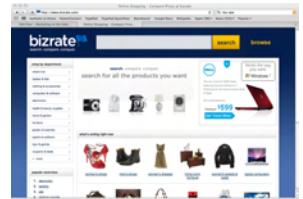
Budget Considerations

- Goal - pay lowest amount possible for highest position
- Maximum CPC estimate - amount needed for placement near the top
- Quality score - relevance of key word to ad text and search query
- Maximum $CPC/Quality\ Score = Ad\ rank$



Search Partners

- Local options - Yahoo Yellow Pages, AOL Yellow Pages, Local.com, Yellow Book
- Shopping search engines - BizRate, Shopzilla, NexTag
- Search engines - Google, Yahoo, Bing



Key Steps

2. Choose targets
 - select keywords
 - organize keywords
 - determine match type
 - geographic targeting
 - bid strategy

Keywords	Advertising Campaigns	Estimate Search Volume	Key Search Volume	Match Type
Apple	Apple	100,000	100,000	Exact
Apple	Apple	100,000	100,000	Broad
Apple	Apple	100,000	100,000	Phrase
Apple	Apple	100,000	100,000	Wildcard
Apple	Apple	100,000	100,000	Exact
Apple	Apple	100,000	100,000	Broad
Apple	Apple	100,000	100,000	Phrase
Apple	Apple	100,000	100,000	Wildcard
Apple	Apple	100,000	100,000	Exact
Apple	Apple	100,000	100,000	Broad
Apple	Apple	100,000	100,000	Phrase
Apple	Apple	100,000	100,000	Wildcard
Apple	Apple	100,000	100,000	Exact
Apple	Apple	100,000	100,000	Broad
Apple	Apple	100,000	100,000	Phrase
Apple	Apple	100,000	100,000	Wildcard
Apple	Apple	100,000	100,000	Exact
Apple	Apple	100,000	100,000	Broad
Apple	Apple	100,000	100,000	Phrase
Apple	Apple	100,000	100,000	Wildcard



Selecting Keywords

1. Build a keyword candidate list
2. Research each keyword candidate:
 - Wordtracker
 - Google AdWords Tool
 - Trellians Keyword Discovery
3. Prioritize keywords with best fit



Organizing Keywords

- By market segment
- By product group
- By advertising message or campaign
- By person managing portfolio



Match Type

- Broad match - contains all keywords and variants
- Phrase match - contains keywords in order with no variants
- Exact match - exact keywords only
- Negative match - specify words that prevent your ad from showing

Key Steps

3. Develop ads

- Title
- Description
- Display URL

[Marketing Consultants](#) ← **Headline (25 max)**
 Solve a new generation of PR challenges with a top tech PR firm. ← **Description (35 max)**
[AtomicPR.com](#) ← **Display URL (35 max)**

Copywriting Tips

- Use the keywords
- Sell benefits
- Call to action
- Create urgency

Expedia Vacation Packages - [www.expedia.com](#)
 Get Our Best Price Guarantee on Your Entire Vacation at Expedia.
Cheap Caribbean - [www.CheapCaribbean.com](#)
 Up to 70% Off Beach Vacations from \$299* With Air, Sale Ends Sunday!
Las Vegas Packages Deals - [www.VisitLasVegas.com](#)
 What's Your Excuse to Visit Vegas? Find Great Package Deals Right Now.
Vacation Packages - [www.Travelocity.com/Vacations](#)
 If Anyone Gets Your Flight + Hotel For Less, We'll Refund Difference.

Key Steps

4. Optimize paid search landing pages

- Include keywords
- Stay on topic
- Reinforce offer
- Enable back button



Key Steps

5. Measure and adjust campaign

- test new copy
- try new keywords
- test higher bids
- track click-throughs and results

Advertiser	Advertiser (Country)	Ad	Clicks	Cost	CPA	CTR
Expedia	USA	2 Beach Days and 1 Night	1000	\$100	\$100	2.0%
Expedia	USA	2 Beach Days and 1 Night	2000	\$200	\$100	4.0%
Expedia	USA	2 Beach Days and 1 Night	3000	\$300	\$100	6.0%
Expedia	USA	2 Beach Days and 1 Night	4000	\$400	\$100	8.0%
Expedia	USA	2 Beach Days and 1 Night	5000	\$500	\$100	10.0%
Expedia	USA	2 Beach Days and 1 Night	6000	\$600	\$100	12.0%
Expedia	USA	2 Beach Days and 1 Night	7000	\$700	\$100	14.0%
Expedia	USA	2 Beach Days and 1 Night	8000	\$800	\$100	16.0%
Expedia	USA	2 Beach Days and 1 Night	9000	\$900	\$100	18.0%
Expedia	USA	2 Beach Days and 1 Night	10000	\$1000	\$100	20.0%

E-mail Strategies

Kurt Komaromi

Sources:
Strauss and Frost: *E-Marketing*
Groves: *Constant contact guide to e-mail marketing*

marketing
on the internet



Learning Objectives

- Review the advantages of e-mail marketing
- Learn a process for managing e-mail campaigns
- Look at effective examples

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E-mail is...

The “killer application” of the Internet



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on the internet



E-mail Demographics

Go online	80%	87%	82%	79%	78%	86%	81%	74%
<i>Used for some activities, the percentage used online varies by activity, and likely to grow tomorrow or soon</i>								
Use email	73	84	85	90	90	91	79	81
Use search engines	*	95	83	90	89	85	70	88
Research products	*	84	84	82	79	73	60	81
Get news	83	74	76	70	69	56	37	70
Make travel reservations	*	85	70	69	66	69	65	68
Research for job	*	61	66	57	48	33	9	51
Rate a person or product	*	37	35	28	30	25	18	32
Download videos	31*	38	31	21	18	13	13	27
Participate in an online auction	*	28	31	27	26	16	6	26
Download podcasts	19	25	21	19	12	10	10	19

Source: Pew Internet, 2009

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Key Company Stats



- 80% marketers use targeted e-mail
- 72% report good or excellent ROI
- 63% plan to increase spending on e-mail
- 51% use application service provider

Sources: Datran Media, eConsultancy

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E-mail Marketing Advantages

- Wide reach
- Low cost
- Highly personalized
- Interactive
- Fast response
- Measurable results



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Constant Contact's Top 10 Rules

1. Only send e-mail to people who know you.
2. Treat e-mail addresses like relationships.
3. Send relevant content that has value for recipients.
4. Engage your audience with content.
5. Maximize your delivery rate.



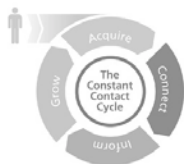
Constant Contact's Top 10 Rules

6. Don't share e-mail lists.
7. Set expectations with your recipients.
8. Look professional whenever you communicate.
9. Be ready to respond.
10. Regularly review campaign results.



Constant Contact Cycle

- Acquire new customers - referrals,
- Connect through common interests - demonstrate value
- Inform - engage in dialogue, respond quickly
- Grow - establish trust, relationships, loyal customers



CAN-SPAM Act

- Effective 2004, preempts all state laws
- Unsubscribe compliance - consumers can opt-out
- Content compliance - relevant subject lines, legitimate address of publisher, label for adult content
- Sending compliance - cannot be sent to harvested e-mail addresses



Spam Complaints

- Tarnished reputation
- E-mails get blocked or filtered
- E-mail service providers drop you
- Customers won't come back



E-mail Campaign Process

- Establish your marketing goals
- Build your list
- Develop your content
- Launch your campaign
- Monitor, measure and modify



Establish Goals

- Inform, persuade, remind
- Differentiate your business
- Generate prospects
- Motivate purchases
- Increase loyalty
- Encourage referrals



Building Your List

- Retail store
- Web site
- Blog
- Email signatures
- Social networking sites
- Trade shows
- Networking events
- Professional associations
- Client referrals
- Business partner referrals
- Family and friends
- Employees



Build list based on...



Permission Marketing

Types of Permission

- No permission - violation of law, spam complaints
- Implied permission - relationship exists, recipient knows you
- Explicit permission - recipient signs up to receive e-mail communications
- Confirmed permission - recipient completes additional confirmation



Mail List Process

- Require subscribers to enter info twice
- Validate e-mail addresses
- Collect personal information
- Send welcome e-mail within 24 hrs. - set expectations, provide instant reward



Improving the List

- Gather feedback through surveys
- Send subscription reminders
- Integrate with CRM systems
- Secure and protect your list



Develop Content

- Choose a variety of sources
- Establish expertise
- Pay attention to customer interests
- Utilize customers' expertise



Content Strategies

- Stories
- Testimonials
- Case studies
- Action links
- Multimedia



Call to Action

Buy now

Click here to sign up

Tell us how we did

Get 10% off your first order

Get our free white paper

Redeem your coupon



Launch Campaign

- Optimize landing pages
- Develop subject lines
- Authentication records
- Test campaign
- Integrate with other marketing strategies



Monitor, Measure, Modify

- Bounce rates
- Open rates
- Spam complaints
- Unsubscribe requests
- Click-throughs
- Goal achievement



Social Media Strategies

Kurt Komaromi



Learning Objectives

- Review goals for including social media in the marketing mix.
- Outline components of a campaign.
- Discuss specific strategies for using Facebook, YouTube and Twitter



Key Questions

- How will social media fit into an integrated marketing strategy?
- Which platforms will we employ?
- What goals will we set for each platform?
- Who will develop and maintain these programs?
- How will we measure our results?



Getting Started

- Goals for social media
- Competitive analysis
- Develop campaign

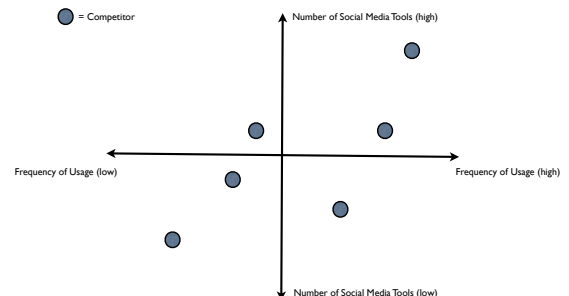


Social Media Goals

- Build brand awareness
- Generate leads
- Deliver promotions
- Convert prospects to customers
- Retain customers
- Build brand communities



Competitive Analysis



Source: Turner & Shah



Social Media Toolkit

- Blogs – TypePad, Wordpress, Blogger
- Microblogs - Twitter
- Wikis – Wikipedia
- Social networks – Facebook, LinkedIn, MySpace
- Photo Sharing – Flickr; iStock
- Video Sharing – YouTube, Vimeo
- Social bookmarking – Del.ici.ous, Digg
- Virtual worlds – Xbox live, Second Life



The Campaign

1. Define goals
2. Select social media tools
3. Set up company account
4. Populate with content
5. Modify and update content
6. Monitor and manage campaign



Facebook

1. Build page
2. Install applications
3. Syndicate content
4. Advertise on Facebook
5. Announce events
6. Post promotions
7. Link to company website
8. Encourage feedback
9. Connect with influentials
10. Start groups



Twitter

1. Frequent tweets
2. Use hashtags
3. Follow and tweet buttons
4. Widgets
5. Post promotions
6. Announce events
7. Retweets
8. Spread links
9. Monitor conversations
10. Drive traffic to Facebook and website



YouTube

1. Start with good content
2. Cross-promote
3. Engage with viewers
4. Strong titles
5. Keywords
6. Tags and meta data
7. Annotations
8. Establish channel
9. URL watermarks
10. Allow embedding



Case study: Progressive



Integrated marketing using social media built around an engaging brand character



Facebook



- Customer feedback
- Incentives and special offers
- Video clips
- Applications



marketing on the internet

Twitter



- Answer questions
- Handle problems
- Locate an agent
- Get a quote
- Report a claim



marketing on the internet

YouTube

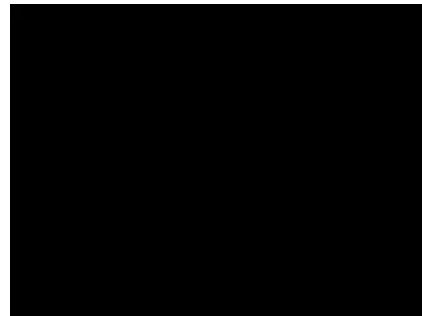


- Commercials
- Remixed content
- Recruitment
- Automotive XPrize



marketing on the internet

YouTube



marketing on the internet

Xprize Competition



- Contest to build fuel-efficient vehicle
- Over 100 teams and 136 entries
- Students, individuals and manufacturers
- \$10 million in prizes



marketing on the internet

Mobile



- Report accident
- Make payments
- Find an agent
- Compare vehicles
- Watch commercials



marketing on the internet

Mobile Strategies

Kurt Komaromi

Source: Dushinski, K. (2009). *The mobile marketing handbook*

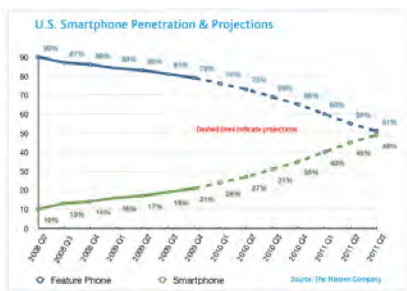


Learning Objectives

- Update recent trends in mobile usage
- Discuss benefits of mobile technology
- Review a process model for mobile campaigns and key tools



Smartphone Penetration



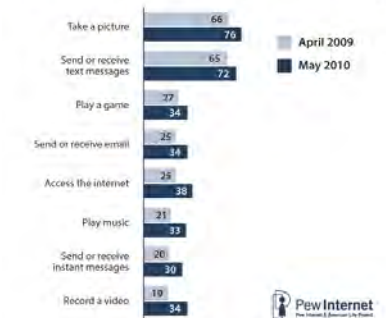
Source: The Nielsen Company



Usage

The use of non-voice data applications has grown significantly over the last year

The % of cell phone owners who use their phones to do the following



Source: Pew Research Center's Internet & American Life Project, April 29-May 30, 2010. See <http://www.pewinternet.org>



Mobile Marketing Campaign

1. Identify the benefits your target market wants.
2. Align target market benefits with your marketing goals.
3. Choose your mobile marketing tools.
4. Launch your campaign and promote it.
5. Track results and make adjustments.



I.Consumer Benefits

- Location-specific information
- Timely information
- Convenience
- Financial incentives
- Entertainment
- Connectivity



What's your benefit?



2. Marketing Goals

- Brand awareness
- Gain new customers
- Retain customers
- Increase purchases from customers



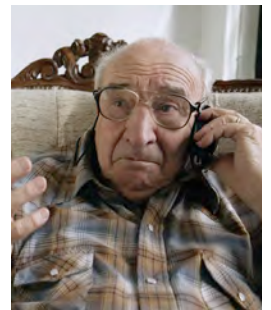
3. Mobile Marketing Tools

- Voice
- Text messaging
- Mobile web
- Mobile promotions
- Social networking
- Proximity marketing



Voice

- Good for audience that's less tech savvy
- More engaging than text
- Integrates with mobile and out-of-home advertising
- Pay per call, click to call
- Abbreviated dial codes, (#sears)



Text Messaging

- SMS - 160 characters max.
- MMS - multimedia
- Short codes and keywords
- Based on permission marketing



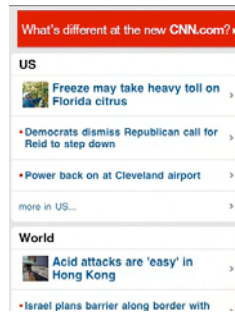
Text Campaigns

- Text subscription
- Mobile coupons
- Customer service
- Text message voting
- Text-to-donate
- Text alerts



Mobile Web

- Transcoding regular website
- Build mobile-specific site using .mobi domain
- Optimize content for mobile delivery



Mobile Promotions

- Mobile search: on-deck (carrier) or off-deck (Google Mobile, Yahoo)
- Mobile advertising: pay per click, banner ads, text-link ads on mobile websites



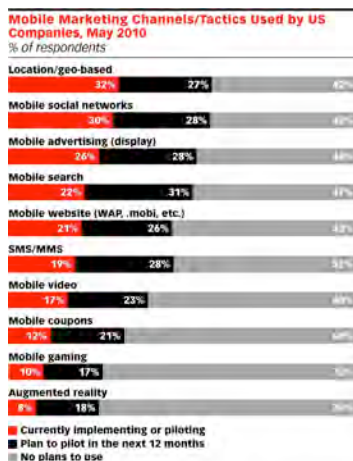
Social Networking

- Mobile networks- Facebook, MySpace
- Microblogging - Twitter, Jaiku
- Mobile photo sharing



Proximity Marketing

- Bluetooth zones
- Interactive signage
- 2D barcodes - QR codes
- Image recognition



Smart Mobile Matrix

Customer Benefits

	Location Specific	Timely Info	Convenience	Financial	Entertainment	Connectivity
Marketing Goals					Social Networking	
Brand Awareness						
New Customers				Mobile Promotions		
Retain Customers						Mobile Web
Increase Purchases	Proximity Marketing					

4. Launch & Promote Campaign

- Integrate with other marketing strategies - advertising, PR, e-mail, social media, etc.
- Product packaging
- Signage and POP displays
- Trade shows
- Special events

Track Results

- Determine key metrics
- Impressions, click-through rates
- Coupon and promotion redemption rates
- Mobile website analytics - traffic, unique visitors, length of visit, etc.

Web Analytics

Kurt Komaromi

Sources: Hanson & Kalyanam, Strauss & Frost, Google



Learning Objectives

- Discuss importance of evaluation in today's business climate
- Review key performance metrics for online marketing
- Understand use of Google Analytics and other tools for assessment



Management Credo

“If you can't measure it, you can't manage it.”



Attributed to Peter Drucker



Why do we need metrics?

- Measure traffic levels
- Compare media investments
- Make strategic decisions
- Evaluate performance



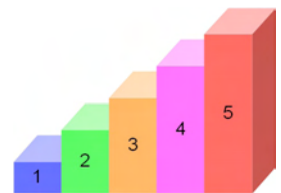
Today's environment

- Emphasis on productivity and ROI
- Lower tolerance for risk
- Multiple media and strategy options
- Rapid pace of technological change



Evaluations

- Traffic levels
- Organic search
- Paid search results
- Advertising results
- Customer acquisition costs



Planning for Maximum Traffic

- Web traffic plans should consider each of the major strategies:
 - ➔ Branding decisions (e.g. *domain name*)
 - ➔ Search engine marketing (organic and paid)
 - ➔ Affiliate networks
 - ➔ Online advertising
 - ➔ Other IMC strategies



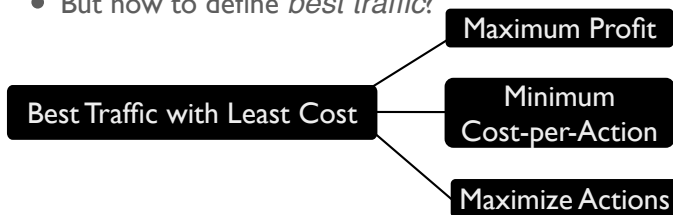
Planning for Valuable Traffic

- Traffic plans assess the volume and quality of traffic generated
- Use tools to identify patterns and calculate the cost and productivity of new visits
- Key tool for traffic-building analysis is *cost-per-action*: the number of visits that end in a particular action divided by the cost of the campaign



Traffic-Building Goals

- Basic goal: best traffic at lowest cost
- But how to define *best traffic*?



Traffic-Building Goals

- Profit guidelines :
 - ➔ Spend on traffic sources that maximize customer lifetime value relative to customer acquisition cost
 - ➔ Acquire traffic as long as online customer value exceeds acquisition cost



Traffic-Building Goals

Variation in Average Customer Acquisition Costs for Four Net Companies			
Company	Time Period	Acquired Customers	Customer Acq. Cost
e-Commerce firms			
Amazon.com	3/1997->3/2002	33,800,000	\$7.70
eBay	12/1996->3/2002	46,100,000	\$11.26
Online brokerages			
Ameritrade	9/1997->3/2002	1,877,000	\$203.44
E*Trade	12/1997->3/2002	4,117,370	\$391.00

SOURCE: Gupta, Lehmann, Soarr: "Valuing Customers," Journal of Marketing Research 41, no. 1 (Feb. 2004)



SEO Metrics

- Check search rankings for your landing pages
- Measures competitors' rankings
- Compare website traffic levels
- Check keyword demand
- Calculate conversion rate



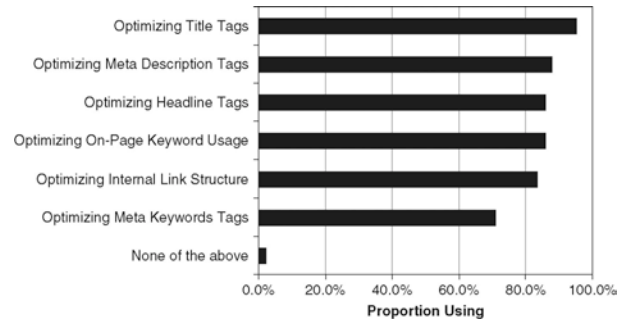
Compare Traffic



- Alexa, Compete, other analytic services



SEO Tactics to Achieve Greater Rankings



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Website Traffic Analysis

- Visits
- Pageviews
- Pages/Visit
- Avg. time on site
- Bounce rate



Set up Google Analytics

- Establish account
- Connect Analytics and AdWords accounts
- Embed tracking code on web pages
- Enable E-commerce reporting (if appropriate)
- Create goals and funnels



Goals

- Often called conversions
- What do you want site visitors to do?
 - Establish account
 - Purchase product
 - Make donation
- Set up unique goal page on site (order confirmation, subscription summary, thank you for donation, etc.)



Setting up Goals



Funnel Path

- Pages that visitors navigate to reach conversion goal
- Part of website structure plane (Garrett)
- Helps analyze conversions and drop outs

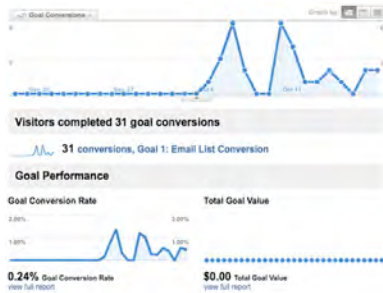


Google Reporting

- Page visits
 - Total monthly visits
 - Visits from Google search
 - Visits from Google ads
- Goals and conversions
 - Total monthly conversions by type
 - Total conversions from ads



Goal Conversion



Goal Funnel Report



Measuring Paid Search

- Click-through rates
- Cost per click
- Conversion rate



Click-through Rates

- Purpose - to measure the effectiveness of online advertising

• Formula:

$$\text{Clickthrough Rate \%} = \frac{\text{Clickthroughs}}{\text{Pageviews (with ad link)}}$$



Cost per Click

- Purpose - To assess the effectiveness of Internet marketing

• *Formula:*

$$\text{Cost per Click} = \frac{\text{Advertising Cost}}{\text{Number of Clicks}}$$



Conversion Rate

- Divide number of orders (or key goal) by number of visits
- Example: 4,000 orders/100,000 web visits = 4% conversion rate
- Use Google's conversion tracking and optimization tools



Crazy Egg Heat Map



Keyword Advertising

- Evaluating keyword portfolios
 - Identify a site's most relevant keywords
 - Test and expand list, based on conversion and click-through rates
- Bidding and tracking
 - Higher bids increase chance at higher keyword position
 - Price charged depends on intensity of competition



Keyword Advertising

Collecting Keyword Data				
Keyword Phrases	Clicks	Conversions	Cost per click to hold position	Conversion rate
Skylark fuel pump Position 1	62	6	\$0.10	9.68%
GM fuel pump Position 2	148	18	\$0.20	12.16%
Buick parts Position 2	1246	48	\$0.25	3.85%
Used Buick Skylark Position 1	8678	95	\$0.23	1.09%
Buick Position 3	362	15	\$1.37	4.14%
Used car parts Position 2	17265	98	\$0.34	0.57%



Online Advertising

- Display ads are ineffective. Only 0.15% of all users click on them.
- Online ads placed as interstitials, or containing rich media deliver greater impact.
- Evidence shows online and offline advertising work well together.



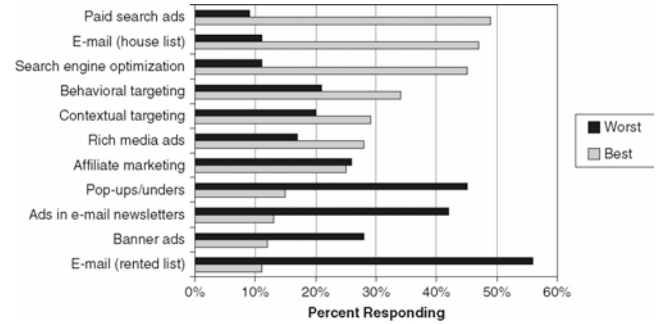
Efficient Internet Buys

- Cost per thousand (CPM) calculations can determine the most efficient buy.
- The CPM metric is calculated as follows:
 - ➔ $(\text{Cost of the ad}/\text{Audience}) * 1,000$
 - ➔ Audience size is expressed in impressions.
- Typical Web CPM prices are \$7-\$15 or \$0.15 to \$15.00 at Google.

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Best and Worst Performing IMC Tactics



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