



# MK 201 Principles of Marketing

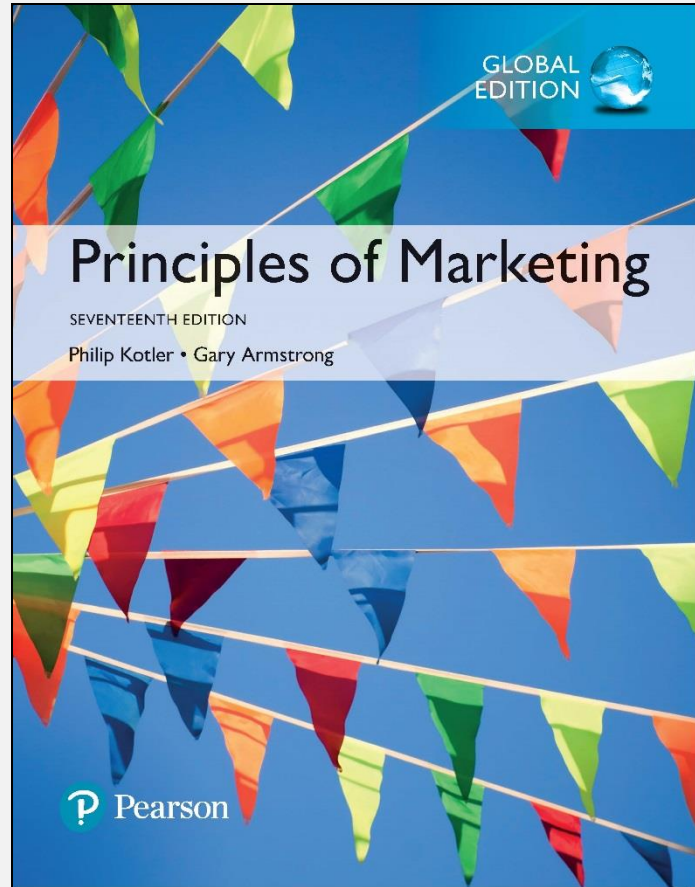
## Digital Marketing

Session 7

By Ajarn Suwalya K.

# Principles of Marketing

## Seventeenth Edition



## Chapter 17

### Digital, Online, Social Media, and Mobile Marketing

# Learning Objectives

- 17-1** Define direct and digital marketing and discuss their rapid growth and benefits to customers and companies.
- 17-2** Identify and discuss the major forms of direct and digital marketing.
- 17-3** Explain how companies have responded to the internet and the digital age with various online marketing strategies.
- 17-4** Discuss how companies use social media and mobile marketing to engage consumers and create brand community.
- 17-5** Identify and discuss the traditional direct marketing forms and overview public policy and ethical issues presented by direct marketing.

# Learning Objective 1

Define direct and digital marketing and discuss their rapid growth and benefits to customers and companies.

# Direct and Digital Marketing

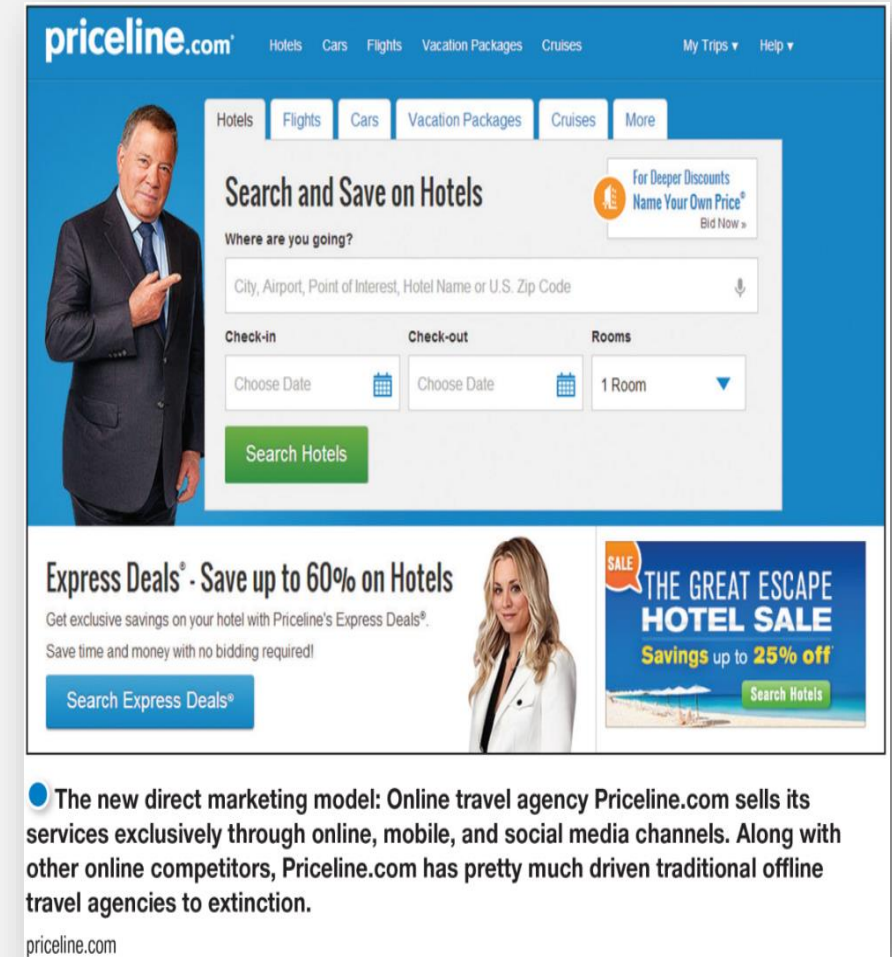
**Direct and digital marketing** involve engaging directly with carefully targeted individual consumers and customer communities to both obtain an immediate response and **build lasting customer relationships.**



# Direct and Digital Marketing

## The New Direct Marketing Model

For many companies today, direct and digital marketing constitute a **complete model for doing business.**



The screenshot displays the Priceline.com website interface. At the top, the navigation bar includes the Priceline logo and links for Hotels, Cars, Flights, Vacation Packages, Cruises, My Trips, and Help. Below this, a secondary navigation bar highlights 'Hotels' among other options. The main content area features a search form titled 'Search and Save on Hotels'. The form includes a search input field labeled 'Where are you going?' with a placeholder 'City, Airport, Point of Interest, Hotel Name or U.S. Zip Code'. Below the search field are fields for 'Check-in' and 'Check-out' (both labeled 'Choose Date') and a 'Rooms' dropdown menu set to '1 Room'. A green 'Search Hotels' button is positioned below the form. To the left of the search form is a photograph of a man in a suit. To the right, there is a promotional banner for 'Name Your Own Price' with a 'Bid Now' button. Below the search form, there are two promotional banners. The first is for 'Express Deals' with the headline 'Express Deals® - Save up to 60% on Hotels' and a 'Search Express Deals®' button. The second is for 'THE GREAT ESCAPE HOTEL SALE' with 'Savings up to 25% off' and a 'Search Hotels' button. At the bottom left of the screenshot, the text 'priceline.com' is visible.

● The new direct marketing model: Online travel agency Priceline.com sells its services exclusively through online, mobile, and social media channels. Along with other online competitors, Priceline.com has pretty much driven traditional offline travel agencies to extinction.

# Direct and Digital Marketing

## Rapid Growth of Direct and Digital Marketing

Direct and digital marketing have become the **fastest-growing form** of marketing.

Direct marketing continues to become more **Internet-based, and digital direct marketing** is claiming a surging share of marketing spending and sales.



# Direct and Digital Marketing

## Benefits of Direct and Digital Marketing—Buyers

- Convenience
- Ready access to many products
- Access to comparative information about companies, products, and competitors
- Interactive and immediate

# Direct and Digital Marketing

## Benefits of Direct and Digital Marketing—Buyers

- For buyers, direct and digital marketing are **convenient, easy, and private**. They give buyers anywhere, anytime access to an almost unlimited assortment of goods and a wealth of Product and buying information.
- Digital marketing through online, mobile, and social media provides a **sense of brand engagement and community**— a place to share brand information and experiences with other brand fans.

# Direct and Digital Marketing

## Benefits of Direct and Digital Marketing—Sellers

- Tool to build customer relationships
- Low-cost, efficient, fast alternative to reach markets
- Flexible
- Access to buyers not reachable through other channels



## The 6 Biggest Marketing Trends for 2019 (And How to Use Them!)

18,574 views



273



9



Share



Download



Save



Eric Siu - Levelin...

24.3K subscribers



SUBSCRIBED



24.3K subscribers

ERIC SIU - LEVELIN...



SUBSCRIBED



## Learning Objective 2

Identify and discuss the major forms of direct and digital marketing.

# Forms of Direct and Digital Marketing

## FIGURE | 17.1

### Forms of Direct and Digital Marketing



# Identify and discuss the major forms of direct and digital marketing.

The main forms of direct and digital marketing **include traditional direct marketing tools and the new direct digital marketing tools.**

Traditional direct approaches are face-to-face personal selling, direct-mail marketing, catalog marketing, telemarketing, DRTV marketing, and kiosk marketing. These traditional tools are still heavily used and very important in most firm's direct marketing efforts.

In recent years, however, a dazzling new set of direct digital marketing tools has burst onto the marketing scene, including online marketing (Web sites, online ads and promotions, e-mail, online videos, and blogs), social media marketing, and mobile marketing. The chapter first discusses the fast-growing new digital direct marketing tools and then examines the traditional tools.

## Learning Objective 3

Explain how companies have responded to the internet and the digital age with various online marketing strategies.

# Marketing, The Internet, and the Digital Age

**Digital and social media marketing**—Using digital marketing tools such as websites, social media, mobile apps and ads, online video, email, and blogs that **engage consumers anywhere, anytime via their digital devices.**



# Marketing, The Internet, and the Digital Age

**Omni-channel retailing** creates a seamless cross-channel buying experience that integrates in-store, online, and mobile **shopping—creates a single shopping experience.**



● **Omni-channel retailing:** Home Depot's goal is to provide “a seamless and frictionless experience no matter where our customers shop, be it in the digital world, our brick and mortar stores, at home, or on the job site. Anywhere the customer is, we need to be there.”

THE HOME DEPOT name and logo are trademarks of Home Depot Product Authority, LLC, used under license.



Traditional retailers have a major opportunity here. Online giants aren't the only ones benefiting from the demand for e-commerce.

Percentage of total sales achieved online:

Macy's—20% (7<sup>th</sup> largest U.S. e-tailer)

Staples—22%

Williams Sonoma—50%

Victoria's Secret—20%

Neiman Marcus—27%



# Marketing, The Internet, and the Digital Age

## Online Marketing

**Online marketing** is marketing via the Internet using company Web sites, online ads and promotions, e-mail, online video, and blogs.

**Marketing Web sites** engage consumers to move them closer to a direct purchase or other marketing outcome.

**Branded community Web sites** present brand content that engages consumers and creates customer community around a brand.

# Branded community Web sites

## Pampers | @Pampers – Big Dreams Start With A Good Night’s Sleep

### Brand Ambassadors

Pampers sponsored Olympic swimmer & mother, Dana Vollmer, who competed and won at Rio 2016. Dana hosted the Pampers Twitter party to share her experience & #PampersDreams - achieving big dreams start with a good night's sleep.



### Community Endorsements

Individual bloggers & community sites reviewing & testing products, promoting promo codes with #ad & vouchers. Sharing advice with other members and parents.



### Charity

Share your #TouchesofLove with your baby and Pampers will donate to @MarchofDimes; a charity to improve the health of babies by preventing birth defects, premature birth, and infant mortality.



# Marketing, The Internet, and the Digital Age

## Online Marketing

**Online advertising** is advertising that appears while consumers are browsing online and includes display ads, search-related ads, online classifieds, and other forms.

**E-mail marketing** involves sending highly targeted, highly personalized, relationship-building marketing messages via e-mail.

**Spam** is unsolicited, unwanted commercial e-mail messages.

# Marketing, The Internet, and the Digital Age

## Online Marketing

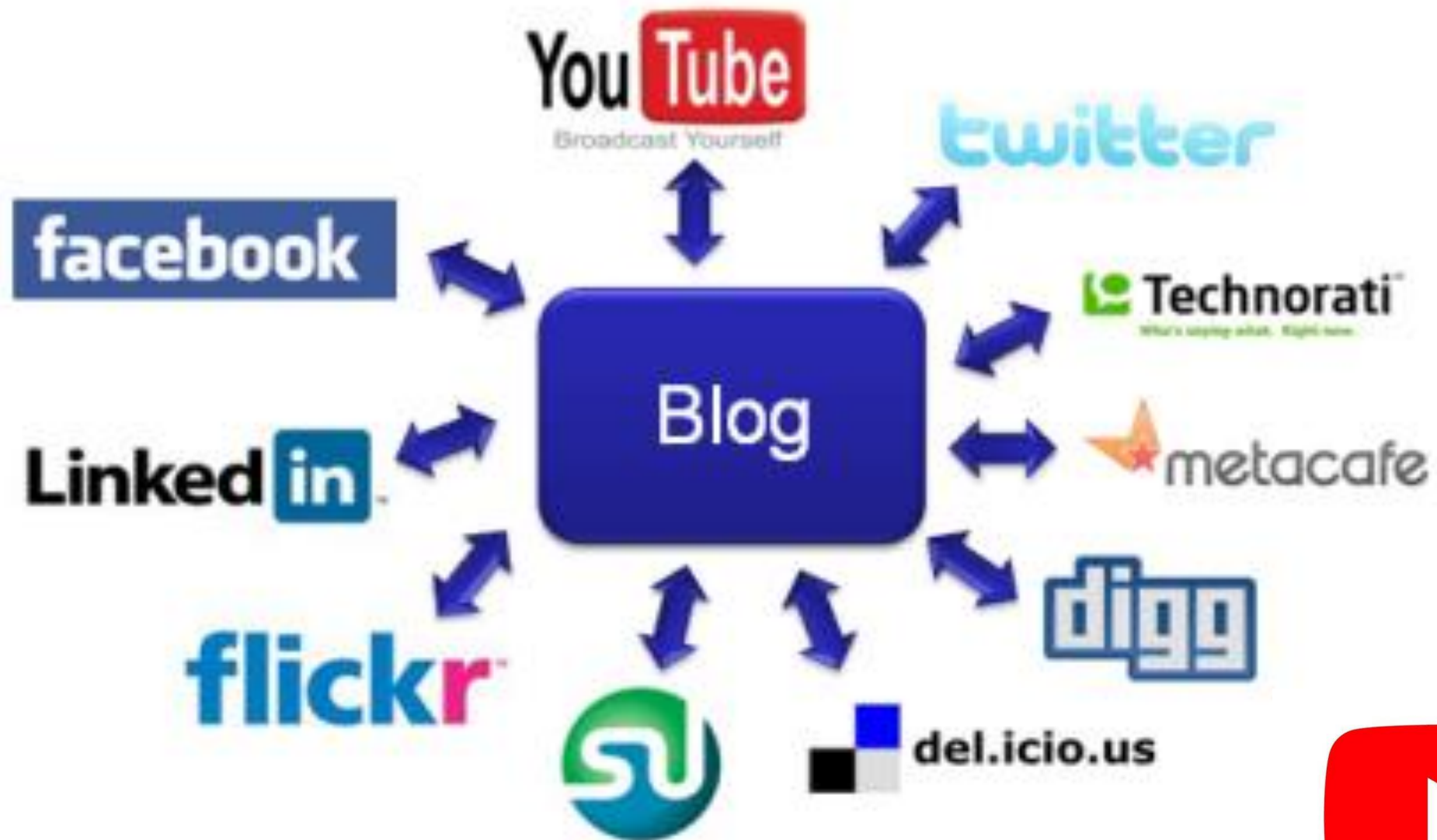
**Online video** marketing involves posting digital video content on brand Web sites or social media sites such as YouTube, Facebook, and others.

**Viral marketing** is the digital version of word-of-mouth marketing: videos, ads, and other marketing content that is so infectious that customers will seek it out or pass it along to friends.

# Marketing, the Internet, and the Digital Age

## Online Marketing

**Blogs** are online journals where people and companies post their thoughts and other content, usually related to narrowly defined topics.



## Learning Objective 4

Discuss how companies use social media and mobile marketing to engage consumers and create brand community.

# Social Media and Mobile Marketing

## Social Media Marketing

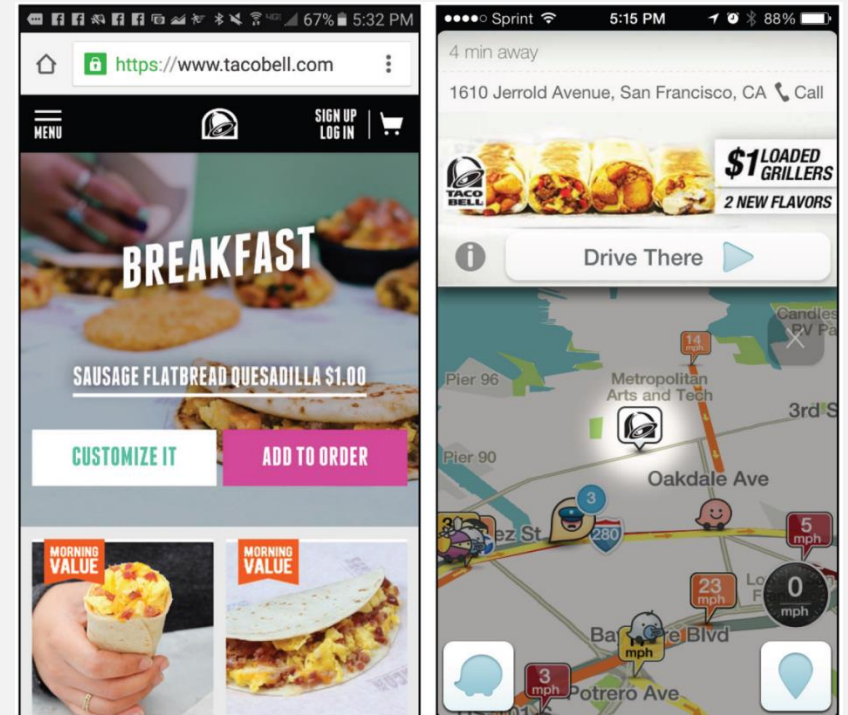
### Advantages:

- Targeted and personal
- Interactive
- Immediate and timely
- Real-time marketing
- Cost effective
- Engagement and social sharing capabilities

# Social Media and Mobile Marketing

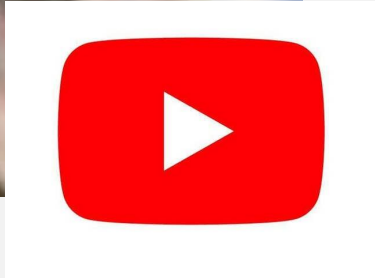
## Mobile Marketing

Mobile marketing delivers messages, promotions, and other content to on-the-go consumers through mobile phones, smartphones, tablets, and other mobile devices.



● Mobile marketing: Carefully-targeted mobile advertising lets Taco Bell reach breakfast customers at “moments that matter”—such as when they first open their eyes in the morning.

Taco Bell Corp.



# Social Media and Mobile Marketing

## Mobile Marketing



Mobile marketing **engages customers anywhere, anytime during the buying and relationship building processes**. The widespread adoption of mobile devices and the surge in mobile Web traffic have made mobile marketing a must for most brands.

With the recent proliferation of mobile phones, smartphones, and tablets, mobile device penetration is now greater than 100 percent in the United States.. The mobile apps market has exploded globally: **There are more than 2 million apps** available and the average smartphone has 25 apps installed on it.

## Learning Objective 5

Identify and discuss the traditional direct marketing forms and overview public policy and ethical issues presented by direct marketing.

# Traditional Direct Marketing Forms

**Direct-mail marketing** involves an offer, announcement, reminder, or other item to a person at a particular address.

- Personalized
- Easy-to-measure results
- Costs more than mass media
- Provides better results than mass media



# Traditional Direct Marketing Forms

**Catalog direct marketing** involves printed and Web-based catalogs.

## Benefits of Web-based catalogs

- Lower cost than printed catalogs
- Unlimited amount of merchandise
- Real-time merchandising
- Interactive content
- Promotional features

## Challenges of Web-based catalogs

- Require marketing
- Difficulties in attracting new customers

# Traditional Direct Marketing Forms

**Telemarketing** involves using the telephone to sell directly to consumers and business customers.

- **Outbound telephone** marketing sells directly to consumers and businesses.
- **Inbound telephone** marketing uses toll-free numbers to receive orders from television and print ads, direct mail, and catalogs.



# Traditional Direct Marketing Forms

## Direct-response television

marketing includes the following:

- 60 to 120 second advertisements that describe products or give customers a toll-free number or website for ordering
- 30-minute infomercials such as home shopping channels



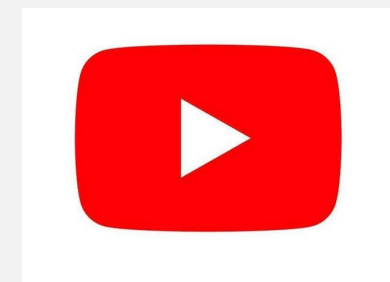
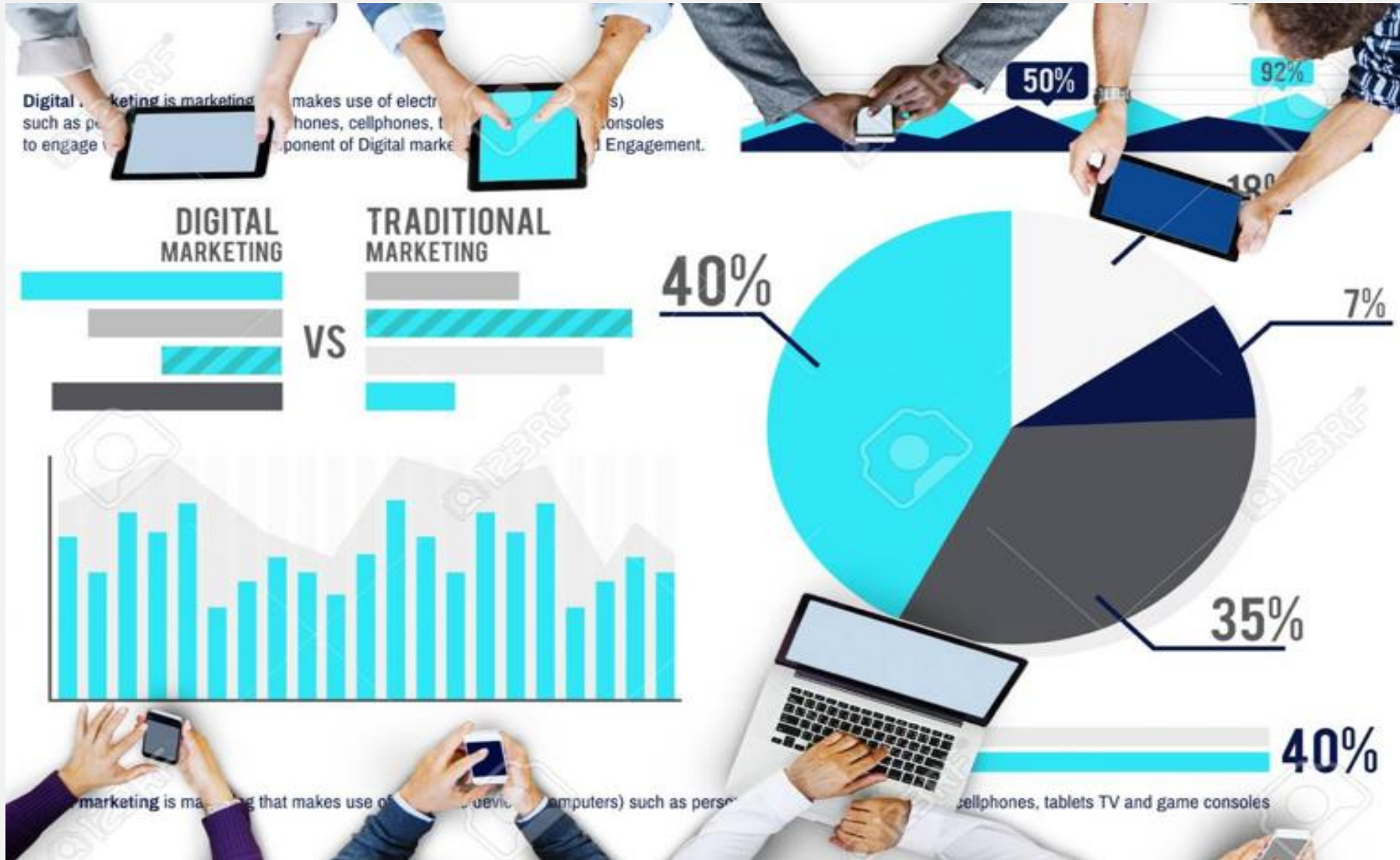
# Traditional Direct Marketing Forms

## Kiosk Marketing



● Kiosk marketing: This Gold-to-go machine is a vending machine that dispenses items made of pure gold.

Marijan Murat/dpa picture alliance archive/Alamy Stock Photo



# Public Policy Issues in Direct and Digital Marketing

- **Irritation** includes annoying and offending customers.
- **Unfairness** includes taking unfair advantage of impulsive or less-sophisticated buyers.
- **Deception** includes “heat merchants” who design mailers and write copy designed to mislead consumers.
- **Fraud** includes identity theft and financial scams.
- **Consumer privacy** involves concerns that marketers may have too much information and use it to take unfair advantage.

# Public Policy Issues in Direct and Digital Marketing

## A Need for Action

- AdChoices
- Can Spam
- Children's Online Privacy Protection Act (COPPA)
- TRUSTe

# Public Policy Issues in Direct and Digital Marketing

## A Need for Action



