


THE GLOBAL MANAGEMENT SERIES

The Essentials of Digital Marketing

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Acknowledgements

We position this book as an essential introduction to digital marketing activity. The rapid rate of change associated with digital technology makes writing a comprehensive book about digital marketing practically impossible! Emerging areas as we write are wearable tech, the internet of things and the use of virtual reality. The current book contains topics that form the basis of our teaching and research and which offer insight into established areas of digital marketing practice. We owe thanks to the guest lecturers and students on the undergraduate and postgraduate Digital Marketing courses that we teach, who inspire, inform and challenge us. Special recognition is given to Sam Weston for the invaluable technical insight into search marketing and to Sally North at Goodfellow Publishers for inspiring and guiding the writing process.

KW & RPV

Dedication

To my husband Martin, who puts up with me spending more time with my computer than with him, and to my Mum, Dad and sister, Helen. Thank you! KW

To Arturo and Maud, who bring so much happiness to my life, and to my parents, for all their love and support. Thank you.

RPV

Preface

Digital technology has transformed marketing practice, resulting in a need to update practical marketing skills, to gain knowledge of specialist terms and to gain understanding of new patterns of consumer behaviour (Wymbs 2011). Exact digital marketing terms are still being determined which can lead to inconsistency and confusion. For clarity, this book uses the terminology set out in Table A.

Table A: Digital Marketing Terminology

| Term | Description | Examples |
|-----------------|---|--|
| Device | The technology used to access the internet | PC, Tablet or Phone, Game console |
| Platform | The generic form | Web 1.0 (websites), Web 2.0 (Social Media), Video on demand, Mobile Messaging etc. |
| Provider | Company which owns the channel or vehicle | Facebook, Twitter, Alphabet (Google), Yahoo , Amazon, Microsoft, etc |
| Channel | The communication or transaction channel | LinkedIn, Facebook, Instagram, Twitter, Youtube, Google+, Flickr, Tumblr Word Press, Instagram, Whatsapp, retailer website, etc |
| Website or page | The location denoted by an URL or other identifier of the brand | e.g. the Heriot Watt Website, the Heriot Watt Facebook page, the textbook page on Amazon, the Hotel review page on Tripadvisor, etc. |

This book is designed to give the reader a 'place to start' in addressing the challenges and opportunities of the digital marketplace. The featured topics provide an overview of essential concepts and techniques that comprise digital marketing; each chapter combines academic theory with digital marketing techniques to deliver a robust understanding of this exciting new area. This approach will help students transition to being marketing practitioners and supply practitioners with frameworks for digital brand management. The content assumes some familiarity with marketing concepts gained by work experience or in preceding education. Useful introductory reading is found in the following Global Management Series publications:

- Bell, G. and Taheri, B. (2017) *Marketing Communications, An Advertising, Promotion and Branding Perspective*, Goodfellow Oxford.
- Mckay, G., Hopkinson, P. and Lai Hong, N. (2018), *Fundamentals of Marketing*, Goodfellow Oxford.

Book contents and layout

Chapter 1: The Digital Marketing Mix. At the core of the marketing discipline are the processes of segmentation, targeting and positioning (STP) that inform the design of the marketing mix. The reduction of marketing tactics to the 4Ps (or 5Ps or 7Ps) is criticised as being too simplistic, but this long-standing framework has proven its worth in acting as a checklist of techniques. The Internet provides access to information and products regardless of time of day or place of transaction. Digital marketing activity needs to ensure that the brand engages meaningfully with current and future customers in order to meet their needs across all digital channels, platforms and devices. The purpose of this chapter is to act not only as a reminder of STP and the marketing mix elements but also to introduce you to how developments in digital technology provide new opportunities and challenges for marketing academics and practitioners.

A suite of three chapters: **2: Digital Technology Adoption**; **3: Customer Experience Design** and **4: Digital Service Quality** focus upon the digital market-space and behaviours linked to digital product and place. Digital technology adoption applies to the continued use of a device, platform channel or website process. Chapter 2 explains the processes of innovation adoption, continuance and discontinuance using the established theories of technology acceptance, the diffusion of innovation, and uses and gratifications theory to identify the key influences upon consumer decision making.

Customer Experience Design (CXD) has the goal of providing consumers with personalised and memorable engagement. Each point of contact between brand and consumer provides a customer experience and the number of contact points has exploded with the advent of digital channels, platforms and devices. Chapter 3 introduces the concept of the customer journey and draws theories and processes from psychology and design.

One strategy open to digital marketers is to ensure repeat custom through offering a quality e-service that delivers customer satisfaction. Chapter 4 explains the concept of digital service quality with reference to theories of expectation disconfirmation and the SERVQUAL measurement process (Parasuraman et al., 1988). Increasing competition in the market-space means that it is important to ensure that customers make judgements of e-service quality and satisfaction when using a digital channel. Digital marketing managers need to make careful choices regarding which features to include in the channel design in order to control implementation costs.

This chapter explains how system quality, information quality, transaction quality and community quality should be managed.

Engagement is a concept applied to digital marketing and chapters **5: Online Consumer Engagement**, **6: Crowdsourcing and Crowdfunding** and **7: Digital Content Planning** focus upon this concept. Online consumer engagement (OCE) refers to online interactive experiences between consumers and the brand, and/or other consumers. There are many benefits associated with an engaged consumer, including opportunities to co-create value, products, and ideas. However, brands may not have complete control of how and when consumer engagement occurs (e.g. in blogs and forums that are not controlled by the brand). In Chapter 5, it argued that an understanding of social influence principles (and in particular the application of social impact theory in different digital contexts) can be a productive tool to harness engagement across digital environments.

Chapter 6 discusses the new concepts of crowdsourcing and crowdfunding. Crowdsourcing is practice of “taking a job traditionally performed by a designated agent (usually an employee) and outsourcing it to an undefined, generally large group of people in the form of an open call” (Saxton et al., 2013: 3). Crowdfunding is “an open call, mostly through the Internet, for the provision of financial resources” (Belleflamme et al., 2014:4). Whilst there are several benefits of these approaches, there are also risks of poor output quality and questions about the ethics of replacing paid employment with crowdsourced labour. This chapter focuses upon the benefits and challenges and provides an account of the processes and mechanisms that digital marketers can use to manage these activities.

Chapter 7 examines how the diversification of communication models in digital media gives marketers a wide range of media channels from which to choose when creating and disseminating content. In general terms, these channels can be classified as owned, paid, and earned media. Once the media channels are selected, designing digital content to reach marketing objectives requires a good understanding of the effects of different types of content, messages, and sources of content, as these will have an impact on the consumer and its perception of the brand. This chapter examines how a transmedia and integrated approach to digital content can magnify impact and facilitate brand positioning.

The following three chapters focus upon the evaluation of digital marketing activity. Organisations use metrics and analytics to continuously improve their digital content in order to better serve customer needs,

maintain functionality and remain competitive. It is tempting to use the terms metrics and analytics interchangeably as if they have the same meaning but they are two distinct concepts.

Chapter 8: Metrics and Analytics explains the difference between metrics and analytics and shows how this information can be applied to generate understanding of the digital customer life cycle as well as key marketing to develop customer insight, assess campaign effectiveness and calculate return on investment.

Chapter 9: Website Analytics explains that digital marketers need to understand how to measure website performance and link these outcomes to marketing activity at each stage of the digital customer lifecycle. Conversion goals are important as they help an organisation achieve its overall marketing aim, for example to make a sale or to encourage interaction with particular content. This chapter introduces a range of metrics and analytics that are available at each stage towards conversion.

Chapter 10: Social Media Analytics shows how social media metrics and analytics assess the influence of social media activities on the relationship between the brand and the consumer. Social media platforms provide a range of real-time data that shows the level of brand involvement, interaction, intimacy and the degree of influence of brand advocates. In order to track the performance of a social media marketing campaign digital marketers need to select the analytics that are appropriate for the digital strategy. This chapter introduces the considerations of channel performance and attribution of influence and also considers issues of ethics and legality to ensure that the brand reputation is protected.

The final two chapters focus upon digital marketing practice: **11: The Digital Marketing Skills Gap** and **12: Developing an Online Profile**. Many students who are interested in a career in digital marketing may be discouraged from pursuing jobs in this sector because of the often incorrect assumption that a deep technical knowledge is needed to succeed as a digital marketer. However, there are many roles in this field that are suitable for those with skills in management, marketing, and creative arts. Chapter 11 examines the digital marketing skills gap and uses the Digital Marketer Model (Royle and Laing, 2014) to show that digital marketing roles can be placed on a spectrum with technical skills at one extreme and with marketing management skills at the other extreme.

Chapter 12 suggest that like brand, an individual can strategically select and highlight those attributes that will advance them towards their goals.

Personal branding can differentiate an individual within a competitive job market. The availability, low-costs and ease of use of a range of online tools enable individuals to effectively communicate across a range of digital channels. This chapter outlines key considerations when publishing a blog and developing an online professional network on LinkedIn. It shows how a strategic selection of content is needed to develop a compelling narrative and connect with the audience.

Digital marketing is a fast-moving and evolving professional discipline and we both feel fortunate to be researching and teaching in this exciting field of knowledge. We hope that this book communicates our enthusiasm for this subject and inspires you to pursue this topic further.

Kathryn and Rodrigo

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