

Practical Guide

Introduction to Digital Marketing



What is Digital Marketing?

There are many definitions as to what digital marketing is, you only need to search online and you will be presented with over a billion results! Ultimately, digital marketing relates to the use of technology, digital platforms and data to carry out marketing activities and achieve our marketing objectives. Whether this is conducting research, collaborating with partners or influencers, engaging with customers, promoting and selling products or adding value.

Digital marketing is, quite simply, marketing. Taking the definition of marketing from the Chartered Institute of Marketing, “The management process responsible for identifying, anticipating and satisfying customer requirements profitably”. Digital marketing tools and techniques can be used to contribute to the achievement of identifying, anticipating and satisfying customer requirements as part of the management process.

The key digital marketing tools can be anything from devices (e.g. smartphones, tablets, desktops, laptops and wearables), platforms (search engines, apps, social media and other websites) and software (supporting management in terms of Customer Relationship Management (CRM), automation, web development and much more) and the techniques of how we use these.

If we consider the PESTEL model, a tool used to analyse factors from the external marketing environment, the technological environment is challenging and dynamic, it can also be very disruptive. Let's consider a few examples:

Hardware - Devices are constantly evolving, and at times new devices are introduced that can present both opportunities and threats to marketers – consider drones and how they may begin to disrupt elements of the home delivery market.

Connectivity - The same can be said for the platforms and channels through which we can conduct marketing activities. Think about how Uber disrupted the transport market, just through the use of an app that could connect drivers with those in need of transport (this is known as a peer-to-peer interface which has been instrumental in the development of the sharing economy).

Software - The programs that can be used to manage and implement marketing activities also continue to develop and disrupt in a number of areas; whether it's automating communication, analysing performance or developing more dynamic and personalised content.

Technology is disruptive, therefore what we do and how we do it is disrupted, it's changed, sometimes for the better and sometimes perhaps not so. Utilising technology to help us achieve our marketing and organisational objectives can be incredibly beneficial, but it could also contribute to our obsolescence. As marketers, we need to be up to date with technology and how we can use it effectively in our marketing roles and plans, in order to add value for our organisations, our customers, and any other relevant stakeholders. And that, is digital marketing.



Why Digital Marketing?

There are many benefits that technology offers us as marketers, within the remit of digital marketing, some explicit and direct, others indirect and reliant on other marketing activities. Let's consider three key benefits:

Measureable - One of the key benefits is the fact that digital marketing activities offer many more tangible and measurable results than more traditional offline marketing activities. Often referred to as 'attribution', we can attribute specific results to specific digital activities, allowing for better measurement and management of ROI.

Targeting - Delivering the right message, or content, to the right individual, at the right time and through the right medium or channel. The message or content can also be personalised to the nth-degree, as long as we have sufficient data about the recipient and are legally allowed to use it. This is another clear benefit when done correctly, as it helps to build and maintain more meaningful relationships between the sender and the receiver of the message.

Cost - Another often noted benefit of digital marketing is that of cost, or the fact that a lot of activities undertaken through digital marketing (especially in relation to communications and paid for media) are much cheaper than their offline equivalent.

Planning for Digital Marketing

Whilst this practical guide considers digital marketing independently of the rest of key marketing activities it is important that we recognise that digital marketing is a part of marketing. Therefore, if we develop a marketing plan within our organisation it is vital that digital marketing is integrated into this. Some organisations may have well-established marketing plans in place with no real focus on digital tools and techniques, so a separate plan, a digital marketing plan, may be a necessity. There are many planning frameworks that marketers can use. Most planning frameworks follow a four stage process:

Analyse – What is currently happening in our marketing environment?

Plan – What are our objectives, supporting strategy and tactical mix?

Implement – Putting the plan into action and managing resources.

Control – Analysing performance against objectives and KPIs.

Each stage requires synergy with the others, so the analysis informs the decisions in the plan, what we implement delivers on the plan and we control and measure what we implement.

The digital marketing mix, the mix of activities that we plan and implement, need to be integrated. They need to work with the rest of the mix, the offline mix, so that there is coordination and consistency in all that we do. Effective coordination of online and offline marketing helps to avoid confusing and conflicting messages and approaches, so that customers and other key stakeholders can clearly understand what we offer, as well who it's for, why we offer it, how it works, where it can be accessed etc.

As this guide is designed to be more practical, a focus on one of the more practical elements of the digital marketing plan will be considered in the following section, and this is the digital marketing mix.

Adapting the 7Ps for a Digital Context

As you will no doubt be aware, the marketing mix is a simple framework that has been around since the 1960s and is designed to support marketers when it comes to making tactical decisions. There are many different marketing mix frameworks out there to help us make these decisions, but whether we consider the 4Ps, 7Ps, 8Ps, 4Cs or any other framework is irrelevant here, what we need to focus on is making the best decisions.

The decisions we make here, such as how we'll deliver messages to our stakeholders, the improvements we make to products, or where they are made available, are designed to help deliver on our marketing objectives, so in this instance we need to think about how we use technology to our advantage, how can we use technology within our marketing activities to help achieve our objectives?

P1 Product

For many organisations, when considering technology, the product will remain the same and will be largely unaffected in terms of digital marketing. The product is what you offer (of value to the market place). It may be a tangible good, it may be an intangible service, and it will vary from organisation to organisation, from market to market. That said, there are areas where technology can have an impact:

Digitisation - it may be that you are able to digitise your product. This had a disruptive impact on many established industries such as music, news, film and books. 'De-materialising' products meant that production costs dropped drastically.

Aftersales support - some organisations have been able to digitise parts of their product, perhaps after-sales care or using a chatbot to answer questions.

Research - marketers also use digital means to conduct research to support the new product development process, making it quicker to access and generate new ideas and gain feedback on customer experience.

P2 Price

The price element of the marketing mix can be influenced and impacted by digital technology, and the pricing strategy can be adapted to suit digital audiences, but ultimately the price set is influenced by a variety of factors – such as what a customer is willing to pay, the perceived value of the product and competitor's pricing.

There are some digital specific approaches to pricing that may be appropriate depending on what product is offered, such as:

Subscription - music providers such as Spotify use subscription pricing, which offers ongoing access to a product for a set period of time.

Tiered – differing prices and packages catering to different audience's needs.

Time-limited online prices – can be useful in incentivising purchase behaviour, but it could be argued that this is more of a sales promotion!

P3 Promotion

A huge part of digital marketing. Technology has had a profound and lasting impact on how we, as a society, communicate. Therefore, it stands to reason that this has had a significant impact on marketing communications. There are significant benefits to marketers of using technology to communicate, to simplify it is cheaper, quicker, more targeted and more measurable.

That said, there are some implications to this, such as ensuring that the right media or channel is selected for the target audience. Digital communications, in fact all communications, can be qualified as paid, owned and earned:

Paid media - can be thought of as advertising, such as display ads.

Owned media - relate to channels such as the organisation's social media pages and website.

Earned media - is word of mouth, what is said about us by our customers, perhaps an online review, rating or comment on an individual's social media page.

What is key is ensuring that your communications are two-way, that you engage in conversation with your audience, as opposed to talking at them.

P4 Place

When it comes to place, it is vital that the right product is available, in the right place and at the right time. Technology offers marketers a substantial advantage, as the internet is a place of consumption that can be used to provide a wide-variety of products (without the need for physical stores), in one place (online) and always open (24/7). Ecommerce is no longer restricted to desktops and laptops, but purchases can now be made from tablets, smartphones and virtual assistants – so ensuring that content such as websites, Wikipedia entries and apps are optimised is of significant importance.

Think about how you might differentiate:

Delivery – the delivery service and options are areas that are vital to consumers making a purchase.

Accessibility - if the product is digitised, or software as a service (SaaS), then there will be no tangible good so this can often be an effective point of differentiation.

Mobile-optimised - Google utilises a mobile-first approach to indexing websites (how they rank in Google's search engine) so optimising your organisation's website for mobile is vital.

P5 People

Services are delivered to people by people, so this interaction is a vital component of the mix. The person's knowledge, attitude, skills and appearance can all have an impact on the customer's experience. Every person who has some form of interaction with your customers will leave an impression, be it good or bad. This element of the mix is an awkward one for the digital marketing mix, but there are things marketers can do:

Training and upskilling staff – in order to improve the quality of the interactions online.

Artificial intelligence – as this area continues to develop there is an increasing potential for automated interactions online, using chatbots or virtual assistants such as Siri or Alexa.

P6 Process

Earlier in this guide Uber was offered as an example of digital disruption in an existing market.

The process of booking transport, a taxi, was digitised through the development of a simple app. It facilitated the connection of, one willing to offer to transport to, one wishing to travel. Digital technology has simplified a lot of consumer processes, how we access, pay for, share and consume products has changed significantly.

The process of consuming online content, whether it's spending time browsing a website, sharing content on social media and making a purchase, is just that – a process. This process is often referred to as the user experience, discussed in digital marketing terms as 'UX', and the emotions and attitudes felt when engaged in this process. Having more customer-focused processes, so making it easier and more enjoyable for them to interact with the organisation, is highly beneficial to any organisation and intelligent use of technology can help achieve this.

A consumer-focused experience will be:

Quick – no long load times for pages or waiting for responses to queries.

Consistent – having the same visual branded identity across all platforms.

Evolutionary – developing over time through continuous testing and research.

Complimentary – ensuring that the customer journey through all touchpoints is seamless.

P7 Physical Evidence

The tangible, what we can experience with our senses, is another area for consideration within the marketing mix framework. When considering physical evidence within a marketing context we may think of a reception area, corporate vehicles, printed literature – anything that can be physically touched, seen, smelt, tasted, heard – these are all tangible but what about in digital marketing?

Key areas for consideration include:

Owned media - your website and social media pages. Are these reflective of the organisation's brand and values?

Security - using HTTPS is a key way to communicate to a customer that your website is secure.

Online reviews – testimonials, reviews, ratings, even video content such as product demonstrations, can offer reassurance to customers and overcome perceived risks they may have in relation to performance.

The Future of Digital Marketing

It's impossible to know the future, we can forecast, we can guess, we can predict – but we will never be 100% certain what is around the corner. As mentioned earlier in the guide, integration is essential, online and offline marketing activities must work together offering a seamless experience for your audience as they search for solutions to problems they may face or to meet needs they have.

An increasing number of marketing activities will become automated. Again, this automation will need to seamlessly integrate with the non-automated activities to ensure that our marketing is as customer-focused as possible. Currently, marketing automation is used to process the more mundane or repetitive tasks involved such as sending out emails, posting on social media or making changes to websites. The automation of marketing activities is an opportunity for all organisations, particularly due to the many affordable options available such as SaaS platforms, applications offering ecommerce, accounting, email and social media scheduling services etc.

The final area for consideration here is that of data. Did you know that 2.5 quintillion bytes of data are generated every day, and it will only continue to grow? It has given rise to the term 'big data', data sets that are so large and complex that they can only be analysed by a computer and this has implications for marketing. The more digital marketing we engage in, the more data we will generate, not just ourselves as marketers, but more importantly from our customers, or prospective customers. Understanding data and the insights generated from the analysis of this data, in order to make more informed and more relevant marketing decisions, is increasingly becoming a key skill for marketers. That said, with the increasing usefulness of AI and machine learning, it may not be the marketer that analyses, develops insight or makes decision in the future – it may be technology – and as AI becomes more powerful and is able to make many more calculations than the human brain, perhaps AI won't just be the future - but it will also be able to tell us the future – of marketing.



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