

See discussions, stats, and author profiles for this publication at: <https://www.researchgate.net/publication/312190728>

Understanding Digital Marketing—Basics and Actions

Chapter · September 2016

DOI: 10.1007/978-3-319-28281-7_2

CITATIONS

22

READS

159,427

2 authors:



Teresa Piñeiro-Otero
University of A Coruña

91 PUBLICATIONS 426 CITATIONS

[SEE PROFILE](#)



Xabier Martínez-Rolán
University of Vigo

38 PUBLICATIONS 114 CITATIONS

[SEE PROFILE](#)

Some of the authors of this publication are also working on these related projects:



Jornadas Ibéricas sobre Cultura, Património e Turismo na Sociedade Digital [View project](#)



Twitter & politics [View project](#)

Management and Industrial Engineering

Carolina Machado
J. Paulo Davim *Editors*

MBA

Theory and Application of Business and
Management Principles

 Springer

Carolina Machado · J. Paulo Davim
Editors

MBA

Theory and Application of Business
and Management Principles

 Springer

Editors

Carolina Machado
Department of Management
School of Economics and Management
University of Minho
Braga
Portugal

J. Paulo Davim
Department of Mechanical Engineering
University of Aveiro
Aveiro
Portugal

ISSN 2365-0532 ISSN 2365-0540 (electronic)
Management and Industrial Engineering
ISBN 978-3-319-28279-4 ISBN 978-3-319-28281-7 (eBook)
DOI 10.1007/978-3-319-28281-7

Library of Congress Control Number: 2015960406

© Springer International Publishing Switzerland 2016

This work is subject to copyright. All rights are reserved by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, express or implied, with respect to the material contained herein or for any errors or omissions that may have been made.

Printed on acid-free paper

This Springer imprint is published by SpringerNature
The registered company is Springer International Publishing AG Switzerland

Contents

Part I Speaking About Marketing

Marketing in Crises—Its Nature and Perspectives for Managers	3
Jochen Schellinger and Kim Oliver Tokarski	
Understanding Digital Marketing—Basics and Actions	37
Teresa Piñeiro-Otero and Xabier Martínez-Rolán	

Part II Speaking About Human Resource Management

Human Resource Management: An Operational Perspective	77
Carolina Feliciano Machado	
Training and Development in Organizations: Start at the Beginning	105
Ana Paula Vieira Gomes Ferreira	

Part III Speaking About Accounting and Finance

Accounting as an Information System	125
Ana Alexandra Caria, Anabela Martins Silva, Delfina Rosa Rocha Gomes and Lídia Cristina Alves Morais Oliveira	
Introduction to Corporate Finance.	157
Leoni Eleni Oikonomikou	
Index	189



<http://www.springer.com/978-3-319-28279-4>

MBA

Theory and Application of Business and Management
Principles

Machado, C.; Davim, J.P. (Eds.)

2016, IX, 194 p. 40 illus. in color., Hardcover

ISBN: 978-3-319-28279-4

Understanding Digital Marketing—Basics and Actions

Teresa Piñeiro-Otero and Xabier Martínez-Rolán

Abstract This chapter provides a technical outline of the basics of online marketing. The outline includes an introduction to digital marketing and strategic planning and development. Our contribution offers theoretical and practical insights relative to this growing marketing area, with information on the main areas for which online marketing is particularly suited: (1) the E-commerce section explores different business models and what techniques are used for their development; (2) Web Search Marketing focuses on SEO and SEM, as well as in keyword selection for optimisation; (3) E-mail Marketing offers interesting content to develop a successful newsletter; and (4) Social Media Marketing addresses planning and the most important tools used to maximise communication through social media. In a nutshell, this chapter offers an overview of digital marketing and its strategies for an active and effective Web presence.

1 Introduction

In *The Third Wave*, Toffler [1] predicted the demarketisation of postindustrial societies. Three decades later, the end of marketing is still not in sight, even though, as Kotler [2] already suggested, marketing had to rethink its foundations to adapt to Third Wave societies and individuals.

In 1999, Schutz and Holbrook [3] referred to the *tragedy of the commons* to stress the low efficiency of market strategies due to overuse and reiteration of strategies and tools. In the last decade of the twentieth century, organisations were

T. Piñeiro-Otero (✉)

Faculty of Communication Sciences, University of A Coruña, Campus de Elviña
s/n, 15071 A Coruña, Spain
e-mail: teresa.pineiro@udc.es

X. Martínez-Rolán

Faculty of Communication and Social Sciences, University of Vigo, Campus de
Pontevedra s/n, 36005 Vigo, Spain

forced to use more resources to reach dwindling audiences. Consumer resistance to marketing actions highlighted a deep crisis.

This context of communicational saturation in which an increasing number of brands compete for the attention and loyalty of audiences forced traditional marketing perspectives and concepts to change. During this process, the most relevant change was the power shift from marketers to consumers.

The consumer perspective has been present in the definition of marketing since the 1960s [4] even if it was only in recent decades that it took centre stage in any marketing strategy. This approach has led to the incorporation of aspects such as consumer satisfaction, market orientation or consumer value in marketing management [5].

However, many marketers still think in terms of product, place, promotion and price, McCarthy's variables or 4Ps model [6], which does not leave any role to consumers. This production-focused marketing paradigm was later challenged by Lauterborn's user-centred models [7]. The 4Ps of the marketing mix yield to the 4Cs that turn product into customer solution, price into cost to the customer, place into convenience and promotion into communication. This is a new perspective for operational marketing that will be of special relevance for the online world.

In recent years, further steps have been taken—marketing does not only focus exclusively on consumers but also tries to bring different audiences to organisations. This new approach was defined by the American Marketing Association as an activity, set of institutions and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society at large [8].

The Internet boom for organisations and the daily life of different audiences brought about a deep transformation of marketing, its tools and strategies [9].

Although initially organisations understood the Internet as a new channel to increase their presence, they soon started looking for ways to maximise its different platforms and services. At present, online marketing communications are an essential part of operational marketing from the point of view of becoming, in themselves, a specific marketing line: digital marketing.

2 What Is Digital Marketing?

The first approaches to digital marketing defined it as a projection of conventional marketing, its tools and strategies, on Internet. However, the particularities of the digital world and its appropriation for marketing have fostered the development of channels, formats and languages that have led to tools and strategies that are unthinkable offline.

Today, rather than a subtype of conventional marketing, digital marketing has become a new phenomenon that brings together customisation and mass distribution to accomplish marketing goals. Technological convergence and the multiplication of devices have led to an opening up of the ways in which we thinking about

marketing in Internet and have pushed the boundaries towards a new concept of digital marketing—user-centred, more measurable, ubiquitous and interactive.

The development digital marketing strategies offer much potential for brands and organisations. Some of them are as follows:

- **Branding.** Platforms and 2.0 services are a great opportunity to build a brand image on the Web due to their scope, presence and constant updates.
- **Completeness.** The possibilities to disseminate information through links offer consumers the chance to approach the organisation in a wider and customised way.
- **Usability–functionality.** Web 2.0 offers simple and user-friendly platforms for all in order to improve user experience and allow for their activities.
- **Interactivity.** In the context in which organisations try to forge long-term relationships with their audiences, Internet offers the possibility of having a conversation and therefore of generating a positive experience with the brand. Such interactivity can be basic, as product assessment, or become an all-encompassing experience.
- **Visual communication.** In line with visual thinking, digital marketing offers marketers different image- and video-based tools. This is an attractive way of reaching audiences that can lead to greater engagement.
- **Relevant advertising.** Easy segmentation and customisation of advertising in Internet maximise the output. Besides, free from the limitations of other media, this environment has allowed for more attractive advertising.
- **Community connections.** Internet is a unique opportunity to connect organisations with their audiences and users among themselves. This connectivity can improve their experience and enhance the relationship with the product, brand or organisation.
- **Virality.** The essence of Internet as a Web of interconnected nodes makes exponential expansion of any content possible. Taking the model of WOM (word of mouth) communication, viral communication becomes more relevant due to connectivity, instantness and shareability of online platforms that enhance the dissemination of content.
- **Measuring output.** Online platforms rank first in the availability of follow-up options and the possibility to assess output.

In any case, to make the best of all these possibilities, organisations must ensure that their Internet presence or their presence on their different 2.0 channels follows a strategy with concrete goals, in line with their brand or organisational image. Being on the Web without proper planning can not only mean a lost opportunity in terms of resources and potential, but also it can indeed have a negative impact on the organisation, as the audience, their needs and perceptions regarding the organisation are unknown.

3 Digital Marketing Plan

A digital marketing plan is a strategic document that takes the current situation of a particular organisation to set some midterm goals and to determine the strategy and means to accomplish them. This document also describes the responsibilities, the time frame and control tools for monitoring.

The aims of a digital marketing plan include discussing organisations and their environment. Likewise, it needs to be a roadmap of how to manage the organisation’s marketing strategy, so that resources are properly allocated. The plan also helps control and evaluate output and tackle any potential deviation from the organisation’s expected outcomes. In this line, a marketing plan becomes a flexible document that must be adapted to the situation of the company and that must feed into the results obtained by each of the actions developed, especially in the digital arena.

The development of an online marketing plan is similar to a conventional one in its structure, but it also includes some variations at an operational level. In fact, this means not only that some specific strategies and tools are to be developed, but also that the volubility of the digital media and its capacity for immediate measurement force organisations to develop a strategy that can be revised in the short term, as well as the iterative process between action and control.

An online marketing plan is a document in line with the company’s strategic plan that sets goals of an activity in the digital environment, as well as the what, how, when, who and why (6 Ws) of Web presence.

There are different options regarding the structure of a marketing plan. We advocate for a four-phase structure as this is simple and clear to plan for any action’s strategy (Fig. 1).

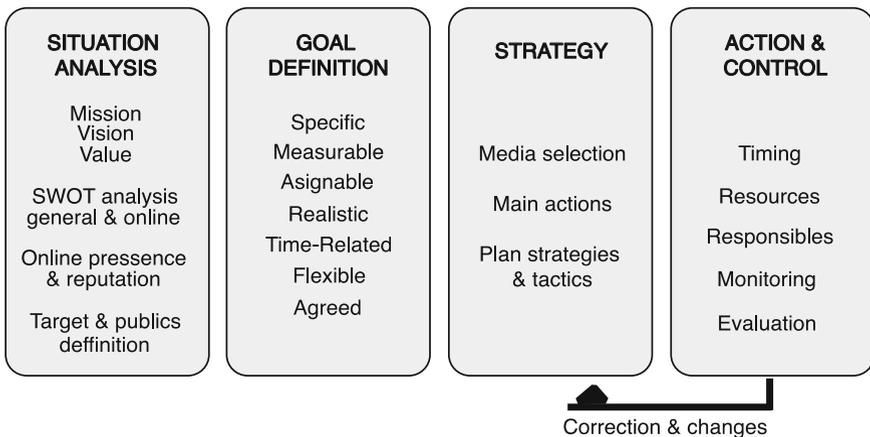


Fig. 1 Marketing plan. Source Prepared by the authors

3.1 *Situational Analysis*

One of the most relevant parts of any strategic document is the definition of the baseline situation of the organisation and its environment. This analysis allows for the development of an action plan that is reality based and shall therefore minimise the risks in the development of a strategy.

The starting point of any situational analysis is to define the mission, vision and values of the organisation. This definition helps guide any marketing action.

- The mission defines the chore of the company, its essence. This definition usually includes the work or activity of the organisation, reference to its audience, business models and the singularity or differential factor of the organisation. The mission responds to questions such as who am I?, where do I come from?, what do I do?, whom do I address?, what is my field of operations? and what is my competitive edge?
- The vision must describe the future goals of the organisation in a short and concise way. These goals must be realistic and achievable in order to motivate all stakeholders in their achievement. The organisation's vision answers questions such as where am I going to?, what do I long to be? and where do I want to be?
- The values are the principles that guide the business culture and that the organisation—must—fulfil in all its activities.

Once we have defined these three essential aspects from a communicational and strategic perspective, the next step is the development of an internal–external analysis of the organisation.

An internal analysis is relevant to determine weaknesses and strengths, and it must address aspects related to production, commerce, organisational and financial issues, as well as the attitude of management.

For an external analysis, the goal is to determine the threats and opportunities, thus considering the specific environment (products, clients, competitors and suppliers), as well as the general environment, namely the ecological, technological, economic, legal, political or socio-cultural constrains.

Both analyses lead to a SWOT matrix.

A digital marketing plan, apart from being a study of the organisation and its environment, must analyse its online presence and position. This study shall help determine a concrete digital strategy and shall help compare its results with the initial situation. In this sense, the following must be developed:

- Monitoring of the organisation's keywords, competition and sector (some useful tools are Mention, Google Alerts, Hootsuite).
- Web positioning assessment of the organisation and its platforms (e.g. Google search or Alexa ranking).
- Social network evaluation. Presence, activity, influence, etc. (here tools, such as Klout, PeerIndex and Kred, become relevant).

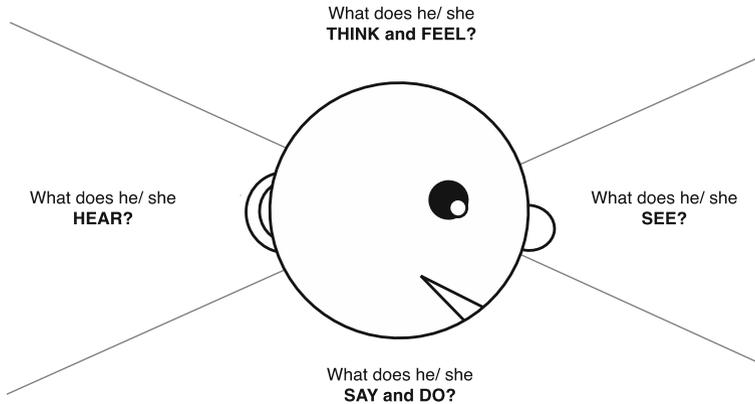


Fig. 2 Empathy map. *Source* XPLANE [10]

- Competition benchmarking and main influencers in the sector present on digital media.
- Specific SWOT.

In order to complete the situational analysis, audiences must be defined, with special attention to the target group, without neglecting the remaining stakeholders. This description must also focus on the presence and activities of these audiences in the digital world: active presence in platforms and services, access devices, usage times, contents of interest, main activities, etc.

The explanation of audiences must be very detailed in trying to adjust the proposal both to the real needs of those users and to their aspirations and frustrations (Fig. 2).

This phase helps determine the organisation and its situation in the environment in which it operates and, more particularly, in the digital world. From this information, the potential and gaps of the organisation can be identified to design a future strategy.

3.2 *Goal Setting*

Setting goals is one of the key phases in any marketing plan. Goal setting offers an idea of where the organisation is going and it enables adjustments to the marketing strategy.

Goal setting must follow SMART criteria [11]

- **Specific:** simple and easy to understand.
- **Measurable:** they can be measured through any kind of quantitative or qualitative unit.

- Assignable: they can be assigned and implemented by a member of the company.
- Realistic: with accessible resources, goals can be achieved in a realistic framework.
- Time-related: they must have a time frame to achieve them.

In the specific field of online marketing, such goals must also be flexible to adapt to the changes in the company and Web evolution and reached through a consensus. Many of the actions of digital marketing are horizontal—for example actions on social media—and involve different departments in the company; therefore, consensus is key.

In an online marketing plan, the most usual types of goals are as follows:

- Scope goals.
- Activity goals.
- Conversion goals.
- Loyalty goals.

Once these goals are set, they must be implemented through key performance indicators. These indicators enable measurement and monitoring.

3.3 *Planning a Strategy*

In order to accomplish the planned goals, a specific strategy must be defined. A strategy is the implemented scheme to achieve such goals. This strategy materialises in activities that are the ways planned to achieve such goals.

An online marketing strategy is based on the model of a marketing funnel suggested by Strong [12] as a development of the AIDA model (Awareness, Interest, Desire, Action). The transformation of marketing in recent decades and the particularities of the digital world have allowed for a revision of this marketing model so that it captures the conversion strategy, as well as the loyalty strategy, key in the online world.

There are several proposals, such as that by Rogers [13], who advocates that, apart from Awareness, Consideration, Preference and Action (an update of the AIDA model phases in the current context), two new states must be incorporated: loyalty and advocacy. Like Strong's model, each phase means a higher level of commitment, and therefore, loyalty and advocacy are at the bottom of the model (Fig. 3).

However, in the online world, loyalty and support for the brand can lead to change consumers into prescribers, thus increasing the scope of the organisation's action, which could lead to an expansion of its consumer base.

In the phase of determining a strategy, means and actions must also be defined. The translation of conventional marketing to the Web, as well as the multiplication of 2.0 platforms and services, has stressed the complexity of the new media reality.

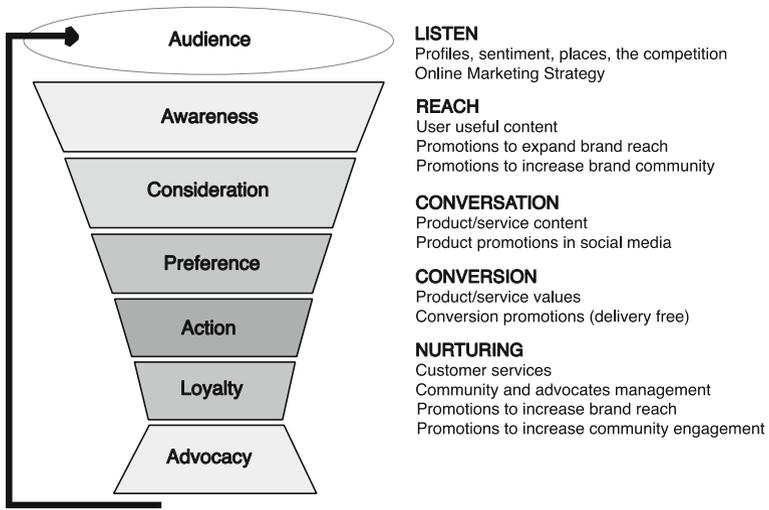


Fig. 3 Marketing funnel review. Source Prepared by the authors based on Rogers [13]

While the classification of paid, earned and owned media has been a constant in marketing, in the past differences in the three categories were clearly defined. Most marketing initiatives focused on paid media, while owned and earned media were used to reinforce and amplify advertising messages. Loss in efficacy in advertising and the appearance of the social Web has led to rethinking this model by blurring the lines between different media types.

Their convergence is taking root in digital channels, rapidly moving from one type of media to another. Companies must know and combine the three types of media in order to ensure greater effectiveness in the building process of their own audiences.

In the context in which users are more critical with the organisations and in which peer assessment is given more credit than brands, earned media become key against paid or owned media. Many funds can be allocated to advertisement, but one cannot force consumers to assess their experience or recommend a product or service in particular.

Any comment about a particular brand on Internet can have a measurable impact in terms of scope; therefore, the goal of organisations is to have a significant relationship with their users so that they convert into consumers and, on a higher level of commitment, prescribers (Fig. 4).

Despite the increase in relevance of earned media, the three types must be used in a coordinated fashion to maximise the efficiency of a digital marketing strategy.

- *Owned media* Corporate channels such as websites, social network profiles and mobile apps. These channels are unique, and organisations have total control over their content within the limits of each platform. Owned media offer avenues for most content distributed by the organisation, and thus, they become the

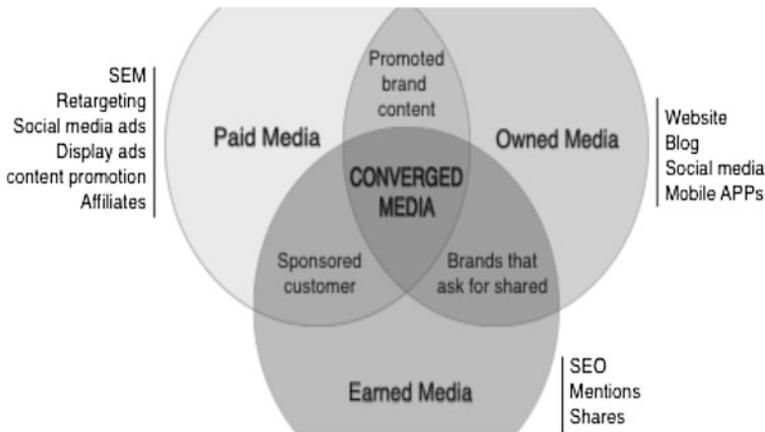


Fig. 4 Convergence media. *Source* Prepared by the authors based on Lieb and Owyang [14]

backbone of the digital strategy of a brand. However, due to the fact that they are biased communication, they do not always have the push or scope needed.

- *Earned media* Content about the brand developed by external users, for free. Earned media is essentially online word of mouth: mentions, shares, reposts, reviews, recommendations, product reviews on specialised Webs or assessments on online shops or specific social platforms (e.g. Ciao! or TripAdvisor). Peer recommendation is essential in the current context, as it is perceived as genuine and unbiased, as brands lack control over them. One of the most effective tactics to get public support for brands is to combine a good organic positioning in browsers (SEO) with a good content strategy.
- *Paid media* These are spaces or content that the brand had to pay for. They tend to be used to foster or increase the scope of the messages and initiatives of the brand in owned or earned media, as well as to improve their output. Apart from advertisement display and advertisement in social media, earned media includes retargeting, Pay Per Click, promoted tweets, paid reviews in specialised blogs or recommendations by influencers on social media (they should be identified as such). Good management of paid media fosters content for earned media, as well as increasing traffic in owned media. Such an increase in the Web can lead to sales of a product or services.

Each of these media offers their own advantages and scenarios; therefore, using them complementary can lead to accomplishing the set goals. All of them contribute to the development of a digital marketing strategy, although each brand must analyse what media is more appropriate for them and on which the return on investment (understood in its widest sense) is higher.

Despite the fact that actions in digital marketing have changed to adapt to new platforms and users, some of the most relevant in terms of use and results are e-commerce, Web search marketing, e-mail marketing and social media marketing. Their features and strategies are developed in the following sections.

3.4 *Action and Control*

In the process of setting up a strategy, a large number of actions are defined, and the possible theme areas for the development of content or keywords are listed (e.g. in the Social Media Plan). Likewise, the development of each strategy requires time planning to programme implementation.

In this sense, an essential part of any digital marketing strategy is the scheduling of tasks and timing for each of them. In the case of marketing strategies based on a limited number of tools—or example a branding campaign where a Facebook profile and newsletter are exclusively used—the content of each of the actions (publication, sending the newsletter) can be briefly mentioned in the scheduled.

Likewise, for online marketing strategies linked to traditional marketing, offline actions have to be included in the schedule whenever they are interdependent on online tasks.

Scheduling means assigning tasks in the digital marketing strategy, with clear indication of who is responsible for each action. Therefore, all departments in the organisation should have a copy of the marketing plan, especially those departments and professionals involved in its proper development.

In the action phase, the cost of different actions planned must also be considered. In this estimate, both technical and operational costs related to the implementation and monitoring of the online strategy are to be clearly included, especially those related to websites or online shops.

In the case of other 2.0 tools, despite the fact that most of them are free for the development of marketing strategies, the cost of the professional developing and monitoring the strategy must be included or, otherwise, training of staff and purchase of specific management tools for the strategy, its monitoring and output assessment.

Constant feedback and quantitative data of interactions allow for constant control of the planned strategy's evolution. However, dates must be set to assess the different actions and tools in detail, looking at the specific features of each of them. This can be a quarterly evaluation for SEO, monthly for the corporate Web or weekly for some strategies on social media.

These actions can be reviewed and corrected depending on the output of each individual action; however, the value of the development of the complete strategy must be periodically assessed. Generally speaking, 4–6-month intervals are recommended for such assessments, always taking into account the total duration of the digital strategy and the type of techniques used.

The conclusions to review the strategic document shall be drawn from this process. This document has to be updated to maximise the efficiency of the following implementation phase. At the end of each phase, the process shall be repeated.

4 Social Media Marketing

Social media are a great opportunity to establish significant relationships and create ways of social interaction defined through dynamic exchanges between their members. Social media is booming in terms of the number and variety of platforms and users.

Thus, one can find audiovisual platforms such as YouTube, Vimeo and SoundCloud; image platforms such as Flickr, Picassa, Pinterest or Instagram; general social networks such as Facebook, Twitter, Google+ or specialised ones such as LinkedIn; news or bookmark aggregators such as Digg or Delicious; blogs; and wikis, etc., a vast digital arena where they become the new Web winners.

Although the notion of a social network is not new, it has reached new heights, thanks to Web penetration and connectivity. Social networks have developed through platforms that show different types of functions, but common features. These features aim at creating a community by connecting users, who can interact, discuss, offer insights or knowledge. Technology in the case of these platforms also needs to be flexible and conducive to an exchange of information. This means that free web standards; and modular architectures that lead to complex but efficient applications are usually favoured [15].

In essence, a social network manager is a service that allows individuals to create a public or semi-public profile within an enclosed system, to articulate a list of other users they share connections with, and to use that list of users, as well as other nodes in the system. The nature and nomenclature of such connections may vary from one site to the other [16].

Such platforms become content containers as they grant space and tools for a user who plays an increasingly more active role. In this sense, brands and organisations should be part of the social conversation and use the interactive channels to listen to their users, who share their perspectives, insights and knowledge, or generate value through content development.

4.1 *Prosumers: Paradigm of an Active User*

Internet penetration and the democratisation of some information and communication technologies have favoured the creation of a World Wide Web with constant information flow. In this mesh of social digital relationships, each user or node can become a content producer.

The breaking down of the classical division between sender and receiver has favoured the appearance of the prosumer (acronym for consumer and producer), an active user who not only accesses and uses content, but also produces and disseminates it, thanks to the appropriation of 2.0 tools. Despite the fact that the idea that a user is both a content producer and consumer had already been presented by Toffler [1], this was seen as a utopia until the advent of Web 2.0. Users produce more content on a daily basis than any other classical senders such as corporations and media, thus becoming the undisputable pillar of the Web.

On the social Web, Internet users have access to a number of free platforms with simple and user-friendly interfaces that allow them to create their own content, make it available for thousands of users and get feedback in just a few minutes.

The democratisation of such collaborative platforms paved the way for an alternative production system based on crowd wisdom that calls for a rethinking of the marketing strategies by organisations. More and more users look for precision, relevance, power and reciprocity in marketing, the actual bases for concurrence marketing. Precision and relevance refer to the agreement with the consumer in both targeting and messaging. On the other hand, power and reciprocity are linked to cooperation with the consumer and product design or to marketing implementation [17].

With customisation, concurrence marketing becomes an opportunity for the establishment of long-term relationships with audiences. This is a new scenario that has led to the transformation of social interactions, information access and use, a scenario that has forced brands to stop bombarding consumers to have a conversation with them instead.

Organisations have started looking for touch points to their different Internet audiences. These touch points are seen as spaces for interaction whereby brands can trigger strategies to add value and transform their messages in an attractive experience for the user. Marketing is more effective when it is consumers who look for brands rather than the other way around.

4.2 The Role of Community Managers

In a new environment of interactions in which brands and their audiences share space and conversations on an equal footing, a new professional profile has emerged: that of community managers.

A CM (community manager) is a professional in charge of the social platforms of brands or public persons, so that they become the link between the organisation/person and its community. The roles of a CM are community based, as they are responsible for building and managing a community, as well as for content production and activation.

The tasks of a CM include listening to a social audience and identifying opinion leaders, an action that may help them optimise management of their community while they gather value-added information for the strategic management of the organisation. In this way, the CM becomes the voice of the company for external audiences and the voice of the social community for marketing directors.

Increasing specialisation of the sector has led to the specialisation as community managers, who, as Baston [18] highlighted, in agencies of digital marketing and large corporations, shares space with more specific social profiles such as:

- Social Media Manager: they coordinate the community managers.
- Social Media Strategist: they interpret the reports and designs a strategy for social media.

- **Social Media Analyst:** they have a technical profile as data analysts and interpret the metrics to draft reports.
- **Social Media Developer:** this is a hyperspecialisation of a programmer who knows the social APIs and designs project code for social media (e.g. competitions or specific landing pages).
- **Social Media Public Relations:** they foster content outside their own channels.
- **Social Media SEO:** they apply SEO techniques to social media, especially for campaigns of online reputation.
- **Content Curator:** they select and organise relevant information.

4.3 Social Media Plan

A Social Media Plan (SMP) is the master document that guides an organisation’s presence on social media, and it covers all aspects to be considered when setting up, maintaining and integrating social networks in the organisation’s digital marketing strategies. Therefore, any Social Media Plan must be in line with the marketing plan.

A Social Media Plan is a living document that needs close control due to the liveliness of the virtual world in which it is implemented.

This document usually follows a relatively stable structure including goal setting, types of audiences, platforms, strategies and tools, and output measurement. With output measurement, the whole process begins anew (Fig. 5).

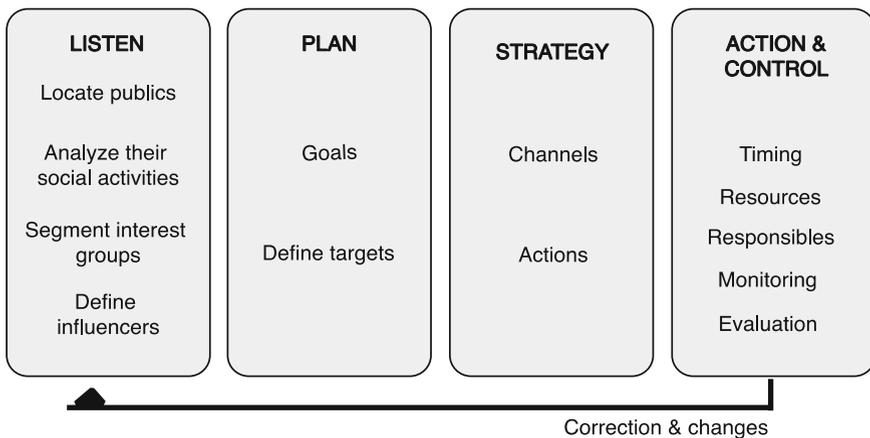


Fig. 5 Social Media Plan. *Source* Prepared by the authors

4.3.1 Goals

Apart from following SMART criteria when they are discussed, the goals of a marketing plan must cover three different nonexclusive targets:

- Visibility: making the brand popular (e.g. more Facebook hits).
- Sales: to increase sales or leads through a specific platform (e.g. to turn visits to the site into actual sales through twitter links to products of an online shop).
- Loyalty: to preserve an audience that has already been attracted (e.g. through a media-based customer support service).

4.3.2 Audience

The objectives must be targeted at a specific audience. The more you know the organisation knows its target audience, the more possibilities it has of fostering efficient communication and forging a significant relationship. In the case of social media, most of these data are given by the users themselves when they create their profiles. Data are further defined by actions and interactions among users in social platforms and, generally speaking, on the Web. It is also common to use statistics portals to select more specific audiences.

4.3.3 Channels

Goal setting and a definition of target audiences give insights into the channels to be used for our social media marketing strategy. To materialise this decision in an efficient way, each of the suggested platforms should be schematically analysed in a dedicated document. This document must include the type of user, topic of interest, type of format and languages, segmentation possibilities, and the best timings for marketing communications.

4.3.4 Defining a Strategy

The time has come to define specific actions for the strategy. In this phase, actions to be undertaken, the type of content to be disseminated through social media and the editorial calendar of such content will be planned.

Some of the rules and techniques used for content on social media during the drafting of the marketing plan are Pareto's principle, marketing content, branded content, content curation, competitions or customer support, among other.

Content Marketing: these are actions to create and disseminate relevant and useful content to raise interest in the audience and attract them, instead of interrupting them so that they buy products and services [19].

Despite the fact that content marketing is not a new phenomenon—see the monthly magazines of airlines—it has boomed with Web 2.0. Through their own media, brands disseminate useful and quality content to attract and retain qualified traffic. Content must be of quality and useful, must have the brand personality and be multiformat and segmented.

Furthermore, content marketing tries to change users into sneezers, expanding the scope of the brand beyond its own channels.

Formats to implement this strategy are varied: from more traditional formats such as white papers, e-books or specialised magazines to other types of formats specific to the digital world such as podcasts or videos, or other types of content with higher virality such as infographics or memes.

Content Curation: this is the process of collecting, selecting, organising and adapting the relevant information on certain topics or trends on the Web to be published in an attractive and significant way.

Content curation allows the company to be constantly updated and know new Web features, especially in terms of its audiences, while it saves time in the process of content creation.

Having a content curator can help brands design their content action plan and indicate possible developing lines depending on the topics of their audiences in the social conversation or who they follow on the Web. Tools such as Google Alerts or Google Trends and Mention, RSS readers such as Feedly or bookmarks such as Scoop or Delicious enhance identification and selection of topics of interest.

Customer Support: customers come to brands through social media looking for direct, useful, fast and effective contact. Thus, managing customer support through 2.0 platforms completes the customer experience with the brand.

Social networks allow for direct and instant contact with the company, fulfilling the concrete need of the customer at a critical point that, if successfully handled, can generate loyalty from the user, or undo a conversion otherwise. In both cases, the user can comment online about their experiences with the company and enlarge the scope of their experience.

Competitions: they are one of the best tools to promote an organisation's presence on social media, especially during product launch. In order to properly manage competitions, the following needs to be considered:

- Competition strategy: it must be adapted to the possibilities of each social media. Using 2.0 specific services for competitions such as Cool Tabs or Offerpop for Facebook is encouraged.
- Regulations: they have to be clear and concise and provide a detailed explanation of the operations, dates, participation, award, etc.
- Prize: it must be attractive and therefore encourage participation. If a product or service by the company is given as prize, it can not only reduce the competition cost, but also help convert a user into a customer and afterwards into a fan.

4.3.5 Measuring Outcomes

Assessing the actions taken on social media is vital to measure success and check whether the goals set have been accomplished. As there is a large variety of measurable items for social media, KPIs must be concretely described and adjusted to the goals in order to develop a successful Social Media Plan; otherwise, there is a risk of going into vanity metrics that do not measure real performance [20].

A KPI can cross-check different metrics to measure an objective. For example, in order to know whether popularity on Facebook has increased, one can use the number of hits or interactions with the brand in a particular period, compared to competitors or a previous period.

Metrics usually revolve around the following factors:

- Audience: community volume (e.g. Facebook fans, Twitter followers). This is one of the most basic metrics. Quantitatively, they can indicate the evolution of a community, but they do not offer qualitative data about it.
- Scope: this is related to the size of the community, although it really measures direct amplification. It can be measured on Facebook through the number of shares, on Twitter with retweets, etc.
- Engagement: this is one of the most highly valued metrics; it measures the degree of engagement of the audience with the brand. It helps detect stakeholders and real fans.
- Influence: this measures the repercussion that is generated in the audience, so that it can be seen as part of engagement. One of the most widely used KPIs to measure influence is the Klout Index.
- Interaction: this is a complex metrics because it involves engagement and brand perception. On Facebook, for example, this is measured by PTAT (people talking about this), a metrics that counts the users that in some way have interacted with the brand.

4.3.6 Pivoting

Once the actions implemented are evaluated and the accomplishment of goals has been checked, some conclusions must be drawn so that the organisation can pivot, integrating precise changes in its marketing strategy on social media.

4.4 *Social Media Advertisement*

Most social networks show business models based on advertising. If we take for granted that a social network manager is a massive database, with large amounts of qualitative data from its users, using them allows brands for microsegmentation of their advertising actions.

Facebook is the king of segmentation. Its advertising platform, Facebook Ads, allows for a delimitation of the target audience of each ad depending on location, age, sex, languages and even interests and behaviours. Facebook is the social network with more data on its users. The basic data filled in by the user alone in the process of registration on Facebook includes name, e-mail, sex and age of the new user.

Facebook advertising formats are inserted either on the sidebar on the right-hand side of the platform itself or on the users own timeline (Web and mobile), as well as on the logout page. These adverts must to be identified as such, while their goal is to foster as much interaction with users as possible. They thus try to increase engagement, lead users to a website or special offers, get more likes on pages, app downloads... etc.

Twitter, on the other hand, has less information on users; therefore, its segmentation capacity is lower. However, through its advertisement platform, Twitter Ads, they have launched some highly efficient publicity formats. This is the case of Twitter cards, a format focusing on promoted tweets to generate tweet engagement, website clicks or conversations, app installs or app engagements, followers or leads on Twitter, to name a few.

Other advertisement formats on Twitter are promoted accounts, which are placed on the profile recommendation section, or sponsored trending topics on the list of topics at a particular point in time.

5 E-mail Marketing

E-mail marketing is an online marketing technique that uses e-mail to send advertisements or commercial information. This is a communication tool used to attract new customers or make those that one already has loyal to the brand.

E-mail and Internet have gone hand in hand since the Web was created. The beginning of Internet dates back to 1969 (Arpanet at that time), while the first e-mail was sent two years later (1971). This first e-mail showed some basic features that have remained till the present: the use of “@” on the user name, as well as the fields “To”, “Subject” and “Message”.

In such a volatile environment, e-mail has been one of the Web tools that have best adapted to change, both in content and in scope and penetration. Therefore, e-mail marketing becomes one of the main tools in a digital strategy.

At present, e-mail is the first Internet service ahead of social media. In 2015, the number of e-mail accounts in the world was about 4.353 million users from which 205 billion e-mails were sent [21]. This volume of traffic includes legitimate e-mails and spam.

The term “spam” refers to those messages we do not request and we do not want or with an unknown sender, usually sent though mass mailing. Although spam can be used on other platforms and devices, for example SMS on mobile phones, e-mail is the most important channel for this practice.

The line between commercial information sent by e-mail and spam is, in many cases, a fine one that experts in e-mail marketing must properly identify in order to avoid making mistakes in their work.

The most common form of e-mail marketing is the newsletter: a publication that is distributed with a specific periodicity on an interesting topic for all recipients, called subscribers.

The complexity level of a newsletter shall depend on its goals and content; they can be simple with mainly plain text as the predominant feature or be enriched with images, graphs, adverts and/or hyperlinks.

The objectives of e-mail marketing can be multiple and varied; however, all of them could be grouped around four main goals:

- Diverting traffic to our website: be it the home page or any special section inside it.
- Promoting a special action: either promotion of new services, special discounts, sales, download of applications, etc. When the goal is to increase traffic or some Web-based special promotion, specific websites are usually created. Such pages are called landing pages.
- Cost savings: e-mail marketing supports order management and information to the customer regarding the status of such orders, as well as the provision of customer support services at a lower cost than other communication channels.
- Brand popularity and image: same as for other types of campaigns online, e-mail marketing is suited to generate popularity and brand image among consumers.

5.1 Advantages of E-mail Marketing

The strong penetration of e-mail in the current context becomes an important reason to include it any digital strategy, but there are also other important reasons to do so.

This is mass technology that instantly reaches everyone and whose use spans devices and screens (desktop, laptop, mobile telephones, tablets, etc.).

The system is direct and able to reach individuals in a scalable and targeted way. This is due to the fact that an e-mail can be sent to a single address or thousands, while content can target different types of audiences. In fact, the system's scalability does not hinder customisation; despite its capacity for mass mailing, it can be highly customised at a cost far lower than that of other types of campaigns.

This is also a multimedia channel that offers the possibility of sending a large amount of information as text, images (static or moving), sound or hyperlinks, in any combination.

As this is digital communication, its impact can be quantified through different metrics that allow for an evaluation of the output of each campaign.

5.2 *Disadvantages of E-mail Marketing*

Despite the many plus points of this marketing format, starting e-mail campaigns can be hindered due to some disadvantages inherent to this channel:

The most important enemy of professionals in the sector are antispam filters of e-mail managers that identify e-mail marketing as spam, thus reducing the effectiveness of campaigns.

Furthermore, explicit authorisation by the end-user to receive ads through mail is needed. Such actions are regulated by data protection acts and specific e-commerce laws.

Depending on the country and specific laws, sending unauthorised messages may result in very high fines for the companies sending them.

This need for prior authorisation to include the person on an e-mail database of a particular organisation has pushed e-marketing into the group “permission marketing” [22].

5.3 *Legal Framework*

The legal framework regulating e-mail marketing is important as it can inhibit some of its features.

On the one hand, legislation protects personal data in order to prevent the illicit transfer of databases. The relevant legislation forces the company to have a register—in some cases physical—of user data and makes the company responsible for the protection of such data.

On the other, each country develops laws to regulate mass mailing, a standard that influences commercial communications or advertising and those of transnational or relational character.

Despite the fact that the legal framework can vary from one country to the other, there are some common elements:

Mailing must have explicit authorisation by the recipient. This authorisation must be prior to the inclusion of the person in the mailing list.

The fact that the message is linked to advertising must be explicit, as well as the identification of the sender on the e-mail, the subject and the heading of the message.

In the cases of offers, competitions and promotional games, they must be identified as such and be clear and explicit about the conditions and participation on them.

In some countries, the advertising message has to be identified with the word “advertisement” or abbreviation, as well as with a valid postal address for the company.

Simple procedures for the user to withdraw consent are a must.

In the case of multinational companies, the relevant legislation is that of the country where the company is based and not that of the recipient.

5.4 *The Heart of E-mail Marketing: Subscribers*

The success of a marketing campaign lies precisely in target management; therefore, a good strategy to attract and retain subscribers is needed.

The recipient database must be meticulously kept and segmented. The essential question here is quality over quantity; therefore, purchasing user databases is discouraged—unless this is unavoidable, or unless their usefulness has been proven.

Best practices in e-mail marketing stress the need to generate and maintain the organisation's own database. The reason is simple: it is easier to get back a client than to get a new one.

Getting subscribers is a slow but steady task, although it can be sped up through online and traditional channels. Registration boxes can be created on a website, either as pop-ups or in another Web section where registration is required to request information (e.g. a budget) or in exchange for exclusive content or downloads.

Generally, easy forms must be used, where the compulsory fields include name and/or e-mail, although the number of fields in the form may be increased depending on the value of the treat one is offering the user in exchange for their registration.

Another common instance is e-commerce. When a user registers on a particular online shop and accepts the use and service terms, they are automatically included in the e-mail marketing database.

Regarding traditional channels, the compilation of e-mails and information related to the users can be done through competitions, on-street promotion, post-cards, loyalty cards or formal information requests through e-mail, phone or postal mail. Traditional channels demand, however, the digitalisation of the data to be included in a subscriber list.

Keeping subscribers is a task that needs special attention and that must be implemented while new users are added. In this process, brands must be especially careful regarding content and the form e-mail communications take. Content must be interesting for the user, giving priority to quality instead of periodicity.

In a nutshell, it is about adding value to commercial communications with complementary information (comparisons, advice, features, etc.) useful for the consumer.

5.5 *Newsletters—Some Key Aspects*

Four key aspects are to be considered for effective newsletter design:

- Database. In order to have good content segmentation, the organisation needs to know the subscriber base of their newsletter as much as possible. This information will allow for specific profiling depending on demographics, geographical data, interests, etc., thus increasing the efficiency of communications.
- The content of the newsletter. The content must be useful and interesting, and the weight of commercial information must be properly balanced. Subscribers

value content that adds value or is useful to them. In fact, newsletters are one of the key tools of content marketing.

- The field “from”. In the context of communication saturation, the customer will look at the field “from” as a filter to recognise the origin and dismiss—or not—the mail.
- The field “subject”. Same as with a slogan or tagline, the field “subject” must stand out above the mass of incoming e-mails. Likewise, this field must fulfil the criteria of usefulness and interest for the user and, above all, honesty about the content they will find in the mail. Otherwise, the company runs the risk of their mail becoming invisible and that the subscriber requests to unsubscribe from their database.
- The field “subject” must not be too long or complex, although it allows for the inclusion of special characters such as emojis.

There is no exact formula to predict the success of a newsletter. Each campaign is different and is closely linked to the audience it addresses. In any case, campaigns may be optimised using A/B tests.

These tests are random experiments with two differential variables. Two different versions of the newsletter are sent to two subgroups of the database just changing a single element (the field “subject”, layout or organisation of content, the colour of the download button, the size of the main image, etc.). This process allows for an empirical test that reveals which version of the message works better and leads to higher ratios of opening, clicks, conversions, etc., so that optimisation of future versions of the newsletter becomes possible.

5.6 Basic Metrics to Assess the Efficiency of E-mail Marketing

There are three elements to assess e-mail marketing: the user database, sending the newsletter and conversion metrics.

In metrics related to databases, estimating the index of increase in subscribers is easy or, if that were the case, the rate of unsubscribers. Identifying the cause for any increase or decrease in subscribers is of essence. As they happen in a timeline, the cause can be traced back to a particular content item, so that the organisation knows what content works better.

Regarding sending newsletters, there are four indicators to measure the success of e-mail marketing:

- Sent index: Percentage of deliveries to the recipient (i.e. where there was no mistake in sending).
- Opening rate: Percentage of e-mails that have been opened by the recipient. Some applications provide information about what recipients have received and opened the e-mail, as well as reception and opening time.

- Clicks on links: It is possible to determine what are the links that have been clicked and establish a popularity ranking depending on the number of clicks.
- Unsubscribers per batch sent: Number of people who have cancelled their subscription to a newsletter after they have received a particular issue.

Finally, a conversion rate can be established between the sending of the newsletter and the accomplishment of a particular goal, for example downloading a mobile application, using a discount voucher, registration on another website and sending additional information by the user.

5.7 Applications and Resources for an E-mail Marketing Campaign

The supply of existing applications around e-mail marketing is wide, with many applications for different operating systems, such as Windows (G-Lock EasyMail7, for example) or OSX (Direct Mail, for example), although market trends seem to focus on the development of Web applications that help manage this kind of online marketing. The advantages of Web services lie in their mobility and the possibility of accessing them from different devices.

Thus, we can have a wide array of Web services to implement an e-mail marketing campaign successfully. The features vary a little across platforms, although there are a series of functionalities that must be present for a proper professional development of such marketing:

- Contact and list management, with the possibility to import and export, and to create segmented contact lists.
- Newsletter design, usually HTML based. Many of the tools incorporate visual editors to make the design aspects of the newsletter as easy as possible, to include multimedia elements and to distribute the elements in the newsletter.
- Sending campaigns and the possibility of scheduling and automating the process.
- Statistical analysis of output.

Some tools enable the integration of the newsletter with other services and platforms regularly used by organisations. Some examples are the incorporation of a widget on the company's blog, the integration of social media or tools such as Google Analytics.

The most widely used newsletter editors are Teenvío, Doppie, MailChimp, Benchmark, MailRelay, Campaign Monitor, MPZ Mail or SendinBlue.

These kinds of services tend to offer freemium business models, offering a limited free version that allows to test the service with some restrictions; they are usually linked to the number of subscribers and/or monthly dispatch of e-mails (see Table 1). Choosing one platform or the other depends on the needs of the company and the possibilities they offer on their free or payment versions.

Table 1 Comparison between the most important e-mail marketing applications

App	Business model	Free subscribers	Monthly mail delivery
Benchmark	Freemium	2000	14,000
MailChimp	Freemium	2000	12,000
MailRelay	Freemium	15,000	75,000
MPZ Mail	Freemium	2000	12,000
SendinBlue	Freemium	Unlimited	9000
TeEnvio	Freemium	1000	5000

Source Prepared by the authors

E-mail is a powerful marketing tool that is also easy to combine with other strategies and platforms, such as social media and e-commerce.

6 E-commerce

E-commerce means the development of transactions between companies and/or individuals on Internet, mainly for buying and selling products and services, using applications such as e-mail, instant messages, shopping carts or Web services, to name a few.

The progressive penetration of Internet and its possibilities have multiplied online trade relationships. This trend started in 1970 with the transfer of funds, with the arrival of the World Wide Web, and it became an opportunity for traditional companies and the beginning of businesses operating only online.

The boom of mobile devices, smartphones in particular, has opened the doors to mobile commerce (m-commerce), i.e. electronic commerce using a mobile device [23].

E-commerce is an increasingly wider and more diverse phenomenon; therefore, classifications are difficult. In any case, the most widely used classification of e-commerce is based on the nature of its transactions looking at the relationship between companies and/or between them and their final customers. In this line, we can speak of:

B2B: Business to business, these are already established companies that operate through Internet where consumers are not involved.

Car manufacturers, for example, use online purchase platforms for their suppliers to place their orders.

B2C: Business to consumer, this is the most popular and widespread model on Internet, where a company sells its products (e.g. Zalando, Amazon, AliExpress) or services (Spotify) to the consumer through the Web.

B2E: Business to employee, this is a model of e-commerce that is derived from the previous one, where only the company and its employees take part. Microsoft, for example, uses it so that its workers can order office supplies, documents and

company cards. This is a type of business that generates engagement by the staff through, for example, attractive offers that push their performance, which is the reason why big companies are so keen on this model.

G2C: Government to consumer, this is a variation of B2C for the public administration. This is a model of e-commerce that is gaining progressive weight in its implementation through the e-administration. A clear example is payment of taxes through Internet.

C2C: Consumer to consumer is common in sectors where end consumers relate to each other, away from companies, for their own transactions. This is a business model that is becoming stronger with crowd sourcing economies (e.g. BlaBlaCar or Uber) or online purchases and sales portals (eBay).

6.1 E-commerce Techniques

6.1.1 Online Shop

In order to purchase or sell on Internet, an online shop is not a must, but it becomes a useful Web tool for efficient e-commerce [24]. Some of the most common sections in any online shops are as follows:

- Properly structured product catalogue with sections, images displaying the product alone, as well as accurate and honest product descriptions.
- Shopping cart, always visible so that the customer can check, with just one click, the products added, shipping costs, taxes and discounts (if applicable) and the total purchase price.
- An internal search engine, which will be more important as the product catalogue and sections develop.
- Explanation of payment methods allowed and contact/customer support area. As there is no physical contact, companies must offer communication pathways for their online shops so that users can share their concerns and increase their trust in the company.
- The availability of several payment options is recommended. Some of the most common payment methods are credit card, which needs a safe payment gateway, bank transfer or other e-services of great penetration and reliability such as PayPal. Payment against delivery, which was a star method for distance sales, can also be used on some shops, although it is becoming outdated (Fig. 6).

Apart from the quality of the product that the description and the picture on the online shop match the product, companies must be very careful with the shipping options, especially in the case of physical products. In online sales, transportation and the delivery of the product become the only phases where the customer has physical contact with the company, and therefore, a bad experience with the courier or deficient packaging can ruin the purchase experience.

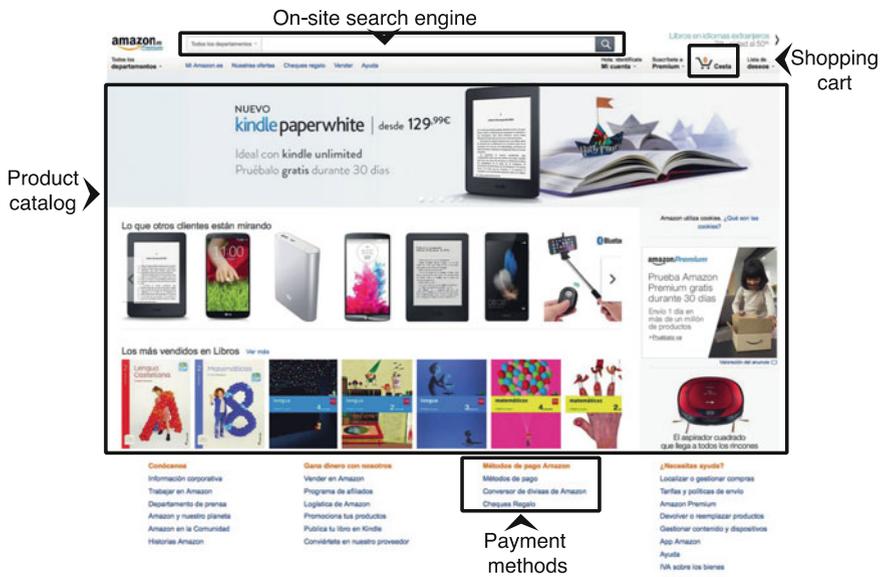


Fig. 6 Main sections of an online shop. Source Prepared by the authors using a screenshot of Amazon.com

Companies must take care of these aspects to the last detail, as they are part of the image the consumer will have of their brand. Guarantee and delivery dates by the courier must be considered, as they are key e-commerce issues.

6.1.2 Development of an Affiliation Programme for the Online Shop (Affiliation Marketing)

Affiliation marketing is an online marketing tool widely used for e-commerce. In essence, it means taking the commission business model to an online environment. Amazon was a pioneer in this type of marketing when, in 1996, it allowed other websites to sell their books in exchange for a percentage of the unit sold.

Affiliate networks appear in order to regulate trade relations between merchants—the real product sellers—and affiliates—those who publish the ad of a product online. Such networks include Zanox, TradeDoubler or Commission Junction, and they act as mediators between advertisers and affiliates, while they provide them with tools to follow up sales and the proper development of their relationship. The affiliate network is supported by a commission that the merchant pays the affiliate (Fig. 7).

For the merchant, the advantages are obvious—they only pay if the target is accomplished and it can reach its potential clients through the hundreds of Webs promoting them. However, some affiliate networks demand a monthly fee—and

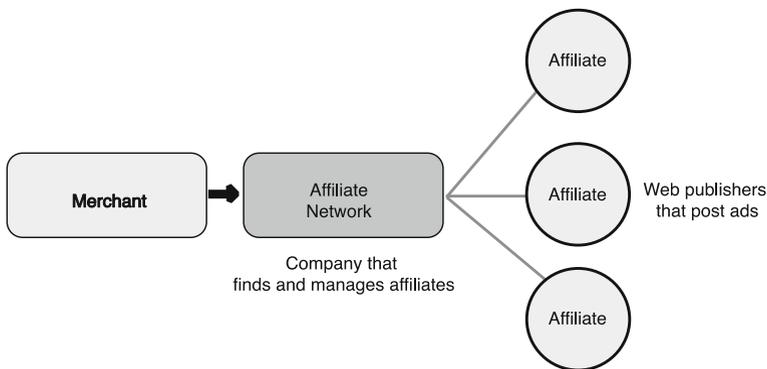


Fig. 7 How an affiliate programme works. *Source* Prepared by the authors based on Quirk eMarketing [25]

even an entry fee—that can be up to 600 €, a threshold high enough for small- and medium-sized merchants [26].

6.1.3 Retargeting or Remarketing

Retargeting is an online marketing technique to turn a user into a customer who, despite having shown some interest on the products or services of a website, did not manage to finish the purchase or action required.

Google labels this technique “remarketing” and uses it through their display network.

Retargeting works as follows: The user visits a product X on an online shop. Without finishing the purchase, they leave the website and continue browsing the Web. When they access another site, the user will find adverts on product X, adverts that will “follow them” during browsing and—in case they click—will bring the user back to the initial online shop (A) (Fig. 8).

Retargeting is only used for consumers who have shown any interest in a product before, and therefore, it is a quality impact that often ends up in a purchase.

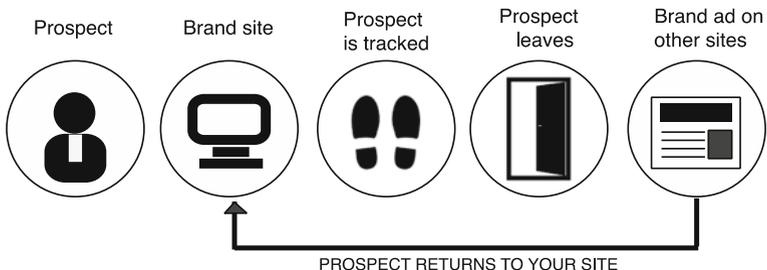


Fig. 8 How retargeting or remarketing works. *Source* Prepared by the authors based on Hussain [27]

Retargeting is part of “behavioural marketing” and is supposed to yield high profitability for e-commerce.

6.2 Business Models to Estimate Payment Per Page in Advertising

Many of the online marketing strategies are based on digital advertising; therefore, it is essential to know the different formulae to hire and estimate the cost of an online campaign. Some of the online advertising models available include the following:

- CPM (cost per 1000). This is related to the number of times an ad is shown on the screen, also known as impressions. The CPM indicates the cost of 1000 online impressions of the ad. This system is basically used for branding campaigns, and the process of brand equity is the most economic option of all.
- CPC (cost per click). This is related to the interactions of the user with the ad through clicks. They are used to divert traffic to a website, paying only when the user clicks on the ad and is redirected to a Web (therefore the name PPC, Pay Per Click). CPC does not guarantee sales, but it ensures traffic and is less volatile than CPM.
- CPL (cost per lead) refers to a contract based on quality contacts without implying direct sales. In particular, CPL is the price that is paid for each user who completes the objective or lead. Such leads vary depending on the marketing goals of the company; a lead can be to fill-in a Web form, becoming a follower of the company on social media or to disseminate content on the site.
- CPA (cost per acquisition) is hiring ads per sales; that is, payment is done for each action that has generated a customer. In the mobile environment, this is also referred to as CPI (cost per install) and indicates the applications installed after interacting with the ad. In this case, the installation of an APP, even if it is free, becomes a purchase (Fig. 9).

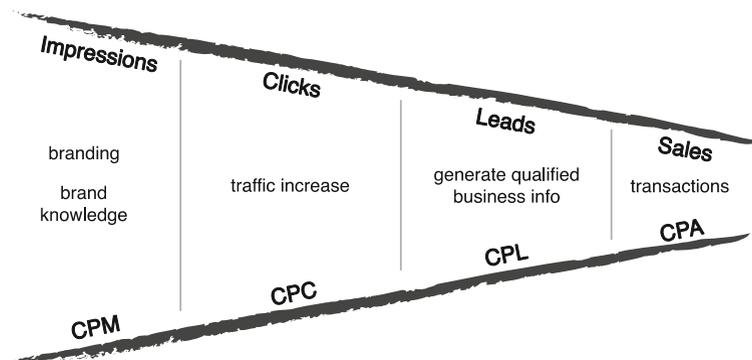


Fig. 9 Models of online ad purchasing. Source Antevinio [28]

Of the previous models, only CPA and CPI ensure a transaction between the customer and the company, so that they are formulae that require more economic investment.

6.3 *E-commerce Glossary*

Understanding the language of e-commerce is not simple. The use of common words with a different meaning can sometimes be confusing.

Some of the most usual terms are as follows:

- **A/B test:** through this technique, organisations show two different versions of the same content to understand which one is more widely accepted. A/B tests are common in e-commerce and online marketing and they must be done with just one change every time the test is performed.
- **Shopping cart abandonment:** this is the moment a potential customer gives up before finalising the purchasing process on an online shop.
- **API:** a set of operations and instructions released by software to interact with it and access higher quantity of data and options.
- **Backoffice:** administration of the backoffice of an online shop. This is mainly geared towards catalogue and stock management to optimise the browsing process and purchase of a product on the said shop.
- **Call to action:** this is an initiative to create interest among users and encourage them to participate or react before a particular stimulus.
- **CAPTCHA:** Turing test inserted on a website, generally on a form, to check whether the data are being fed by a person or a machine. It is useful to avoid spam.
- **Shopping cart:** a key tool of an online shop showing the products a user has selected for their purchase, their price and taxes, as well as the final cost for the user.
- **Cash flow:** same as for traditional businesses, e-commerce needs to look at its cash flow or the difference between receipts and payments of a company in a particular period.
- **CMS:** Content management system that allows, in a simple way, to organise, treat and publish on a website. This is also used for the online product catalogue and, generally, for any content on the online shop.
- **Cookies:** website information stored in the browser enabling better understanding of the user through their browsing (habits, interests, etc.). This is key for retargeting strategies.
- **Checkout:** guided process of finalising a purchase that converts the content of the shopping cart into a real sale.
- **Display network:** it is Google's affiliate network with over two million websites available.

- Dropshipping: type of retail sales in which the retailer does not have the actual stock of the product and issues the purchase order to the supplier once the shopping process is over. This is especially relevant for an online shop environment because it saves stocking costs.
- Eye tracking: technique and instrument to eye track the areas of the screen users pay special attention to, as well as their reading line.
- Lead or Conversion: each of the concrete goals set by the company. Usually, a lead is equivalent to a sale, but this is not necessarily so; they can be linked to a database of subscribers and prescribers.
- Payment gateway: it triggers payment processing.
- Payment processing: it allows for payment management.

7 Web Positioning

Accessing information on Internet is done mainly through the World Wide Web, a vast digital arena that has experienced constant expansion since it was created in 1991 by Tim Berners-Lee. The current volume of websites is around 850 million (July 2015).

When Internet started, the number of websites was low enough to access all of them through their domain. As Internet expanded, it became clear that there is a need to create a system that allows for Web searches and enables access.

Until the end of the twentieth century, classification systems with embedded categories, known as directories, offered good results in an expanding community of Web users. The most widely known directory was Yahoo, still accessible on the website <https://business.yahoo.com/>.

However, a more intuitive and simple way to access the increasing volume of sites and Web pages was needed. That was when browsers first appeared.

A browser or search engine is a computer-based system that indexes websites using some dedicated software. A search engine offers a list of the results depending on the search terms and connectors used by the user to access the desired content.

This simple process is currently the most important pathway to access online content, while it becomes the marketing base for browsers: SEO and SEM.

SEO stands for search engine optimisation, and it refers to a set of techniques applied on a website—structure, code, content and links—to improve positioning in the organic results of a concrete browser [29].

SEM stands for search engine marketing, and this refers to a publicity system of a browser offering users ads that are related to their search terms. Unlike SEO, SEM offers induced results (payment), even if they are presented to the Web surfer as the best result of their search (with the same look as for natural results) (Table 2).

Both types of positioning are opposing, even if they are both based on two key aspects: search engines and keywords (Fig. 10).

Table 2 Differences between SEO and SEM

SEO	SEM
Mid- and long-term results	Immediate results
Results are sustained for longer	At the end of the campaign, the results are erased
Organic results	Paid results
Results are always shown at the centre of the screen	Results appear mainly on the screen top or sides

Source Prepared by the authors

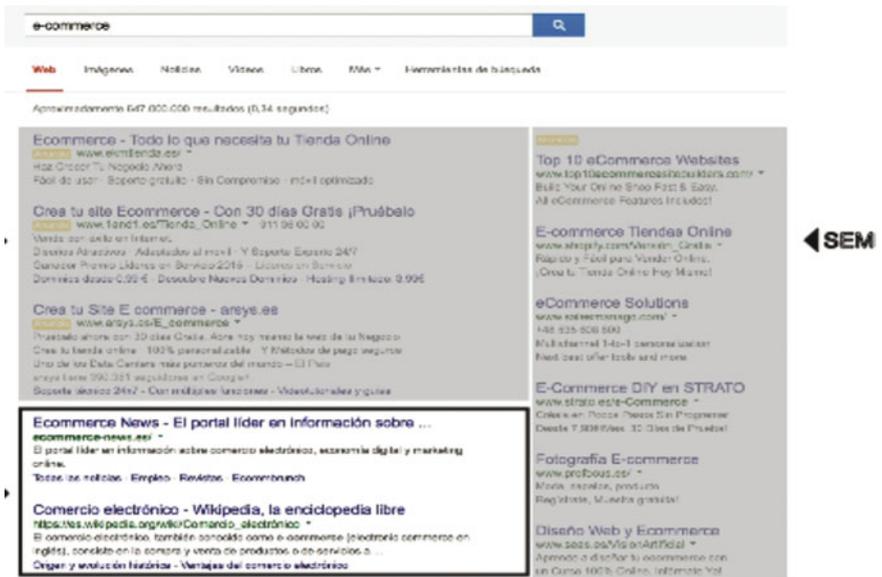


Fig. 10 How search engine optimisation and search engine marketing results are shown. Source Prepared by the authors

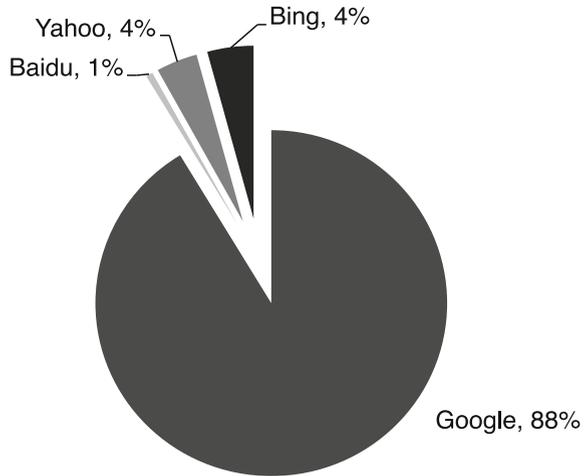
7.1 Search Engines

Each search engine uses tracing software for websites for their indexing. The software used is known as Internet bot, Web crawler or Web spider, and periodically tracks the Web looking for new content or modifications on sites.

The search engine processes Web tracking, while it uses its own algorithm to classify websites and offer its results, as well as their order, depending on the search terms used.

Therefore, both in order to improve the organic result (SEO) and to improve the efficiency of advertising campaigns (SEM), selecting a specific search engine is of essence.

Fig. 11 Penetration share of Web browsers worldwide.
 Source Prepared by the authors using Statista [30] data for July 2015



Despite the fact that there are several search engines available (Ask, Bing, Yahoo!, AOL, Baidu, Yandex, etc.), Google ranks as the search engine with the deepest worldwide penetration.

In fact, Google is the search engine with the highest market share in most countries in the world. In countries such as Japan, Russia, China and North Korea, it ranks second.

In order to optimise resources for positioning, organisations need to adapt to the search engine’s algorithm most widely used when speaking about positioning in browsers, usually meaning SEO and SEM action in Google (Fig. 11).

Google started in 1998, and in a few years, it became a world reference, thanks to an innovation they introduced in the result system: PageRank. This algorithm gives marks to each page depending on the quality of their incoming links; thus, the results are more closely adjusted to Web searches.

In recent years, Google has introduced changes in its algorithm in order to avoid anomalous positioning and bad practices in its results. Thus, Panda (released in 2011) and Penguin (released in 2014) have refined their positioning criteria.

7.2 Keywords

Keywords are the terms or phrases that users use to search something on Internet. Likewise, keywords are search criteria matching a specific website.

When trying to positioning a site using some search criteria, several words are used for each keyword, avoiding generic terms at all times. These words will be increased and/or modified with time.

The extent of use of these keywords on a particular website is also important, as it is checked against the total number of words on the Web page. The percentage obtained is known as keyword density, and it must be over 2 % and below 5 %.

Likewise, in many sectors, several websites want to position themselves with the same keywords. The degree of competition to position a website over another one using the same keywords is called keyword competence. The SEM section is particularly relevant, as there is more competition and this will increase the prices to get those keywords.

7.2.1 Tools to Select Keywords

In order to select the keywords, a manual list is prepared with the marketing and site goals to be optimised. This manual list can be filtered and improved using some useful Web services.

Google Trends is a Google tool showing quantitative data regarding term searchers by their users.

The evolution of Web searches of one or several terms can be observed, thanks to this service by using three parameters:

- Time trend or interest through time, from 2004 until the present;
- Seasonality throughout the year, to be chosen since 2004 (the year the service started);
- Location, so that the result can be shown in global terms or per country.

Google Trends provides information regarding how certain search terms behave in the long run, and this is quite useful to discard or optimise a list of keywords before implementing them on a website.

Google AdWords is a PPC (Pay Per Click) advertisement management platform by Google and therefore the SEM of this browser. This platform includes a keyword measurement tool called Keyword Planner.

Keyword Planner offers information on the potential performance of a term list with data regarding the average monthly searches and competence of keywords for SEM campaigns. Due to this, Keyword Planner becomes an added value tool to select keywords.

Other interesting tools to plan keywords are Ubersuggest, which suggests alphabet-based replacement terms for a keyword; Soovle to suggest added value keywords for the most important search engines; or SEMRush to monitor competitors.

7.3 How to Use SEO Techniques

SEO positioning is improved by working on two aspects: internally or externally, depending on the control level that the Webmaster has over the website.

Internal SEO means undertaking actions to improve content, code and/or accessibility, aspects related to the website to be controlled by the Webmaster or

company. Regarding this, keywords must be adapted to the website [31]. Such keywords must be included on:

- Title tag: the website title, visible on the top bar of the browser.
- Meta tags: even though they are losing importance (especially meta tag keywords), meta tag description is very useful, both for Web crawlers and for users, as the content of that tag is used as a rich snippet in the browser results.
- Links: using keywords on friendly URLs.
- Content: keywords must be within the content of the website. In order to be considered relevant, the content of each website has to be over 300 words and the position and density of keywords have to be looked into. Regarding location, in order to optimise the use of keywords, they have to be placed near the Web heading and on the title or subtitles of the text. Likewise, in order to improve positioning, the density of keywords should be over 2 % but not over 5 % so that browsers do not penalise the site.

With the latest update of Google's algorithm, content has become more important. Offering original and quality content is one of the recommendations by Google for those who want to get started in the optimisation for Web searches.

Apart from selection and use of keywords, improving Web positioning requires the development of other actions on the website's structure and code.

For example, having a sitemap helps Web crawlers index the website. A sitemap is a file with different URLs that make up the website.

Another action in this line is to indicate to Web spiders which content is relevant and which is not, so that they trace it (or not) and index it (or not). This action is done through the robots.txt file, located on the root directory of the website.

On the other hand, external SEO focuses on aspects that are less controllable for the company, for example incoming links (coming from other websites), with the goal of gaining popularity and higher quality of the links. A link is perceived as a quality link when it is created by a site or reference platform from the sector the company is in and/or that works on the same topic.

Since 2012, Google penalises malpractice related to external links, for example link farms (group of websites that all hyperlink to every other site without having any type of theme or sector link); therefore, it is important to work in order to create quality links to other websites relevant for the sector.

This technique is known as link building and can be implemented through concrete actions such as:

- Exchange of links between different websites sharing themes and content.
- Links from social networking sites such as forums or social networks, adding the link and the signature to the message or the content shared.
- Link baiting: publishing content that encourages visitors to create links from their websites to that content. The key to success lies in their viral or mimetic nature, and though it is a technique that is difficult to master, the results are outstanding.

Quality external links could also be improved by registering a website on general or theme-based directories. This practice is no longer used since Google stopped considering them in their update of the algorithm in 2013.

7.4 *How to Use SEM Techniques*

SEM campaigns require being familiar with the keywords that are related to the business one tries to promote. Each click of a user who is not part of the target is lost money.

In order to optimise a marketing campaign using browsers, one has to know the structure of an ad. An ad usually has a title of less than 25 characters linked to the destination site: a visible URL, which need not be the destination site URL, and two lines of text, around 35 characters per line. The content of those texts must be carefully decided as it must create interest in users, especially in the body of the message as the ad will be placed on locations where only a single line will be visible.

The most important ad platform for browsers is Google AdWords, which operates its own search engine and a network of associated websites (display network). In order to have SEM in Yahoo or Bing, the two other most widely used search engines, Bing Ads has to be used.

In order to successfully develop a SEM campaign, one has to consider the following questions:

- An ad must have the keywords of the destination site. If keywords that are different from the content of the website are bought to raise interest in users, many hits will be registered, but they will lack any value and shall only waste resources.
- Ads ready to pay more per word will be placed at a better spot. The value of keywords correlates with demand.
- Ads with more clicks are located in a better position.
- When designing a text, the most important aspect is that it matches the searches of users, in order to optimise the click ratio: concordance can be wide, of a sentence, exact or negative (Table 3).

7.5 *Malpractice: Black Hat SEO*

The importance of search engines as ways to access information of a website has opened up a space for a new professional profile: optimiser of search results—organic or paid—to increase traffic to websites.

Table 3 Keyword matching options

Match type	Special symbol	Example keyword	Ads may show on searches that
Broad match	None	Women’s hats	Include misspellings, synonyms, related searches and other relevant variations
Broad match modifier	+keyword	+women’s +hats	Contain the modified term (or close variations, but not synonyms), in any order
Phrase match	“keyword”	“women’s hats”	Are a phrase and close variations of that phrase
Exact match	[keyword]	[women’s hats]	Are an exact term and close variations of that exact term
Negative match	-keyword	-women	Are searches without the term

Source Google [32]

These experts master the algorithm of browsers and can make the best of the websites. This mastery allows them to know the limits of the browser and implement anomalous SEO improvement.

Black Hat SEO is a set of practices that try to illicitly improve the positioning of a website in the search results.

Such practices are against the standards of search engines. In this sense, each update of the search algorithm penalises some of these practices and finds out which websites have improved their positioning using them.

One of the oldest Black Hat SEO practices is to place keywords or links of the same colour on the website’s background. The text, invisible for users, is indexed by search engines, increasing the density of keywords and the number of outgoing links. This practice is called hidden text and lost momentum when Google started penalising keyword density over 5 %.

Another type of Black Hat SEO practice are the above-mentioned link farms, a set of artificially connected websites through incoming and outgoing links. This practice tries to manipulate the popularity of these websites presenting them to the search engine as more relevant sites and, therefore, suited for better positioning.

8 To Summarise

In this context of intense digitalisation of individuals and organisations and of the relationships between them, it is often the case that Internet presence is perceived as a must. This is, however, not necessarily so.

Being in Internet demands constant updates of the different channels with interesting content for the public. Likewise, conversations on social platforms happen 24/7, so that a brand cannot just publish, and they have to follow the social conversation around their publications and even stimulate the participation of users to achieve higher engagement. All this needs resources that not all organisations have.

In this sense, the must is not to be on the Web but to listen to it and do it actively. In the current context, no company, regardless of its size, can live with its back to Internet.

If they do not have enough resources to have an active presence adapted to the digital world, at least they need to have a strategy to monitor and know what is being said about their company on the Web.

In this chapter, we have presented some of the most widely used and most effective digital marketing strategies. Such action can be scaled up and adapted to any brand and organisation that wants to have an active and effective online presence.

We have discussed some techniques to attract users and the right audiences, to create attractive and interesting content so that customers remain loyal to organisations and brands. While we have also presented some concrete strategies and techniques to measure outcomes, organisations working in the digital environment must be careful not to get lost in the complex universe of tools and platforms. They must give and receive value, and their most important asset is in their real essence and audience, regardless of the channels used for this relationship.

9 Review Questions (True or False)

1. The goals of a digital marketing plan must be SMART—specific, measurable, assignable, realistic, time-related.
2. Own Media is essentially online word of mouth: mentions, shares, reposts, reviews and recommendations.
3. A Social Media Plan has nothing to do with a marketing plan; it is a different document altogether and not at all related to marketing.
4. KPIs are useful metrics for objective measurement.
5. E-mail marketing is a mass, cheap and highly customised tool—the keys to its efficiency.
6. Retargeting is an online commission-based business strategy.
7. CPA is cheaper than CPM as a business model to estimate ads.
8. Google Trends and Google Keyword Planner are useful apps for selecting keywords.
9. Search engine ads related to a Web search are known as SEO.
10. Nobody can escape the Internet.

Answers to the Review Questions

1. True
2. False
3. False

4. True
5. True
6. False
7. False
8. True
9. False
10. True

References

1. Toffler A (1980) *The third wave*. New York: Bantam Books
2. Kotler P (1986) The Prosumer Movement: a new change for marketers. *NA-Advances in consumer research*, 13:510–513
3. Shultz C, Holbrook M (1999) Marketing and the tragedy of the commons: a synthesis, commentary, and analysis for action. *J Public Policy Marke* 18(2): 218–229
4. Kotler P (1967) *Marketing management: analysis, planning, and control*. New Jersey: Pearson Prentice Hall
5. Rust RT, Lemon K N, Zeithaml VA (2004) Return on marketing: using customer equity to focus marketing strategy. *J mark* 68(1):109–127
6. McCarthy EJ (1964) *Basic marketing, a managerial approach*. Illinois: R.D. Irwin
7. Lauterborn B (1990) New marketing litany: four Ps passé; C-Words take over. *Advert Age* 61 (41):26
8. American Marketing Association (2013, July) Definition of marketing. <https://www.ama.org/AboutAMA/Pages/Definition-of-Marketing.aspx>. Accessed 31 July 2015
9. Krishnamurthy S (2006) *Contemporary research in e-marketing*. Hershey: Idea Group Inc (IGI)
10. Osterwalder A., Pigneur Y (2010) *Business model generation: a handbook for visionaries*. New Jersey: Wiley
11. Doran GT (1981) There's a SMART way to write management's goals and objectives. *Manag rev* 70(11):35–36
12. Strong EK (1925) *The psychology of selling and Advertising*. New York: McGraw-Hill
13. Rogers (2011) *The network is your customer: five strategies to thrive in a digital age*. New Haven: Yale University Press
14. Lieb R, Owyang J (2012) The convergence media imperative: how brands must combine paid, owned, and earned media. Altimeter. <http://es.slideshare.net/Altimeter/the-converged-media-imperative>. Accessed 20 June 2015
15. Campos-Freire F (2008) Las redes sociales trastocan los modelos de los medios de comunicación tradicionales. *Revista Latina de Comunicación Social* 63:287–293
16. Boyd DM, Ellison NB (2007) Social network sites: definition, history, and scholarship. *J Comput-Med Commun* 13(1):210–230. doi:10.1111/j.1083-6101.2007.00393.x
17. Sheth JN, Sisodia RS (2015) *Does marketing need reform?: fresh perspectives on the future*. New York: Routledge
18. Baston R (2012) 8 profesiones y 7 organigramas para social media. <http://elogia.net/blog/profesiones-organigramas-social-media/>. Accessed 31 July 2015
19. Sanagustín E (2013) *Marketing de contenidos. Estrategias para atraer clientes a tu empresa*. Madrid: Anaya Multimedia

20. Ries E (2011) *The lean startup: how today's entrepreneurs use continuous innovation to create radically successful businesses*. New York: Crow Bussines
21. The Radicati Group (2015). Email statistics report, 2015- 2019. <http://www.radicati.com/wp-content/uploads/2015/02/Email-Statistics-Report-2015-2019-Executive-Summary.pdf> Accessed 31 July 2015
22. Godin S (1999) *Permission marketing: turning strangers into friends and friends into customers*. New York: Shimon & Shuster
23. Laudon KC, Traver CG (2012) *E-Commerce 2012* (8th revised edition). Boston: Prentice Hall
24. Korper, S., & Ellis, J. (2001). *The E-Commerce Book: building the e-empire*. San Diego: Academic Press
25. Quirk eMarketing (2012) *Online Marketing Essentials*. Lardbucket. <http://2012books.lardbucket.org/pdfs/online-marketing-essentials.pdf> Accessed 31 July 2015
26. Jimenez R (2009) Conocer las redes de afiliados. In E. Sanagustín (Ed.) *Del 1.0 al 2.0, Claves para entender el nuevo marketing*. (pp. 90-101). Bubok Publishing. <https://app.box.com/shared/tgoujqjm72> Accessed 26 July 2015
27. Hussain K.(n.d.) Remarketing for Search. <http://kirinhussain.com/remarketing-for-search/#prettyPhoto> Accessed 31 July 2015
28. Antevenio (2015) Diferencias entre CPM, CPC, CPL, CPA y CPI (2015). <http://www.antevenio.com/blog/2015/01/diferencias-entre-cpm-cpc-cpl-cpa-cpi/>. Accessed 31 July 2015
29. Enge E, Spencer S, Stricchiola J, Fishkin R (2012) *The Art of SEO* (Edición: 2). Beijing: O'Reilly Media
30. Statista (2015). *Global market share of search engines 2015 Statistics*. <http://www.statista.com/statistics/216573/worldwide-market-share-of-search-engines/> Accessed 27 July 2015
31. Google (n.d.) *Search Engine Optimization Starter Guide*. <http://static.googleusercontent.com/media/www.google.com/es/webmasters/docs/search-engine-optimization-starter-guide.pdf> Accessed 26 July 2015
32. Google (n.d.). *Using keyword matching option*. <https://support.google.com/adwords/answer/2497836?hl=en> Accessed 27 July 2015

<http://www.springer.com/978-3-319-28279-4>

MBA

Theory and Application of Business and Management
Principles

Machado, C.; Davim, J.P. (Eds.)

2016, IX, 194 p. 40 illus. in color., Hardcover

ISBN: 978-3-319-28279-4