

WORKING PAPER

„DIGITAL MARKETING APPROACHES AND THEIR PRACTICAL APPLICATION BY MARKETING PROFESSIONALS“

Published: 31.05.2016 on HDM Science, science.hdm-stuttgart.de

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Statement of the Problem and Goal of the Study

Most companies have realized at this point that they cannot spare digital marketing measures in their marketing activities. Often, it is only seen as an addition rather than an essential component of their marketing strategy. This is aggravated by the mere complexity and rapid developments of this field. Dozens of buzzwords like “Content Marketing”, “Programmatic Advertising” and “Storytelling” are thrown into the mix. Defining them objectively is almost impossible. Their overlapping features and the diverse interpretations of terms make it hard to orientate oneself between these elements of marketing strategy. This leads to companies approaching digital marketing only superficially. Instead of developing a profound strategy, many enterprises use an easier, channel-based approach, only thinking in concrete measures and actual platforms like an “E-mail newsletter” or “Facebook”. The decision for the channel transporting of the marketing communication should not be made in the beginning but in the end of considerations. The consequences of such behavior could result in doing things for the sake of doing things, uncoordinated measures and useless evaluations.

Within the “Digital Marketing Research Project”, a theoretical model will be developed that companies can use to deduce a viable digital marketing strategy. The model aims to be scalable, regardless of the company’s size or field of business. In succeeding steps, the model will be populated relevant to branch and put to the test in case studies.

To perceive the range of assertion and applicability of this model, it is important to state its limitations.

Focusing on digital marketing communication: In the general linguistic usage, the terms “marketing” and “marketing communication” are often used synonymously. Within the “4Ps” (Kotler/Bliemel 2006; Becker 2012; Meffert et al. 2012), the communication or “promotion” is to be separated from “product”, “price” and “place” (“distribution”). Digitization obviously also has impact on the other three divisions, but this study only

focuses on strategies in "digital marketing communication", even if they, especially online, increasingly overlap with other fields.

The model includes the "3R" of Relationship Marketing (Bruhn 2014), stating also that goals are not only focused on customer acquisition but also on customer retention and customer retrieval.

Theory and State of the Research

In "Integrierte Marken- und Unternehmenskommunikation" (Integrated brand and company communication) Bruhn (2014) indicates the following steps in order to develop an integrated marketing communication:

1. Analysis of the communication situation
2. Determination of the goals of integrated communication
3. Definition of the target group of integrated communication
4. Categorization and selection of communication instruments
5. Integration of all elements into a strategy
6. Determination and distribution of the budget
7. Execution of communication strategy
8. Controlling of communication measures

Bruhn does not differentiate between digital and non-digital communication instruments.

For the development of a digital communication strategy, the same steps can be made as in classic marketing communication.

Methodology

This study wants to supplement the existing model by Bruhn on the specifics of digital marketing communication by inserting further steps and redefining several terms. After the model is developed, recent relevant buzzwords of the marketing communication sector are identified by their quantity in specialist periodicals. In order to find out if they are qualified to populate the model, they are tested later on for their fit to reach common goals of marketing communication in a quantitative survey. In a third step, the model is to be applied to case studies.

Developing the Model

In step 4 of Bruhn's model, the categorization and selection of communication instruments takes place and further additions and fissions need to be made for the case of digital marketing communication in order to meet the complexity of this field. If not, in the practical case of application, the term "instrument" used by Bruhn, could misleadingly indicate a channel-based view, where the process would be to choose e.g.

“Facebook”, “the own website” or “Google AdWords” as instruments and then to continue with step 5.

But the field of digital communication is by far more complex, so it is necessary to find a solution to gain an overview and enable an applicable decision making process.

Besides communication channels like Facebook, Google AdWords etc., different buzzwords appear in branch-specific writings on current digital marketing communication. They are rather general compared to concrete measures of marketing communication. The term “Storytelling”, for example, is neither a goal, an instrument nor a channel of communication. The digital marketing communication seems to have a special focus on the choice of fundamental approaches on how to communicate, rather than choosing a certain instrument right away.

After deciding on how to approach the digital marketing communication, not only instruments, but also channels should be chosen. Only on this level, names like “Facebook” and Google AdWords get into the mix.

Thus, Bruhn’s model can be altered as follows:

1. Situation Analysis
2. Setting Goals
3. Choice of Approaches
4. Choice of Instruments
5. Choice of Channels
6. Integration of Elements
7. Determination of Budget
8. Execution
9. Controlling

Phases 1 and 6 to 9 will not be examined in this study, because it focuses on the process of finding a strategy in online marketing communication. Needless to say, before setting goals, an analysis of the situation should be conducted and all measures should finally be executed and controlled. This leaves us with the following model:

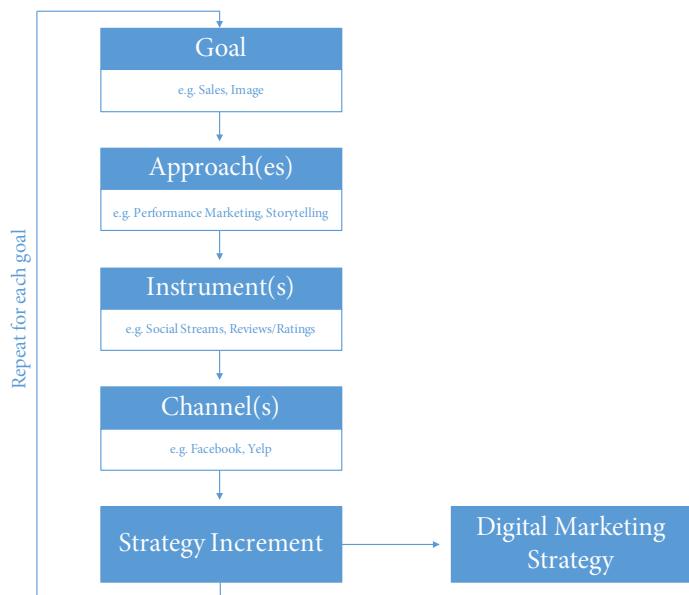


Image 1: The Model

The user chooses a marketing goal and decides on the right approach. From it, fitting instruments and channels can be derived. This specific combination is one strategy increment. The process is repeated for an arbitrary number of goals, ultimately adding up to the digital marketing strategy. Possibly, overlapping strategy increments can be recognized and processed. One approach could, for instance, be the best way to reach two different goals, so the strategy can be integrated here.

The different parts of this model are defined as follows:

Goals are derived from classical marketing goals including customer relationship orientation: sales, brand awareness, image and standing, customer satisfaction and customer loyalty.

Instruments are collections or summaries of channels similar in their features. For example, platforms dedicated to grade products and services, can be summarized as the instrument “Reviews & Ratings”. The basis for the classification of social media instruments is the Conversation Prism by Brian Solis and JESS3. Other “classical” digital marketing instruments are the company’s own website, E-Mail-Marketing, SEO etc.

Channels are actual vehicles of advertising, e.g. using Facebook or Google AdWords to get the message out.

Research and Results

In order to examine the practical use of the model, the next step is to determine which Approaches are discussed in among experts and could play a vital role in future marketing communication.

A screening of the specialist periodicals “Horizont” and “Lead Digital” was conducted to identify frequently used terms of digital marketing communication. Headlines, sub-headlines and highlighted passages of all issues for the German market in the year 2015 were searched. Synonyms were summarized under keywords. “Horizont” has 50 issues per year, “Lead Digital” 12, so the number of mentions was adjusted to give a balanced picture.

These are the top 10 most mentioned Approaches.

Approach	Adjusted Number of Mentions
Social Media Marketing	164.83
Content Marketing	159.67
Programmatic Advertising/Real Time Advertising	148.91
Data-Driven Marketing	142.67
Bewegtbild (Moving Image)	139.50
Mobile Marketing	139.50
Storytelling	73.33
Cross media Marketing	52.50
Augmented/Virtual Reality	45.83
Influencer Marketing	33.17

Table 1: Top 10 Ranking of Approaches

Next Steps

Except for the Approaches, the model is built from elements that have already been scientifically described. The goals are acquired from Bruhn (2014), instruments and channels come and go over time and the relevant ones can be researched in specialist literature and press. Thanks to the model, all elements are logically connected to one another.

The only new level are the Approaches. To some extent, the actual terms are already established but not as a part of a marketing strategy model. Hence, a demand for validation by experts arises. The compilation and selection has already happened in the screening of specialist periodicals, the focus is now on evaluating the Approaches' applicability to reach marketing goals with the help of experts. These are agency professionals or digital marketing executives. The survey will treat one Approach per page, giving a short definition of the term to clarify its purport in the context of the study, and then asking to rank the Approaches' ability to reach the five marketing goals: sales, brand awareness, image and standing, customer satisfaction and customer loyalty.

If suitable Approaches are confirmed the model will be applied in case studies, testing its applicability in real scenarios.

Practical Application of the Model

In order to integrate the model into practical use, it is important to understand that the model is not as static as depicted in this study. It rather wants to be a support and a relief for marketers, making it easier to find a creative and intuitive approach to building an appropriate digital marketing communication strategy. There can easily be a situation where the process is reversed and a creative idea on channel level can be counted back to an instrument, an Approach and a goal.

Furthermore, it is to be stressed again, that the world of digital marketing is moving fast. Approaches, and especially channels can become important quickly, but obsolete equally fast. This is why it is so important that the model itself is independent from contemporary conditions but can be updated frequently by populating it with recent developments in digital marketing.

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