

# The New Digital World- Trends That Are Driving Shifts From Traditional Marketing Practices To Digital Marketing Practices

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## Digital Marketing

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Digital marketing is the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium.

Digital marketing's development since the 1990s and 2000s has changed the way brands and businesses use technology for marketing. As digital platforms are increasingly incorporated into marketing plans and everyday life, and as people use digital devices instead of visiting physical shops, digital marketing campaigns are becoming more prevalent and efficient.

Digital marketing methods such as search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, content automation, campaign marketing, data-driven marketing, e-commerce marketing, social media marketing, social media optimization, e-mail direct marketing, display advertising, e-books, and optical disks and games are becoming more common in our advancing technology. In fact, digital marketing now extends to non-Internet channels that provide digital media, such as mobile phones (SMS and MMS), callback, and on-hold mobile ring tones. In essence, this extension to non-Internet channels helps to differentiate digital marketing from online marketing, another catch-all term for the marketing methods mentioned above, which strictly occur online.

## The 5Ds of digital marketing

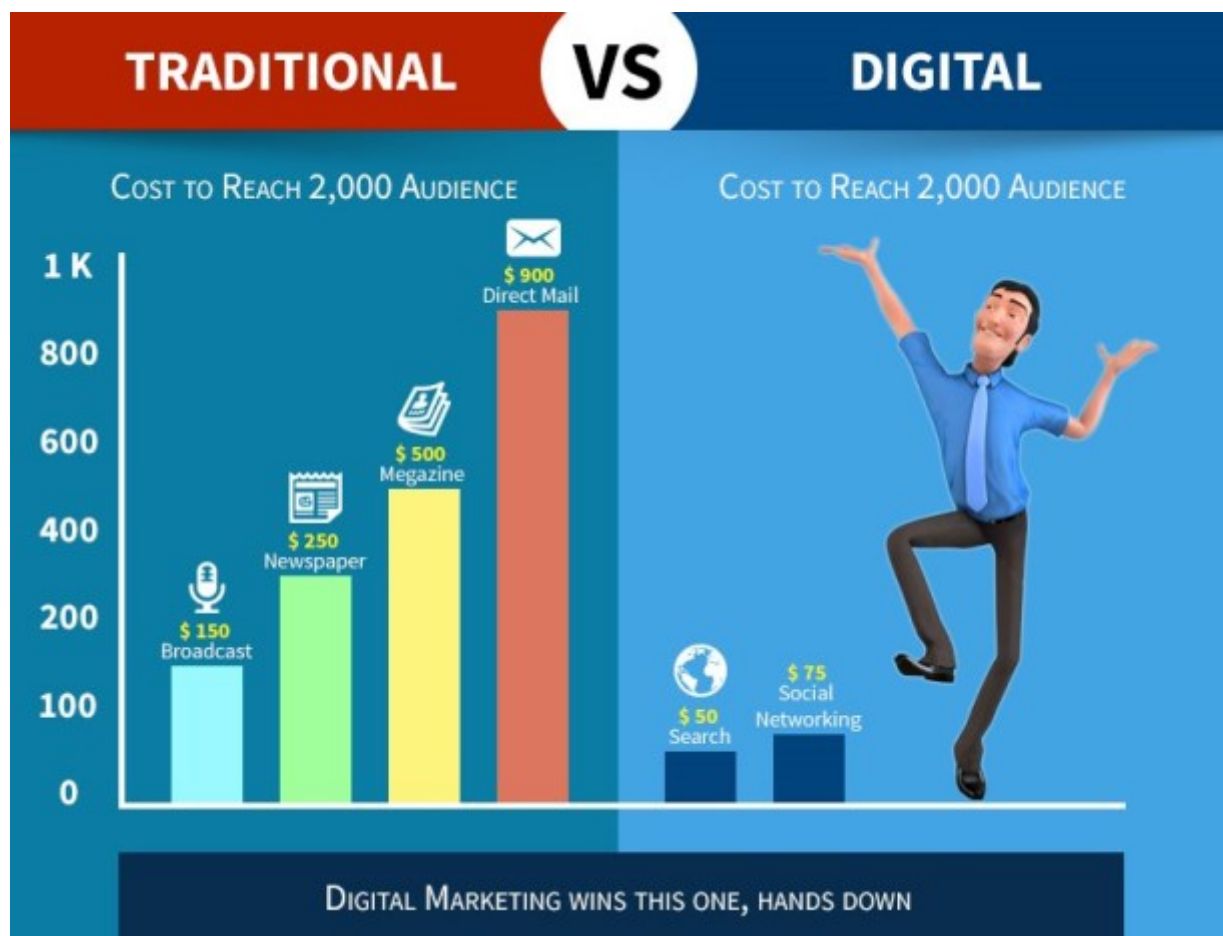
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To understand the importance of digital marketing to the future of marketing in any business, it's helpful to think about what audience interactions we need to understand and manage. Digital marketing today is about many more types of audience interaction than website or email... It involves managing and harnessing these '5Ds of Digital' that I have defined in the introduction to the latest update to my Digital Marketing: Strategy, Planning and Implementation book. The 5Ds define the opportunities for consumers to interact with brands and for businesses to reach and learn from their audiences in different ways:

1. **Digital devices** – audiences experience brands as they interact with business websites and mobile apps typically through a combination of connected devices including smartphones, tablets, desktop computers, TVs and gaming devices.

2. **Digital media** – different paid, owned and earned communications channels for reaching and engaging audiences including advertising, email and messaging, search engines and social networks.
3. **Digital data** – the insight businesses collect about their audience profiles and their interactions with businesses, which now need to be protected by law in most countries.
4. **Digital technology** – the marketing technology or martech stack that businesses use to create interactive experiences from websites and mobile apps to in-store kiosks and email campaigns.

### Why Are Businesses shifting from Traditional marketing to Digital Marketing?



The introduction of internet has caused rippled waves that have impacted every walk of life. Looking at the massive scope of the internet, we can see changes happening at a fast pace. How can the marketing needs for business remain unaffected by this vast potential? Big businesses are ever increasing their digital marketing budget and small businesses are now able to market their products effectively. Digital Marketing allows the small business owners to take their businesses to the masses while earlier this was a remote possibility. For whatever the reason, we all can see that the traditional marketing is taking a backseat and digital marketing is zooming ahead.

### Some of the reasons why digital marketing is on the rise.

#### (I) Converting the marketing to sales

Traditional marketing takes the product to the masses but converting that reach to sales is another requirement altogether. But with digital marketing, a click on the ad takes the customer to the website where he can buy the product at once. Online stores like Amazon and eBay are still using traditional ads to complement their online marketing strategy. This is because, the age-old marketing methods like Television and Radio ads, still effectively take the product, in this case, the website to millions of people.

## **(II) Interaction with customers**

Marketing your product online, facilitates the customers to interact with the businesses. You can understand the customer and can have a hand on their pulse, literally. You get an idea about your target audience and they can let you know what they think about your product. This way you can better stay connected with your audience and help make their experience better.

## **(III) Cost Friendly**

There's a considerable reduction in the cost of marketing after the companies adopted digital marketing. Why? Because there is a shift in the way people buy products after internet shopping was introduced. Customers have become smarter. They prefer to research and compare the prices before they decide on a product and go to a store to buy. If you want your website to reach to the customers, it needs to be SEO oriented and very easy to navigate on the user front. If your website is not SEO oriented, you will be missing a major chunk of your customers.

## **(IV) Targeted Reach**

While traditional methods of marketing like Television and Radio ads play a major part in reaching the customers, they reach a broad audience. You cannot target certain audience you think will benefit from your product. In such a case, you are losing money and you cannot be certain if your product has reached the intended audience.

## **(V) Fair Play**

The traditional methods of marketing have been a boon for big businesses who can shell out the money for high profile and prime time ads. But with the digital marketing on the rise, even small businesses get a chance to put together a solid marketing strategy.

All they need is a website with a fast response time and quality content. A well thought out marketing strategy can easily increase the site traffic by leaps and bounds. You also don't need to wait for the statistics to find out if your strategy worked. With digital marketing, the ad reach is immediately converted to purchase. So, the business owners would know what worked and what didn't in almost no time and they could change their marketing strategy.

# Marketing Strategies For The Digital World

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Many years ago, developing effective marketing strategies was a much simpler task than it is today. With only a small number of television channels, radio stations, newspapers, and relevant magazines pertaining to a given market, advertisers could develop fairly targeted marketing strategies to generate sales. In the emerging digital environment, marketing strategies have become a far more complex task. There are now vast arrays of different marketing channels, tools, and tactics that must be unique in strategy while seamless and integrated in application. Companies also need to connect and engage with customers, and create memorable, lasting experiences. To develop a successful marketing campaign in today's digital environment, companies must focus on three strategic components. Marketers must establish clear, strategic, and targeted objectives and ensure that they are tactical in the rollout and implementation of new campaigns. Companies should also focus on the development of a separate team to identify and analyze emerging marketing opportunities. Companies that are able to clearly identify the strengths and weaknesses of each digital medium will likely be more successful in their campaigns.

With technology's rapid evolution also come changes in consumer behavior. Here are 10 strategies to emerge into a smarter marketing era, grow as a company and strengthen the performance of your brand.

## **1. Marketing: integrate your sales and marketing for optimal performance.**

Yes, it is a "thing" although you probably won't find this word in Webster's Dictionary. It means that you integrate sales and marketing to optimize performance of marketing efforts.

Gone are the days when a consumer peruses an ad in print media then purchases that product later during the appointed shopping day of the week. Digital ads are portals to online sales. Marketing and sales all happen in the same place with the tap of a finger or click of a mouse.

If a potential customer has a question about a product, that, too, happens in the same place in cyber-world through chat window features. If your company is not marketing, it is losing significant sales potential.

## **2. Experience: Reaching a digital customer, requires that you become one yourself.**

Have you walked in the shoes of your customers? Have you surfed the web to map the path of discovery to your product's online ad? Did you click and see where you landed in cyberspace? What about the purchasing process? Was it a secure experience?

If you have not walked a mile in your customer's shoes, how can you know if the process is efficient? That's one of the best ways to fine tune your online presence.

Learning a new language requires complete immersion. Otherwise you'll need an interpreter and in the case of digital marketing, that mean a savvy digital marketing agency.

### **3. Playing Field Dynamics: Not every digital marketing challenge is solved by throwing more money at it.**

In the olden days the playing field belonged to the company that could afford the biggest print ad or a prime-time television/radio slot for a commercial.

Digital advertising has seriously leveled the playing field. Just look at what happens when a YouTube video goes viral. A company doesn't always have to outspend a competitor to solve a marketing problem.

### **4. Engagement: Having a Digital Presence is not enough.**

So you have a company blog and a profile with every social media platform under the Sun. Yet you haven't seen a significant impact on sales. What is going on?

Creating a digital presence is only the first step. Now you have to engage, engage, engage. That means creating content that inspires a reaction. Calls to action, surveys, asking viewers to name the new company cat rescued from the alley are all great ideas to create intrigue and stimulate engagement.

You've got to do something with your digital presence: connect with people. offer value and get them communicating with you.

### **5. Who's In The Driver's Seat? Let data drive the decision-making.**

If data is not behind every decision, then your company is flying blind. The greatest thing about digital marketing is that every single action can be measured.

Did switching background colors result in more traffic? Good decision. But, even if it had been a bad decision, analytics reflecting a noted drop in traffic, or less time spent by visitors on your site, would have alerted you to the need to re-adjust accordingly. Data must captain the ship.

### **6. Value: You must offer education & value.**

There is more to value than getting a great product at a great price. Content is the most valuable commodity in the digital age. The information you share needs to have value to viewers.

Cultivate an online reputation for being the premier authority on your particular industry. It's easy to Google an answer to a question. But believing in the integrity of a source is the value that will bring readers back time and again to your site for reliable information

## **7. Personalized Automation: So you don't lose that personal touch.**

Automated e-mails and notifications don't seem very personal, do they? It kind of has the flavor of SPAM. Au contraire, mon ami. That's the lovely thing about data!

As of 2014, nearly 70% of businesses were using a marketing automation platform.

Analytics identifies so many unique characteristics of customers and viewers that marketing automation can take on amazing personalization aspects. You can send birthday greetings or religious holiday observances according to each individual. An anniversary of a loyal customer's first purchase can be noted.

A customer's purchasing history can generate a suggestions list of other products of interest. Marketing automation can definitely create that personal experience that online customers still crave.

## **8. Get Out More: Your customers don't spend all their time in one place, and neither should you.**

In the time of yester-year, sales executives had to get out and mingle in order to bring in more customers. It's the same in the digital age. Your content needs to get out more.

This is often called a multi-channel digital marketing strategy which means ads are delivered to other online targets. For example, when Google recognizes the potential of a Facebook user to find your brand interesting, it places your ad before their eyes as suggested content. Voila. You just mingled online.

## **9. Digital Agility is a must.**

There are all sorts of technical lingo to explain concepts like "agile sales". All you really need to know is that things can change.

You've heard us say before: "your website is not an office building, so don't treat it like one!" In the ever-changing digital world, you must be ready to change with it– and that includes your website.

So that website you built? Is it turning out to be lousy? Don't despair! Be agile! Change it! When you build something to be accessed by others through the worldwide web, it's not set in stone like a brick and mortar store.

If they turn out to be a bomb, tweak it. The digital age means everyone gets do-overs until you get it right.

## **10. Chatter Matters: Business practices, good and bad, will catch up with you eventually.**

That old saying, "What happens in Vegas, stays in Vegas" does not apply to what your company or brand is doing online. Reviews matter. Feedback matters. Social media chatter matters.

If you get a bad review, be responsive and get things resolved. Stay focused on good customers service because all of your digital footsteps are out there for the entire world to see.

# The Modern Digital Consumer And New Consumer's Digital Journey

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We all know that today's consumer is more connected than ever before. But it's still staggering when you think about it: This one, single device that we keep in our pockets can be used to review products, check prices, share purchases, request coupons – and sometimes even to purchase products from one retailer's online channel while standing in a competitor's store.

While mobile connectivity has empowered the consumer to shop in many different ways – it has also created opportunities for retailers. Namely, it opens the door for retailers to interact with customers more purposefully and to become more personalized in those interactions.

## Seven characteristics of the modern consumer

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1. **Around-the-clock-shopping.** “There's an expectation among today's consumers that the ability to consume is a 24/7 thing,” says Eric Singleton, Chico's Chief Information Officer. “When consumption can take place at any time of the day, retailers have to address the nuances and the requirements of different consumer needs throughout day.” According to Singleton, the Internet of Things will compound this issue in the coming years. “Our challenge as a businesses is to address those expectations on every conceivable platform.
2. **Consumers are in control.** “Customers in today's era are much more in control of their shopping experience, and they know they can dictate the shopping experience that they want,” Gayatri Patel, eBay's Director of Global Data infrastructure. “They have the means to explore, research and share every purchase decision. And they can do it in a very quick way. If you lose them, it may not be just for that purchase. It may be for a long time. You have to be responsive to their needs immediately instead of trying to direct them. That balancing act is the biggest challenge.”
3. **Omnichannel shopping.** “The biggest trend we see right now is this blurring of lines across channels,” says Sahal Laher, Brooks Brothers Executive Vice President and Chief Information Officer. “No matter where he is shopping, the consumer is the consumer. You have to break down those barriers between channels, empower the consumer in a uniform way and engage them in the same way on your site as you would in your store.”
4. **Content consumers.** “Customers are branching out with this significantly broader ability to explore your products in the moment,” says Singleton. “They have closer relationships with what they're buying and the reasons for buying it in their mind. Content has tremendous influence on how they're behaving, so Chico's is also looking at content to complement decisions in a more enriched way for customers, especially on social channels.”



5. **Global experience.** “It’s a truly global economy,” says Laher. “We need to understand the customers’ needs wherever they are. Whether they’re in our NYC store or our Tokyo store, we need to arm associates with the tools that will make the customer interaction as meaningful as possible.”
6. **Collaborators.** “There is a lot more collaboration and sharing of information that can influence consumer decisions compared to the offline experience,” says Patel. “eBay can complement those experiences with our retail partnerships.” Singleton agrees, saying “There’s definite use of devices to check out and share new products, to see if something complements your existing wardrobe or to validate what you saw on the Web.”
7. **Social sharers.** “The relevance of social media on retail is untapped but growing very rapidly,” says Laher. “It goes beyond retail reviews of purchases. We are working with an outside partner to leverage social feedback before we even have products in the store. We can have various online groups give feedback on ideas and colors before investing time and money to create different colors and incur the costs of manufacturing and shipping, for example. That feedback mechanism didn’t exist before.”

## Understanding the Customer’s Journey

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The modern customer journey begins with self-evaluation, and this customer “self education” begins with social. It has been estimated that 57 percent of the buying process is complete before “sales” is contacted. Think about a consumer going into a retail store in the mall to purchase a phone. While the sales representative will try and push the consumer to purchase a particular product, the customer—before entering the store—has already done his or her homework. He or she has researched the brand on social, read product reviews, compared prices and more.

The flare-up around advertising blockers on mobile devices is just the latest salvo in the digital-technology “arms race” that has made today’s consumer a formidable force. From social media to mobile devices, technologies have given consumers unprecedented power to compare prices, complain loudly, and find the best deals.

This tipping of the balance of power in favor of consumers has been evident for years. In 2009, we declared that the traditional “funnel” model—in which consumers began with a set number of brands in mind and whittled them down until they decided what to buy—had been usurped by what we called “the consumer decision journey.”<sup>1</sup> This journey involved shoppers taking advantage of technology to evaluate products and services more actively, adding and removing choices over time. And it included a feedback loop, where customers kept evaluating products and services after purchase, pressuring products to perform and brands to deliver a superior experience on an ongoing basis.

In the past few years, brands have been playing catch-up, investing in new technologies and capabilities in a bid to regain relevance with shoppers and exert greater influence over how they make purchasing decisions. Our experience advising more than 50 companies and researching more than 200 on best practices for building digital

capabilities—coupled with detailed conversations with dozens of chief digital officers and more than 100 digital-business leaders worldwide—has convinced us that brands today can not only react to customers as they make purchasing decisions but also actively shape those decision journeys. A set of technologies is underpinning this change, allowing companies to design and continuously optimize decision journeys. More important, companies today can use journeys to deliver value to both the customer and the brand. Companies that do this well can radically compress the consideration and evaluation phases—and in some cases even eliminate them—during the purchase process and catapult a consumer right to the loyalty phase of the relationship (exhibit). The journey itself is becoming the defining source of competitive advantage.

**We've found that a company's ability to deliver that value relies on four distinct but interconnected capabilities:**

- **Automation streamlines** journey steps. One example is letting people take a picture of a check and deposit it through the bank's app rather than doing it in person. While automation of processes is highly technical, the focus is on enabling simple, useful, and increasingly engaging experiences.
- **Proactive personalization** uses information about a customer—either based on past interactions or collected from external sources—to instantaneously customize the experience. Remembering customer preferences is a basic example of this capability, but it extends to personalizing and optimizing the next steps in a customer's journey, such as immediately putting a valued traveler on an upgrade list.
- **Contextual interaction** uses knowledge about where a customer is in a journey to deliver them to the next set of interactions, such as a retail site showing a customer the status of a recent order on the home page. Some hotels are experimenting with using their app to operate like a key when a customer gets to his or her room.
- **Journey innovation** extends the interaction to new sources of value, such as new services, for both the customer and the brand. Companies mine their data and insights about a customer to figure out what adjacent service he or she might appreciate. The best companies design journeys that enable open-ended testing to allow for constant prototyping of new services or features. This may include, for example, an airline's app that has the ability to integrate with a taxi service so that travelers can book cars to pick them up when they arrive at their destination.

Activating customer journeys to capture value requires journeys to be treated like products that need to be actively managed, measured, and nurtured. How well companies are able to do that will dictate how successful they are in making customer journeys a competitive advantage.