

E-business course

Winter semester 2022/2023

Introduction to digital marketing and persuasion techniques

Dear Students,

During last lecture we discussed the principles of persuasion which are vital for marketing of products and services, how to make people say **YES** in order to motivate them to purchase and buy their attention.

Things to do:

TASK 1 Watching – the principles of persuasion

TASK 2 Reading – Introduction to Marketing

TASK 3 Watching - Digital marketing – a short introduction

Case study - Zappos Marketing Creating value

TASK 1 Watching – the principles of persuasion

You are going to watch an interview with professor Robert Cialdini – an expert in marketing. He developed the persuasion principles for marketing purposes.

Please watch a short interview with professor Cialdini and answer the following questions:

1. What is the concept of persuasion according to Cialdini?
2. How persuasion can help us build a better world?
3. Is persuasion a skill with which we are born or should we exercise and develop it?
4. What are the Six Principles in the Persuasion Process
5. What is special about the Seventh Principle of Persuasion?
6. What is a difference between persuasion and manipulation?

Link to the video:

The 7th principle of persuasion - Robert Cialdini

[\(121\) The 7th principle of persuasion - Robert Cialdini - YouTube](#)

TASK 2 Reading – Introduction to Marketing

Please study the material

Questions to be answered:

1. What is the purpose of marketing?

2. Why the Internet technology has created new marketing opportunities for businesses and consumers?
3. What digital marketing plan is important for achieving business objectives?
4. Identify critical success factors for digital marketing
5. Identify differences between marketing and advertising.

Internet marketing

The development and use of the internet on a global scale has created opportunities for consumers, suppliers and sellers of goods and services to communicate with each other in the online marketplace. The internet has been the catalyst for organisations to extend their activities beyond traditional boundaries that were characterised by physical constraints. One of these activities is the marketing function within organisations. As a medium of communication, the internet offers a range of benefits that can be exploited by organisations to enhance their marketing strategy. The internet is characterised by ubiquity, information richness and density, global reach, interactivity, customisation and personalisation (Timmers, 1999). Importantly, the internet brings buyers and sellers together in a more cost-effective way than traditional advertising and marketing methods (Chi and Kiang, 2001). The growth in use of the internet for e-business has changed the way suppliers, distributors, buyers and sellers interact.

The purpose of marketing is to identify, anticipate and satisfy customer requirements profitably. The key market variables to be considered when implementing a marketing strategy are price, promotion, place and products. A critical success factor for companies implementing a marketing strategy is to understand the characteristics of the customers they target. They may target a general customer base, but more usually, the marketing effort is aimed at one or more customer segments. Customer segments may be determined by a range of criteria including age; gender; socio-economic groups; geography; employment; tastes and interests; cultural factors and lifestyles (Galvin and O'Connor, 2001).

The internet is an additional mechanism available to companies that facilitates the receiving and sending of information to customers, suppliers and partners. In particular, the connectivity of customers to internet sites provides companies with a huge and on-going store of valuable customer-related information that can be used to inform their e-marketing strategy. E-marketing is the use of electronic communications technology, such as the internet, to achieve marketing objectives. Of course, information on websites also empowers customers and helps them achieve their objectives. For example, they can compare prices of products by rival firms. The internet changes the relationship between buyers and sellers because market information is available to all parties in the transaction.

E-marketing plan

The e-marketing plan is part of a wider ranging plan put in place by firms to achieve stated objectives. The e-marketing contribution forms part of the e-business strategy for achieving objectives and includes market research and communications with customers or customer groups using the internet. The e-marketing plan will be dependent on the level of resources available to the organisation. The plan will be built within the budget allocated and will range in scope according to the perceived benefits it can accrue for the business. The e-marketing plan is designed to identify and set out

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Figure 5.1
E-marketing plan model

The e-marketing environment

An important first step in implementing an e-marketing plan is to understand the key differences between traditional marketing and

e-marketing. An effective e-marketing plan is built on new perspectives on customers, different interactions with customers and different solutions to marketing products and services. Indeed, customers have come to expect different approaches to marketing because of the internet. Before undertaking an e-marketing plan it is necessary to address some key questions. These include:

How is the marketing function in the new environment different?

- (i) There are no geographical constraints in the online environment;
- (ii) E-marketing models are subject to change depending on the level of technological advance. Traditional marketing is relatively stable and more clearly defined;
- (iii) Niche markets are more easily identified and larger in online markets;
- (iv) E-marketing is subject to a customer-pull relationship where the customer decides the time and place of interaction.

What are the critical success factors for e-marketing?

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- (i) First-mover advantages are vital;
- (ii) Collaboration with partners to provide added value to customers;
- (iii) Customers must perceive added value;
- (iv) Innovation in products and services, e.g. personalisation;
- (v) Maximise customer interactivity.

What is the new organisational position for the marketing function?

- (i) Product development is driven by marketing and information systems;
- (ii) The marketing function is integrated with other functions such as IT and business development;
- (iii) How are customers perceived within the new trading environment?
- (iv) Customers have greater awareness of the organisation and its products and services;
- (v) Customer behaviour changes online, e.g. greater impulse buying. This can be monitored and used for marketing purposes;
- (vi) Customers are perceived more as individuals rather than customer groups.

Summary

The internet is a valuable tool for marketing purposes. It is a mechanism through which companies can communicate with customers and effect transactions. The characteristics of the internet for business purposes makes it ideal for extending the reach of advertising and promotional material to a greater number of potential customers at relatively low cost. The e-marketing plan has become a vital element in the e-business strategy of many firms who seek competitive advantage. Firms need to understand the differences

between traditional forms of marketing and e-marketing, focus on the critical success factors in the e-marketing environment and alter their perceptions of, and relationships with, customers in the new trading environment.

The success of an e-marketing plan is dependent on the ability of firms to use information relating to customers and competitors in ways that contribute to the overall e-business strategy. Firms need to determine clearly defined and measurable objectives for the e-marketing plan such that performance of the marketing effort can be evaluated. The marketing mix is another key element of the e-marketing plan and comprises product, place, price and promotion criteria. The characteristics of the internet play a role in determining the marketing mix adopted by firms when positioning their products or services in the market space.

Two other important aspects of e-marketing are branding and

Two other important aspects of e-marketing are branding and targeting of customers. The internet provides valuable information about customers and this can be used to inform the strategies for branding the products or services and determining the method and form of targeting of customers. Firms are able to collect and use a huge amount of information on customers and their online behaviour to inform future e-marketing efforts. Customer relationship marketing is a way of using such information for enhancing the relationship between buyer and seller online through more targeted marketing.

Finally, technological advances have opened up other channels of communication between buyers and sellers. Mobile wireless internet technology and interactive television are just two media through which e-marketing activity has increased markedly in recent years. Both require firms to think differently about how they engage with customers and adapt their marketing activities accordingly.

Source: **Introduction to E-business Management and Strategy by Colin Combe**

The Four P's

The basics of marketing strategies can be explained by the four P's: product, place, price, and promotion.

Price and means of distribution play critical roles in the success of products, and market researchers help establish these elements. Marketers also build strategy documents for framing marketing messages. These documents account for the types of consumers who will use a product, the environments that best suit it, the tone that marketing messages should strike, and the product personality that consumers should perceive in messaging. Once it's time to develop messages that bring the strategy to life, the worlds of marketing vs. advertising begin to overlap.

What Are the Similarities Between Marketing and Advertising?

When contrasting marketing vs. advertising, it's important to know that advertising is actually a component of marketing. Marketing refers to preparing a product for the marketplace. Advertising is making your product and service known to people within that marketplace. In other words, advertising is a step in the marketing process — one that uses the data and research collected by marketing strategists to craft compelling promotions.

Source: **Marketing vs. Advertising: What's the Difference?**
[Marketing vs. Advertising: What's the Difference? | CSP Online](#)

TASK 3 Watching - Digital marketing – a short introduction

Students should be able to identify:

1. Differences between traditional and digital marketing.
2. Benefits of digital marketing.
3. Types of digital marketing.

Digital Marketing In 5 Minutes | What Is Digital Marketing? | Learn Digital Marketing | Simplilearn

[\(122\) Digital Marketing In 5 Minutes | What Is Digital Marketing? | Learn Digital Marketing | Simplilearn - YouTube](#)

Case study – ZAPPOS

An example of successful digital marketing campaigns.

Please see the video on Zappos marketing – how they create value.

[\(122\) 1 Zappos Marketing Creating values - YouTube](#)

ZAPPOS

The company sells many different types of footwear, including [vegan shoes](#).

Employees are encouraged to use their Twitter accounts for casual communication rather than promotions or marketing pitches, in an effort to humanize the company, like when Hsieh tweeted before going onstage at a tech conference: "Spilled Coke on left leg of jeans, so poured some water on right leg so looks like the denim fade

America's most extensive online store has the best digital marketing campaigns. Zappos searches Twitter's streaming API for all the Tweets it's been mentioned in¹.

Conversations, questions, and comments are sent in through Twitter, and Zappos responds to them all so that others may see how they respond to customers. Customers are so enthralled with the practices that they want to spread the word about them.

Zappos also introduced [Zappos TweetWall](#), displaying the user's name and Tweet next to the product picture. They have also created an iPad-optimized version of the TweetWall, accessible as a spread on the Zappos iPad app.

¹ This example works through Twitter streaming APIs. When "tweets" take place, **there is a push of data as tweets happen instantaneously**. With streaming APIs utilized by Twitter, the consumer registers a set of conditions such as usernames, keywords, locations. This prompt delivers quick delivery and simultaneous results. Source: [Streaming API examples | Definition of streaming API \(axway.com\)](#)

What also set Zappos' campaign videos apart was their ability to discover a unique method to use genuine customer tales to demonstrate how far the company is prepared to go to please its devoted consumers.

Zappos TweetWall

The screenshot shows the Twitter profile for Zappos TweetWall (@ZTweetWall). The page includes a navigation bar with a back arrow, a refresh icon, and the URL <https://twitter.com/ztweetwall?lang=en>. The profile header features the Twitter logo, a back arrow, the name "Zappos TweetWall" with "65 Tweets" below it, and a "Follow" button. A search bar is located in the top right corner with the text "Search Twitter" and a link to the "Privacy Policy, including Cookie Use." Below the header, there is a description: "Browse through the image gallery of [Zappos.com](https://zappos.com) TweetWall and check out product tweets as they happen!" followed by location "Zappos", website "tweetwall.apps.zappos.com", and "Joined February 2012". It also shows "25 Following" and "100 Followers". There are four tabs: "Tweets", "Tweets & replies", "Media", and "Likes". The "Tweets" tab is active, showing a tweet from "Zappos TweetWall @ZTweetWall · Nov 8, 2012" with the text: "Step out in sparkly crocodile heels because you're a fashion vixen (not victim) DSQUARED2 W12A315027-44 zappos.com/product/802528... via @ZTweetWall". On the right side, there is a "You might like" section with three user recommendations: "@ek4js", "Edwards Desserts @EdwardsDesserts", and "Evee @evelynscrypto", each with a "Follow" button. A "Show more" link is at the bottom of this section.