

The Rise of Digital Marketing

ABSTRACT

This paper discusses the breakthrough success of digital marketing in recent years. It will touch on areas such as how it originated, how it has progressed, and the several advantages it provides to advertisers. Specific emphasis will be placed on the campaigns of Gatorade, Coca-Cola, Dunkin Donuts and Free People.

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Introduction

Digital marketing is the promotion of a product or a brand through one or more forms of electronic media. Some of these forms might include websites, social media, mobile apps, television, radio, and electronic billboards. Digital marketing has become nothing short of a phenomenon in the world of advertising. It has allowed companies and organizations the ability to communicate back-and-forth with consumers by giving them the opportunity to directly participate in the campaigns and provide immediate feedback.

Today's consumers want to be involved in their purchases. Digital technology now allows companies to track their customers' interests and purchase behaviors, as well as increase the ability to reach potential buyers. It has completely transformed the art of advertising, providing companies with more opportunities to be effective than ever before.

Progression

There are several objectives involved in the development of new online media. It is used to create awareness, generate interest, disseminate information, create an image and a brand, and eventually break through the clutter and create a buzz in the world of advertising (Belch and Belch 498).

Digital marketing originated in the form of simple websites, also referred to as Web 1.0, and has evolved into a variety of advertising forms, now called Web 2.0. While websites mostly provide only for one-way communication, newer digital media allows for two-way interactivity. Companies can create mobile apps, implement contests and conversations through social media, and post on blogs (Belch and Belch 499).

Advantages

Digital marketing provides companies with several advantages that traditional marketing cannot. For example, it allows them to perform behavioral targeting by tracking the website surfing behaviors of consumers (Belch and Belch 512).

Many times this can be done through the use of HTTP cookies. These are small pieces of data that track the activity of Internet users. Cookies have the ability to remember information such as items viewed and shopping carts on a retail website. Companies are able to get to know the habits of their consumers and create potential buyers by exposing them to ads that might attract them based on this Internet history (Zakas).

Access to this information allows companies to then tailor their messages to the specific needs of different consumers. Because they are exposed to information that defines the wants of individuals, companies are able to adjust their message to each target market that they identify (Belch and Belch 512).

In order to measure the effectiveness of behavioral targeting, advertisers are able to calculate click-through rates. Click-through rates represent the number of clicks an ad gets divided by the number of times the ad is shown. The higher the rate, the more effective your ad is. This can assist advertisers in choosing successful keywords to increase exposure to the product message (Clickthrough Rate (CTR)).

Finally, consumers in today's marketplace thrive on engagement and interactivity. Web 2.0 gives customers the chance to become involved in advertising campaigns and create relationships that feel personal. Consumers enjoy interacting with others and feeling as though they are contributing, which is something they are not able to do with traditional one-way advertising. They then associate positive feelings with the products being advertised, increasing the chances of them making a purchase.

Campaigns in the Spotlight

Some of the most recent digital marketing successes include campaigns from Coca-Cola, Gatorade, Dunkin Donuts, and Free People.

Gatorade has utilized Twitter to involve consumers and influence them towards their products. Gatorade uses the hash-tag #WinFromWithin to bring their market together in online discussion, and even posts the tweets that mention their handle @Gatorade directly on their website. There is a current online contest that allows consumers to create their own personalized Gatorade bottle that they can then submit to win a sweepstakes (Show How You #WINFROMWITHIN on Your Own Digital Gatorade Bottle).

Similarly, Coca-Cola's Coke Zero is using #CountdownToZero to promote their product to college football lovers. The campaign is aimed towards fans anxiously waiting for the arrival of game day each Saturday. Coke posts the question "How do you countdown to zero?" implying that 'zero' means it is finally game day. The consumers are then told to post a picture of them in their game day apparel using the hash-tag, and it will later appear on the company's website. This directly involves consumers in the campaign and creates a positive attitude and predisposition between them and the product, therefore influencing them to purchase it (Coke Zero Countdowntozero).

Dunkin Donuts has implemented their own mobile app that allows customers to access weekly coupons and rewards, send gifts, and locate nearby stores. The most convenient aspect of the app is that it also gives customers the option to make mobile payments. They are able to transfer the value of an existing Dunkin Donuts card or set up a new account on their phone. This provides a convenient, interactive way to involve consumers. Their personalized account allows them to feel like they have their own relationship with the company, therefore increasing their interactions and purchases (Dunkin Donuts gets into the Moblie Payment Game).

Free People, a bohemian clothing store that is part of the URBN company, has a blog titled BLDG 23 that posts about fashion, travel, music, food, and décor to inspire and connect with their target market. In addition to the blog, Free People has an online fashion community titled FP ME that allows consumers to create personal accounts and post pictures of their latest fashion trends. It allows them to "favorite" and comment on other users' photos to build a network of fashion-savvy customers. It is this type of innovative technique that brings digital marketing to a new level of success (Free People Blog - a Place for Fine Ideas from the Folks at Free People).

Conclusion

Adapting to new technology has become inevitable for companies to succeed in today's marketplace. It provides companies the chance to advance creatively and segment their target markets more effectively than traditional advertising. The digital marketplace is rising rapidly and will continue to do so, with an increasing amount of companies transitioning to these successful interactive campaigns.

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