

New Technologies in Marketing

Lecture 5: Promotion in the digital age

Dr. Erik van Raaij
e.m.vanraaij@city.ac.uk
<http://www.staff.city.ac.uk/~ra336>

New promotion vehicles

- **Advertising:**
 - World wide web
 - Digital television
- **Direct marketing:**
 - E-mail
 - Mobile phone
- **Sales promotions:**
 - Online & wireless coupons
 - Interactive kiosks
- **Personal selling:**
 - Interactive kiosks

Interactive kiosks

Examples:

- To replace the salesperson
- To distribute targeted sales promotion coupons

Issues:

- Technological readiness of customer
- Hi-tech vs. hi-touch?

E-mail

Examples

- Spam, UCE
- Permission based direct e-mail

Issues

- How to maximise response
- How to minimise annoyance
- Finding accurate lists

Mobile phone

Examples:

- Location-based promotion
- Wireless coupons

Issues

- Medium richness
- How to minimise annoyance
- Finding accurate lists
- Technological developments

World wide web

Examples

- The corporate website
- Banner ads, interstitial and superstitial pages ('pop-up windows')
- Registration with search engines (sponsored or not)
- Affiliate networks
- Listings on portal sites and other infomediaries

Issues

- Targeting
- How to maximise clickthrough rate?
- Payment models for online ads
- How to increase website stickiness

Online marketing metrics

- Ad impressions
- Clickthrough rate
- Number of unique visitors
- Stickiness (duration)
- Repeat visits
- Acquisition rate
- Conversion rate
- Attrition rate
- Abandonment rate
- Retention rate

Digital television

Examples:

- Banner ads
- Advertisement overlays
- Direct response tv
- Interactive shows

Issues:

- When will digital tv achieve a critical mass?

Integrating the new and the old

- Online information search, but offline purchasing
- Offline advertising to create domain name awareness
- Different media to cater for different segments

- Online and offline brands

Readings for lecture 5

Required reading:

- None

Supplementary readings:

- Chaffey et al. (2000) 'Web site promotion' (chapter 9), in: *Internet Marketing*, Pearson Education
- Laudon & Traver (2001) 'E-commerce Marketing Communications' (chapter 8), in: *E-commerce*, Addison Wesley.
- Barwise & Strong (2002), 'Permission-based Mobile Advertising', *Journal of Interactive Marketing*, 16(1), pp.14-24.
- More info on web advertising: www.doubleclick.com, and how to get rid of it: www.webwasher.com
- More info on online coupons: www.valuepage.com