12. Conversion Marketing (Conversion rate), Digital marketing, Frequency capping, In-text advertising, Inbound marketing, Lead scoring, Media transparency and Netnography.

12.1 Conversion marketing (Conversion Rate)

Conversion marketing is an eCommerce phrase most commonly used to describe the act of converting site visitors into paying customers. Although different sites may consider a "conversion" to be some sort of result other than a sale. One example of a conversion event other than a sale is if a customer were to abandon an online shopping cart, the company could market a special offer, e.g. free shipping, to convert the visitor into a paying customer. A company may also try to recover the abandoner through an online engagement method such as proactive chat in an attempt to assist the customer through the purchase process.

12.1.2 Measures

The efficacy of conversion marketing is measured by the conversion rate, i.e. the number of website visitors divided by the actual percentage of customers who have completed a transaction. Since conversion rates for electronic storefronts are usually very low, conversion marketing can be a useful way to boost this number, online revenue, and overall website traffic.

Conversion marketing attempts to solve the issue of low online conversion through optimized customer service. To accomplish this it requires a complex combination of personalized customer experience management, web analytics, and the use of customer feedback to contribute to process flow improvement and overall site design.

Conversion marketing is commonly viewed as a long-term investment rather than a quick fix by focusing more on improving site flow, online customer service channels, and online experience. Increased site traffic over the past 10 years has done very little to increase overall conversion rates so conversion marketing focuses not on driving additional traffic but on converting existing traffic. It requires proactive engagement with consumers using real time analytics to determine if visitors are confused and show likely signs of abandoning the site. Then developing the tools and messages to inform them about available products,
and ultimately persuading them to convert online. Ideally, the customer would maintain a relationship post-sale through support or re-engagement campaigns.[6] Conversion marketing affects all phases of the customer life-cycle, and several conversion marketing solutions are utilized to help ease the transition from one phase to the next.

12.1.3 Conversion rate

The conversion rate is the proportion of visits to a website who take action to go beyond a casual content view or website visit, as a result of subtle or direct requests from marketers, advertisers, and content creators.

Conversion rate = \( \frac{\text{Number of Goal Achievements}}{\text{Visits}} \)

Successful conversions are defined differently by individual marketers, advertisers, and content creators. To online retailers, for example, a successful conversion may be defined as the sale of a product to a consumer whose interest in the item was initially sparked by clicking a banner advertisement. To content creators, a successful conversion may refer to a membership registration, newsletter subscription, software download, or other activity.

For websites that seek to generate offline responses, for example telephone calls or foot traffic to a store, measuring conversion rates can be difficult because a phone call or personal visit is not automatically traced to its source, such as the Yellow Pages, website, or referral. Possible solutions include asking each caller or shopper how they heard about the business and using a toll-free number on the website that forwards to the existing line.

For websites where the response occurs on the site itself, a conversion funnel can be set up in a site's analytics package to track user behavior.

12.1.4 Common Conversion Marketing Services

Recommendations - Behavioral analysis that identifies products and content relevant to the customer’s perceived intent.

**Targeted Offers** - Targeting attempts to fit the right promotion with the right customer based upon behavioral and demographic information.
Ratings and Reviews - Using user-generated ratings and reviews to increase conversion rates, capture feedback, and engender visitor’s trust.

Email Personalization - Email with embedded recommendations and chat that feel tailored personally to the recipient.

Chat - As consumers tend to abandon sites after only three clicks, attempts to use proactive chat, reactive chat, exit chat, and click-to-call to convert consumers quickly.

Click-to-Call - Supports cross-channel conversion without losing the context of the conversation when visitors move from the website to the phone.

Voice of the Customer - Feedback about products, services, and online experiences that is captured through carefully analyzed structured and unstructured data.

Automated Guides – predetermined steps that allow a customer to better understand product features, and options to assist with the selection process.

Re-Targeting – Identification of visitors interested in particular products or services based on previous site search to offer relevant content through targeted ad placement.

12.1.5 Methods of increasing conversion rates in e-commerce

Among the many actions taken to attempt to increase the conversion rate, these are the most relevant:

- Generate user reviews of the product or service

- Clear distinction of the website for a certain conversion goal (e.g. "increase sign-ins for newsletter")

- Improve and focus the content of the website (which may include text, pictures and video) to target conversion

- Increase usability to reduce the barriers to conversion

- Improve site navigation structure so that users can find and browse without thinking too much about where to click
- Improve credibility and trust by showing third-party trust logos and by good site design

- Use AIDA (attention, interest, desire, action) to move the user through the conversion funnel.

### 12.2 Digital marketing

Digital marketing is marketing that makes use of electronic devices (computers) such as personal computers, smartphones, cellphones, tablets and game consoles to engage with stakeholders. Digital marketing applies technologies or platforms such as websites, e-mail, apps (classic and mobile) and social networks. Many organizations cross traditional and digital marketing channels.

#### 12.2.1 History

The term 'digital marketing' was first used in the 1990s. In the 2000s and the 2010s, digital marketing became more sophisticated as an effective way to create a relationship with the consumer that has depth and relevance.

In 2012 and 2013 statistics showed digital marketing remained a growing field.

#### 12.2.2 Types of digital marketing

**Two different forms of digital marketing exist:**

In pull digital marketing, the consumer actively seeks the marketing content, often via web searches or opening an email, text message or web feed[citation needed]. Websites, blogs and streaming media (audio and video) are examples of pull digital marketing. In each of these, users have to navigate to the website to view the content. Only current web browser technology is required to maintain static content. Search engine optimization is one tactic used to increase activity. In 2003, Martin et al. found that consumers prefer special sales and new product information, whereas "interesting" content was not useful.

In push digital marketing the marketer sends a message without the consent of the recipients, such as display advertising on websites and news blogs Email, text messaging and web feeds can also be classed as push digital marketing when the recipient has not given permission to receive the marketing message.
To summarize, Pull digital marketing is characterized by consumers actively seeking marketing content while Push digital marketing occurs when marketers send messages without the consent of the recipients.

12.2.3 Multi-Channel Communications

Push and pull message technologies can be used in conjunction. For example, an email campaign can include a banner ad or link to a content download.

12.3 Frequency capping

Frequency capping is a term in advertising that means restricting (capping) the number of times (frequency) a specific visitor to a website is shown a particular advertisement. This restriction is applied to all websites that serve ads from the same advertising network.

Frequency capping is a feature within ad serving that allows to limit the maximum number of impressions/views a visitor can see a specific ad within a period of time. E.g.: 3 views/visitor/24-hours means after viewing this ad 3 times, any visitor will not see it again for 24 hours. This feature uses cookies to remember the impression count. Non-cookies privacy-preserving implementation is also available.

Frequency capping is often cited as a way to avoid banner burnout, the point where visitors are being overexposed and response drops. This may be true for campaigns of a direct-response nature measured by click-throughs, but it might run counter to campaigns of a brand-building nature measured by non-click activity.

12.4 In-text advertising

In-text advertising is a form of contextual advertising where specific keywords within the text of a web-page are matched with advertising and/or related information units.

12.4.1 Description

Although contextual advertising in general refers to the inclusion of advertisements adjacent to relevant online context (e.g., Google AdSense), in-text advertising places hyperlinks directly into the text of the webpage. In-text advertising is commonly available from In-Text Ad Networks like Kontera using technology
such as IntelliTXT, or offered by publishers using Ad Serving technology from PowerLinks Media.

12.4.2 Advertising Model

In text advertising commonly works on a cost per click (CPC) model, which means that each time a website visitor clicks on an In-text ad, the websites owner gets paid by the advertiser. Other models include cost per impression (CPM), cost per action CPA and cost per play CPP for multimedia content ads (also known as Pay Per Play (PPP))

12.4.3 Criticism

The use of this type of advertising in news and journalism websites has been criticized by journalism ethics counselors as "ethically problematic at the least and potentially quite corrosive of journalistic quality and credibility." However, publishers such as the Indianapolis Star who use in-text advertising have reported that despite early objections by some readers, such complaints have "tapered off".

12.5 Inbound marketing

Inbound marketing is advertising a company through blogs, podcasts, video, eBooks, e-newsletters, whitepapers, SEO, social media marketing, and other forms of content marketing which serve to bring customers in closer to the brand, where they want to be. In contrast, buying attention, cold-calling, direct paper mail, radio, TV advertisements, sales flyers, spam, telemarketing and traditional advertising are considered "outbound marketing". Inbound marketing earns the attention of customers, makes the company easy to be found and draws customers to the website by producing interesting content.

David Meerman Scott recommends that marketers "earn their way in" (via publishing helpful information on a blog etc.) in contrast to outbound marketing where they "buy, beg, or bug their way in" (via paid advertisements, issuing press releases, or paying commissioned sales people, respectively). The term is synonymous with the concept of permission marketing, which is the title of a book by Seth Godin. The inbound marketing term was coined by HubSpot’s Brian Halligan, in 2005. According to HubSpot, inbound marketing is especially effective for small businesses that deal with high dollar values, long research
cycles and knowledge-based products. In these areas prospects are more likely to get informed and hire someone who demonstrates expertise.

In one case inbound marketing was defined by three phases: Get found, Convert and Analyze. A newer model from Business2Community illustrates the concept in five stages:

1. Attract traffic
2. Convert visitors to leads
3. Convert leads to sales
4. Turn customers into repeat higher margin customers
5. Analyze for continuous improvement

Complex inbound marketing practices target potential customers at various different levels of product/brand awareness. The most scaled tactics attempt to funnel customers from semantically related market segments, who have no product awareness or intention to purchase. This is usually achieved by taking the customer through a structured informational path that builds awareness and increases interest over time.

**12.6 Lead scoring**

Lead scoring is a methodology used to rank prospects against a scale that represents the perceived value each lead represents to the organization. The resulting score is used to determine which leads a receiving function (e.g. sales, partners, teleprospecting) will engage, in order of priority."

The most accurate lead scoring models include both explicit and implicit information. Explicit scores are based on information provided by or about the prospect, for example - company size, industry segment, job title or geographic location. Implicit scores are derived from monitoring prospect behavior; examples of these include Web-site visits, whitepaper downloads or e-mail opens and clicks. A new type of score is the Social Score - it predicts lead relevancy based on analyzing a person's presence and activities on social networks.
When a lead scoring model is effective, the key benefits are:

Increased sales efficiency and effectiveness. Lead scoring focuses sales attention on leads that the organization deems most valuable, ensuring that leads that are unqualified or have low perceived value are not sent to sales for engagement.

Increased marketing effectiveness. A lead scoring model quantifies for marketers what types of leads or lead characteristics matter most, which helps marketing more effectively target its inbound and outbound programs and deliver more high-quality leads to sales.

Tighter marketing and sales alignment. Lead scoring helps strengthen the relationship between marketing and sales by establishing a common language with which marketing and sales leaders can discuss the quality and quantity of leads generated.

12.7 Media transparency

Media transparency is the concept of determining how and why information is conveyed through various means.

As used in the humanities, the topic of media transparency implies openness and accountability. It is a metaphorical extension of the meaning used a “transparent” object is one that can be seen through.

In communication studies, Media is transparent when:

- there are many, often competing, sources of information.
- much is known about the method of information delivery.
- the funding of media production is publicly available.

Aspects of transparent media include open source documentation, open meetings, financial disclosure statements, the freedom of information legislation, budgetary review, audit, peer review, etc.
12.7.1 Overview

Media transparency deals with the way the media is viewed to the public today and concerns why the media may portray something the way that it does. Media communication can be a very powerful tool in affecting change whether it is political or social. The various implications it has on the way issues are viewed within the government and to the public has a great effect on public policy change in the United States. Social media participation can be a key factor in whether or not something is accepted by the government. Transparency causes issues when there are many competing sources and they are possibly corrupt. The biased information can affect public policy if the government is tampering with the way the information is portrayed, in order to cast a positive or negative light on it. Depending on how transparent a news article is, one can determine its reliability and draw their own assumptions or draw their own conclusions from the findings.

The media’s pervasive influence can directly affect public opinion. It has been stated that “the only means of influencing what people think is precisely to control what they think about.” Agenda-setting relates to the process of policy change because “media content is pervasive and rife with explicit and implicit political meaning.” Beyond the role that agenda-setting can play in influencing public opinion, agenda building has to do with the mechanisms by which “social problems originate on the media agenda and how they are subsequently transformed into political issues.” The transparency with which information has been obtained alters our knowledge about the subject. The framing theory states that media influence issue agendas by portraying an issue as positive or negative; citizens will then be influenced by media to hold similar opinions. By discussing local issues in a positive manner, local media can garner support for issues. By blocking certain users, they defy transparency in media.

12.7.2 Media transparency and power

The media can play the role of a watchdog in some situations while in others it can be manipulated to reflect views of a particular group in power. Police forces are becoming increasingly proactive, strategic, and professionalized in their use of the news media. Willingly or not, it has long been recognized that the police and the media can be seen to be locked into a relationship that is, to some degree at least,
premised on what has described as a ‘complex loop of interdependence.’ The media depends on the police for the constant release of ‘crime and crash’ information as the lifeblood of their news stories; the police depend on media coverage for help in crime prevention and detection and also in the promotion of a positive image of policing work. Nevertheless, the effective management and use of information has an important role to play in crime prevention, reduction and investigation strategies, and the amount of information that police officers encounter in the course of their work is considerable.

Biased information can affect public policy if the government tampers with the way information is portrayed in order to cast a positive or negative light on it. Depending on how transparent a news article is, one can determine its reliability and make assumptions or draw one’s own conclusions from the findings. Media transparency brings up issues concerning freedom of speech since the governments may censor what information is conveyed in order to sway public opinion. Corruption has been a major issue in the growth and progress of certain areas of the world, because there is a lack of media transparency.

Transparency, publicity, and accountability are all needed in order to produce change. Just making information available may not be enough to prevent corruption if such conditions for publicity and accountability, as education, media circulation and free and fair elections are weak. Information should be reached by much of the common public if it is to catalyze change in the areas being exposed. It may be helpful to strengthen people’s capacity to act upon the information they receive through transparency, in order to increase its effectiveness.

In terms of governments, media transparency can be particularly important in allowing members of a particular country to see what is actually happening in a certain situation, without the story being manipulated. Abuse of power is very common in some countries and this can be directly related to a lack of media transparency. It is this absence of relevant knowledge of political and public affairs, of participation and accountability; an absence disguised by an overload of information on politically irrelevant or unenlightening matters.
In particular, mass media produce and use information to divert attention from important matters, to change or confuse the meanings of events, to turn public concerns into matters of entertainment. Far from focusing on matters of public interest in a way that respects that public interest, they increasingly blur the public-private line. They intrude into the private lives of public figures, pleading the public’s ‘right to know’. The result is 'a simulated transparency between governments and the governed.'

Academics at the University of Oxford and Warwick Business School, conducting empirical research on the operation and effects of transparent forms of clinical regulation in practice, describe a form of 'spectacular transparency'. They suggest that government policy tends to react to high profile media 'spectacles', leading to regulatory policy decisions that appear to respond to problems exposed in the media have new perverse effects in practice, which are unseen by regulators or the media.

The government takes great care to be presented in a certain light by the media. For millennia leaders have known the importance of the visual image to their public relations persona. All manner of dress, ritual, and ceremony have been designed to shore up the perception of the powerful. From the very beginning of photojournalism, leaders saw an opportunity to groom their political image through their visual representations.

The degree to which state agents work to influence video production contradicts the use of those images by news organizations as indexical, objective representations. Because we so strongly equate seeing with knowing, video cultivates an inaccurate impression that we are getting the “full picture.” It has been said that “what is on the news depends on what can be shown.” The case studies for this project demonstrate that what can be shown is often decided in concern with political agents. Essentially, the way the media presents its information creates an illusion of transparency.

12.7.3 Examples

Some organizations and networks insist that not only the ordinary information of interest to the community is made freely available, but that all (or nearly all) meta-levels of organizing and decision-making are themselves also published. This is
known as radical transparency. These organizations include: Wikipedia, the GNU/Linux community, and Indymedia.

When an organization (corporate, government, non-profit, or other) holds a meeting and the proceedings are open to the public and the press, and the meeting is publicized via one or more of the following methods, there is less opportunity for the organization to abuse the system of information delivery in their own interest:

- Broadcast over radio.
- Reviewed on television.
- Reported in newsprint.
- Journalized on weblogs.

This assumes, of course, that the organization does not own or otherwise affect the media conveying the information.

12.8 Netnography

Netnography is the branch of ethnography that analyses the free behaviour of individuals on the Internet that uses online marketing research techniques to provide useful insights. The word “netnography” comes from “Inter[net]” and “ethnography” and was a process and term coined by Dr. Robert V. Kozinets. As a method, “netnography” can be faster, simpler, and less expensive than ethnography, and more naturalistic and unobtrusive than focus groups or interviews (Kozinets, 2009, del Fresno, 2011). Netnography is similar to an ethnography in five ways:

1. It is naturalistic
2. It is immersive
3. It is descriptive
4. It is multi-method
5. It is adaptable
It provides information on the symbolism, meaning, and consumption patterns of online consumer groups (Kozinets, 2010) or online communities consumption unrelated but online sociability based on the exchange of information (del Fresno, 2011). Netnography is focused on cultural, symbolic information insights.

12.8.1 The basis for netnography

Consumers turn to computer-mediated communication for information on which to base lifestyle, product and brand choices. Besides perusing advertising and corporate websites, consumers are using virtual communities and other online social sharing formats to share ideas and contact fellow consumers who are seen as more objective information sources. The freely expressed opinion of individuals on the social web provides researchers with data coming from thousands of individuals behaving freely. It also allows researchers to keep record of these interactions, quantify changes over time, and perform insightful analysis using a variety of tools and methods.

The study of communication patterns and content between/within these social groups on the Internet is one method of netnographic analysis. These social groups are popularly referred to as “virtual communities” (Rheingold 1993). However, as stated by Jones (1995), the term "virtual" might misleadingly imply that these communities are less “real” than physical communities. Yet as Kozinets (1998, p. 366) pointed out, “these social groups have a ‘real’ existence for their participants, and thus have consequential effects on many aspects of behaviour, including consumer behavior” (see also Muniz and O’Guinn 2001).

Individuals participating in these "virtual communities" often share in-depth insight on themselves, their lifestyles, and the reasons behind the choices they make as consumers (brands, products etc.) The knowledge exchanged within these public communities is often commercially valuable, as it can help companies develop better marketing strategies, help identify industry trends or candidates for employment, or help product engineers improve their products. Not surprisingly, since these communities often include attempts to inform and influence fellow consumers about products and brands (Handaa 1999, Muniz and O’Guinn 2001), and since one major factor influencing positive brand equity for one brand over another is consumer advocacy (Almquist and Roberts, 2000), commercial firms are
often very interested in determining the level and nature of conversation around their brands and products, and looking for methods to influence those conversations.

1. Like ethnography, netnography is natural, immersive, descriptive, multi-method, and adaptable.

2. Unique among social media methods, netnography seeks to generate cultural insights from contextualized data.

3. Netnography follows six overlapping steps: research planning, entrée, data collection, interpretation, ensuring ethical standards, and research representation.

4. Computationally assisted netnography adds the careful use of software tools to the protocols of the netnographic process in order to assist with data collection and analysis.

Netnography offers a range of new insights for front end innovation, providing:

1. Holistic marketplace descriptions
2. Communicative and cultural comprehension
3. Embedded understanding of consumer choice
4. Naturalistic views of brand meaning
5. Discovery of consumer innovation
6. Mappings of sociocultural online space

12.8.2 Sample netnographic analysis

Below are listed four different types of online community from a netnographic analysis by Kozinets (see Kozinets ref. below for more detail). Even though the technologies, and the use of these technologies within culture, is evolving over time, the insights below have been included here in order to show an example of what a market-oriented “netnography” looked like:

1. Bulletin boards, which function as electronic bulletin boards (also called newsgroups, usegroups, or usenet groups). These are often organized around
particular products, services or lifestyles, each of which may have important uses and implications for marketing researchers interested in particular consumer topics (e.g., McDonalds, Sony PlayStation, beer, travel to Europe, skiing). Many consumer-oriented newsgroups have over 100,000 readers, and some have over one million (Reid 1995).

2. Independent web pages as well as web-rings composed of thematically-linked World Wide Web pages. Web-pages such as epinions ([www.epinions.com]) provide online community resources for consumer-to-consumer exchanges. Yahoo!’s consumer advocacy listings also provide useful listing of independent consumer web-pages. Yahoo! also has an excellent directory of web-rings ([www.dir.webring.yahoo.com]).

3. lists (also called listservs, after the software program), which are e-mail mailing lists united by common themes (e.g., art, diet, music, professions, toys, educational services, hobbies). Some good search engines of lists are [www.egroups.com] and [www.liszt.com].

4. multi-user dungeons and chat rooms tend to be considerably less market-oriented in their focus, containing information that is often fantasy-oriented, social, sexual and relational in nature. General search engines (e.g., Yahoo! or excite) provide good directories of these communities. Dungeons and chat rooms may still be of interest to marketing researchers (see, e.g., White 1999) because of their ability to provide insight into particular themes (e.g., certain industry, demographic or lifestyle segments). However, many marketing researchers will find the generally more focused and more information-laden content provided by the members of boards, rings and lists to be more useful to their investigation than the more social information present in dungeons and chat rooms.

12.8.3 Netnography process

Netnography follows six overlapping steps:

1. Research Planning

2. Entrée

3. Data Collection
4. Interpretation
5. Ensuring ethical standards
6. Research representation