International Marketing Campaigns & Online Marketing Opportunities

Marketing in English

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Overview

What is a "marketing campaign"?

- Marketing strategy vs. marketing campaign
- Components of a marketing campaign
- Internationalizing a marketing campaign: Total Gym
- Designing a marketing campaign
 - Main considerations
 - In-class task
 - Overview of Online Promotional Tools
- Opportunities internet brings to global campaign management and design
 - Audience Research
 - Campaign Design
 - Campaign Execution

- Action plan of coordinated marketing activities
 - Typically "promotional" (4Ps)
 - [Price, Place, Product, Promotion],
 - Typically "communication" (4Cs)
 - □ [Cost, Convenience, Customer Value, Communication]
- In this lecture for clarity & simplicity: Marketing campaign = Marketing communication campaign

Even though campaign may possibly include pricing & distribution elements... i.e. iPhone...

- 3 levels: Strategic, Operational, Tactical
 - □ Marketing Strategy
 - The main concept within all marketing functions
 - Marketing Communication Strategy
 - The main idea driving communication with customers & shaping the brand image, derived from the marketing strategy
 - Simply said: How do you want your brand to be perceived by your customers
 - Example: "McD is a fun place to eat, all the kids have to know it

□ Marketing Campaign

- Plan of concerete "conversations" within specified time-frame for a specified audience in a specified media
 - Putting communication strategy into life!
 - □ From "This is what we want to do" to "This is how we want to do it"

Defined plan of targeted promotional activities

- Clear Message (Message!)
- Set of planned activities (Promotional Tools)
- Within specified time-frame (Timing)
- For a precisely selected audience (Audience)
 - Note: connection Audience and Region
- And in specified communication channels (Media)
 - Note: connection audience-media
- Including goals & campaign metrics (Goals & Results)
- For a defined amount of money (Budget)

Millitary analogy

- □ War Front Battle
- □ Strategic Operational Tactical

A <u>Basic</u> Example: Total Gym

- □ **Message:** Total gym does work + Call to action
- □ **Tools:** Teleshopping style ads on TV
- □ **Timing:** during Walker Texas Rangers series, 3x week
 - January 2010 till April 2010, 4 months
- □ Audience: Chuck Norris fans in North America
- □ Media: FOX, CBS, NBC
- Goals and Results: 600 000 leads & 400 000 units sold in given period
- **Budget:** 10 mil. USD, 25 USD per predicted unit sold

live: <u>http://www.youtube.com/watch?v=fzE0FOPiaDU</u>

- A <u>Basic</u> Internationalization Example: Selling Total Gym in Italy
 - □ **Message:** Total gym works for all atheletes
 - □ **Tools:** Teleshopping style ads on TV
 - □ **Timing:** during Teleshopping session in the afternoon
 - □ January 2010 till April 2010, 4 months
 - Audience: Coach potatoes feeling guilty watching TV in the afternoon
 - Media: Rai Uno
 - □ Goals and Results: 60 000 units sold in given period
 - □ Budget: 1 mil. EUR, 16,7 EUR per predicted unit sold

live: <u>http://www.youtube.com/watch?v=AppSsTpfFR4</u>

Sidenote

Internationalization Issues & Considerations

 Culture
 Political and legal factors
 Traget country's level of economic development
 Mode of involvement in foreign markets

Definition

"Refers to commercial transactions occurring over open networks, such as the Internet. Both business-to-business and business-to-consumer transactions are included."worldbank.org

 Definition 2.: "Electronic Commerce, commonly known as (electronic marketing) e-commerce or eCommerce, consists of the buying and selling of products or services over electronic systems such as the Internet and other computer networks." wikipedia.org

Characteristics

- Custumer has to own a "gadget" connected to a network in order to participate in e-commerce (i.e. PC)
- Merchant has to have a space within the network (i.e. domain name and website)
- □ Customer obtains information about the product electronically
- Customer confirms his decision to purchase the product electronically (i.e. filling in a form on a website)
- □ Payment can be made online
 - Credit Cards, Paypal, PaySec(Czech), SMS payments
- □ Distibution
 - Electronic Online (i.e. songs, books, software, services)
 - Physical Offline (necessary for physical goods)

Benefits

- □ Lower transaction cost
 - Merchant side
 - □ Store, inventory, staff, communication
 - Customer side
 - □ Time needed to get info and compare prices, communication
- Global market
 - Outsource services globaly
 - □ Take advatage of price diffreneces, exchange rates etc...

□ Marketing

- □ Whole AIDA + payment + distribution in one moment
- □ Both B2B and B2C in one channel
 - example: <u>www.hp.com</u>

Riscs & Drawbacks

- Security Issues
 - Fraud, both on Merchant and Customer sides
- Virtual relationship
 - No face-to-face interaction may contribute to the trust problem
- Technology & Equipment
 - Direct proportion between Internet expansion and E-commerce growth
- □ Consumer behaviour more "item specific"
 - According to Stuchlik, Dvoracek (2002) customers engage mostly in "targeted shopping" not in "leisure shopping" in the online environment

- Synchronizing Marketing communication strategy with desired goals and available resources
- Strategic & Creative & Practical
- Optimizing the afformentioned interdependent elements:
 - □ Message
 - Note: connection Message & Media
 - Promotional Tools
 - □ Timing
 - □ Audience
 - Note: connection Audience & Region
 - Media
 - Note: connection Audience & Media
 - Goals & Results
 - Note: Metrics have to be defined!
 - Budget
 - Note: Budget limits Promotional tools available...

Individual in-class task

- Design a Total Gym campaign for your country
 - Brief Outline is sufficient
 - Be ready to present and reveal your strategy choices (why) not only campaign variables (how)

Discussion: Promoting Total Gym Online

Promoting Total Gym Online

Options

- Direct Mail
- Website
- Search engines
- Ads
- Forums / Groups
- Magazines
- Videos
 - See "How to use Total Gym" on You Tube:

http://www.youtube.com/watch?v=ah_gS-v1jzg

- Viral Campaigns
- Internet Radio, Internet TV

Advantages:

- □ Architecture!
 - Global network with national sub-networks, i.e. domains
 - Country targeting is easy!
- Technology
 - Language recognition, location recognition
 - Real-time adjustments
 - Script recognizes your location and will generate relevant promotional coupon usuable at a store in your town
 - □ localization of services: Google

□ Global audience in a single medium

- Market Research
 - □ Testers "playground"
- Global campaign management on one platform
 - □ i.e. Google AdWords

Advantages:

- □ SME Friendly
 - The size of the company is not discriminating
 - Even SMEs can market goods globally online
 - Generally cheaper to run an international campaign online than offline

Physical distance less critical

- Means opportunities especially for services companies
- □ Online campaigns are measurable and comparable
 - Offline campaigns as well, but in online environment it is cheaper to get the data:
 - Benchmarking and Assessing Markets
 - □ Real-time campaign data Monitoring
 - $\hfill\square$ Quality feedback allows prompt action in case something goes wrong

Disadvantages

- □ Lower Credibility
 - internet environment perceived more risky

□Global, but…

 in some countries only marginal part of population actually has internet

□ Tendency to cut + paste

Just because USA and UK share the language doesnt mean the same campaign will work...

Summary

- Convenience: Design and manage a global (but possibly localy adjusted) campaign on one platform and get real-time feedback
- Testing opportunities: before an expensive product launch on a foreign market, test drive the product in that particular country online
- Low-cost: No need to higher a media planning agency in every country
- □ **Userbase**: World-wide still growing

Thank you!

Questions?
 Ask now!
 Or later ③ <u>lukasgottwald@gmail.com</u>

References

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