

DOI: 10.46340/eujem.2020.6.4.14

Olena Yevseitseva, PhD in Economics

ORCID ID: <https://orcid.org/0000-0001-6079-2968>

Daria Shkut

ORCID: ID <https://orcid.org/0000-0002-0329-1646>

Kyiv National University of Technologies and Design, Ukraine

DIGITALIZATION OF MARKETING COMMUNICATIONS

This article deals with the problem of adaptation of the basic model of marketing communications of F. Kotler to the modern digital environment. Modern methods of marketing on the Internet have been studied: searching, context advertising, banners, teasers, advertising in social networks, collaboration with opinion leaders, demo-versions of products, mass mailings. Aims and tasks of facilities of marketing communications and expediency of their adaptation for the use in a digital environment have been determined. The sequence of transfer of communications from offline environment to online environment is proposed. Based on this research, the author proposes to use QR codes on physical advertising media in combination with additional stimulation.

Keywords: marketing communication system, advertising, sales promotion, PR, personal sales, SEO, SMM, website.

When speaking about advertising in the digital environment, it is worth mentioning mainly advertising on the Internet, as access to it is available in practically all modern devices.

Context advertising is an advertisement in a text, graphical or video format that users see according to their search queries, interests or behaviour on the Internet. The most popular advertising service is Google Ads. Google Ads now has five types of campaigns.

Search Network campaign is the display of an advertisement over or under the results of a Google search if the keywords correspond to the search queries of the users. The most commonly used are text and dynamic search ads, as well as announcements with telephone number only. On the search results pages, they are marked as "Advertisement", and on the partner sites can be marked as "Advertisement from Google". Such ads often contain additional information about the company, such as an address or telephone number. Commercial, graphic, and video ads are also used.

Display Network campaign differs from the search one in that people see advertising on the search network when they are already looking for something, and the context-media network allows them to attract attention earlier in the purchase cycle. Thus, you can offer your products and services to potential customers even before they start looking for them, and with the help of remarketing you can remind the former users of your site or application. With automatic targeting, the system identifies the most effective audiences based on the existing user base and target page.

Shopping campaign is another type of advertising campaign on Google. Product ads can appear on the "Purchases" tab in Google Search (in individual countries), in Google Search (next to search results, but separately from text ads), in the context-media network of Google and Google Pictures, and on the sites of Google search partners. Goods and text announcements can be displayed together to provide the user with more complete information about the goods corresponding to their request. This helps the client to choose before visiting the site, and the advertiser to attract a prospective customer.

Video campaign consists of placing video advertisements on YouTube and the Google Context Media Network.

App Campaign allows ads to be displayed on all Google resources, including Search, Google Play, YouTube, Context Media, App Advertising, Google Advisories, Search Partner Sites, and other resources where applications are advertised¹.

¹ Google LLC, Google Support (2020). *About Google Ads campaign types*. <https://support.google.com/google-ads/answer/2567043?hl=en&ref_topic=3121941> (2020, May, 28).

A banner is an Internet advertisement of an informative nature, placed on the page of a web publisher and having links to the page of an advertiser. Placement may take place on a paid or free (partner) basis (for example, placement of banners with logos of participating companies on the official exhibition page)¹.

The viral advertising campaign was transferred to the Internet from traditional marketing. The basic principle of viral advertising is the free dissemination of information "from the user to the user". Most often the advertising medium, in this case, is video clips, or graphic content – bright images, comics, demotivators.

Advertising in social networks is developed in two main directions – on the principle of targeting (contextual, media) or SMO-marketing optimization of the promoted product within the selected site. Many popular social media projects have already launched their advertising networks, allowing advertising to be distributed within the platform, taking into account its themes and other parameters. This makes it easier to launch advertising campaigns of any scale and makes it possible to plan not only further publications but also the budget of advertising expenditures.

Teaser advertising partly resembles media – the same graphical advertising modules supplemented with text content. Only the texts for teasers are mostly chosen provocative, "on the verge of foul", which noticeably reduces their click-through rate. And the general attitude towards this kind of advertising is not very favourable. However, in some cases teasers are suitable for low-budget advertising projects².

Sales promotion tools are short but colourful messages. They often provide a benefit that is attractive to the consumer to make an immediate purchase. Examples of such means are usually coupons, prizes, prizes, and so on. All marketing products can be characterized as follows:

- 1) informativeness and attractiveness – the means of marketing should stand out the offer among others, both its appearance and its content;
- 2) purchase promotion – generally promotional advertising involves a benefit, profit or assistance of value to the consumer;
- 3) accessibility – the offer must contain how to make the purchase. Regarding Internet advertising, the use of the system «purchase in one click» will be effective. Consider the main means of marketing on the Internet.

Trial samples and demo versions of the product have gained widespread popularity, especially in the software industry. This type of incentive can be provisionally divided into 2 groups:

- 1) The product of intellectual labour is free, but the paid version has more advantages (no built-in advertising, no restrictions on any features). It is possible to offer a subscription to a paid version for a limited period free of charge, provided that it is likely to be purchased in the future. For example, the YouTube Music app is free for download, but the free version has limitations such as advertising and the inability to listen to music in the background and offline. To stimulate sales, the company offers a free subscription for the first 30 days (then 79 UAH per month).

- 2) The product of intellectual labour does not have a free cut version that can be used permanently, but offers to download a demo version, often with full functionality but limited time of using. An example of this tactic is ABBYY, which offers a free download of a 30-day demonstration version of its FineReader product. The advantage of such a marketing tool is the likelihood of the consumer fall in love with a rich functionality so he does not want to move to a reduced version. It is more effective than when a person simply reads the product description on the site. However, consumers often have a limited time frame to complete their tasks, and the product or service is never acquired, which is a major weakness of this strategy.

Coupons are another effective means of stimulating sales not only in the form of flyers, which are distributed by promoters near the outlets, but also in the form of digital messages of any kind. Often the same coupons are duplicated on the company's website. An example is the KFC Corporation – coupons for special offers can be found both on the counter in printed form and on the official site kfc-ukraine.com in the section "coupons". However, this tactic deprives coupons of any exclusivity, as they can be used by any random buyer. Conversely, SushiWOK periodically adds a special exclusive coupon with a significant discount to their regular buyers in their delivery or take-out orders with a sufficient number of orders over a certain period. Partner coupon placement is also practiced (20% discount coupon in COSMO stores can be obtained using bonuses from Vodafone) and placement on aggregator sites (pokupon.ua, skidochnik.com.ua). Digital

¹ Кондратьева, А. С. (2019) Оценка эффективности различных видов рекламы в интернете при продвижении эксклюзивных товаров. *Интеграция наук*, 1, 281-283.

² АртКлен (2020). 7 видов рекламы в Интернете <<https://artklen.ru/blog/vidy-reklamy-v-internete>> (2020, May, 24).

coupons can be given to new potential customers in exchange for their contact details. The advantage of this approach is the attraction of clients with the help of a profitable offer. To track the effectiveness of coupons, it is necessary to create unique codes for each target audience group or for each advertising medium, which can entail additional costs and is, therefore, a disadvantage of this method.

Price reduction is probably one of the oldest methods of marketing promotion. If fake discounts are possible for off-line trading with previous artificial overcharges, then online such behaviour is easy to track. For example, for the AliExpress site some services show all changes in the price of this product over a certain period. If the seller inflates the price before the discount, the buyer will be mistrustful. Thus, discounts on online trade should be really profitable for the buyer. Currently, popular are price discounts, volume discounts, referrals (to attract friends), discounts on the second product (any other product or pre-packaged "together cheaper"), etc. Visually in an online environment, discounts are usually shown as a crossed-out old price replaced with the new price. Internet stores also create a separate filter for discounted goods, so that the user can immediately enter the relevant section and watch the discounted goods.

Gifts are also an integral part of sales promotion. The most popular gift in Internet trade is probably free delivery. It can be extended to any order (usually for a catering establishment) or to order above a certain price. Often, catering establishments offer a certain meal as a gift, while ordering a sufficiently large amount of food (free small pizza if you order two large, a free sauce to a large sushi set, etc.). In the case of intellectual work, a gift in the form of teaching material is a frequent occurrence and can be given not only for the purchase but also for a regular subscription to a mailing list. However, the value of such material will normally be completely different in two cases. A gift can also be obtained by taking part in a draw or contest. The main drawback of this method is its short-term effect.

The main tools for the implementation of the above-mentioned rewards are various kinds of mailing and push-notifications. The most effective form of subscription, in this case, is a pop-up window with an offer to leave your data (usually name, phone, and e-mail address) and get a coupon in the form of an SMS or e-mail. It is also important in this case to ask for consent to further distribution and to provide a link to the user agreement and privacy policy.

Email Campaign is a letter or a series of letters to a certain group of recipients who have agreed to receive it. In addition to advertising, it is also an effective means of communicating with customers and marketing products.

Objectives of e-mail distribution:

- 1) sales growth;
- 2) creating a target audience;
- 3) promotion and encouragement of the marketing of goods or services;
- 4) increased brand recognition and loyalty;
- 5) communication with clients.

Depending on the purpose of the mailing, there are three types:

1) informational mailings allow the brand to periodically remind itself and increase its recognizability. The content of such mailings consists of company news, useful and high-quality content in the form of product care councils or features of the service.

2) commercial mailings are created to promote the brand and sell its products or services. These include notifications of new goods, services, sales;

3) automatic mailings include trigger and transaction letters. The trigger letters are sent when a certain event or date is triggered (notice of the end of the sale, holiday congratulations, letter of the abandoned basket, reactivation letter, etc.). Transaction letters are sent in response to the user's action (confirmation of order letter, notification of status, payment message, etc.).

The following Important Email Marketing Metrics exist:

- Email deliverability rate represents the number of emails that reach the users' inbox;
- Email open rate indicates the number of emails opened. A high open rate means that many people are interested in receiving your campaigns;
 - Click-through rate defines how many users clicked on the links inside an email;
 - Conversion rate is the percentage of recipients who clicked on a link and did what the sender was expecting them to do;
- Spam complaints are complaints that users may send to the server. They have a negative impact on both the email campaign and your sender reputation;

- Email bounce rate is a metric that shows whether a message was or was not delivered to the recipient;
- Unsubscribe rate defines how many users lost interest in your emails for different reasons and you may need to target another audience or change something in the existing offer.

All these indicators reflect performance and help optimize the e-mail marketing strategy¹.

Push notifications are user notifications in a browser or mobile application. They attract attention and increase sales in the niche of online sales. These alerts have a fairly high degree of CTR because they often surfaced above all the windows in the browser and remain in the lock screen on mobile devices. In this way, they increase the conversion and loyalty of consumers. However, due to numerous negative spam advertisements, the overall confidence of consumers in such alerts is reduced.

Mailings via SMS and various messengers are more successful than e-mails, because the message notification system works better than e-mails. This is due to the total volume of daily mail to these channels, as well as the presence of better filters, especially in Gmail boxes – mailings do not always get into incoming ones, more often they get into promotions or, worse, in spam. So the advantage of SMS and Messenger is a higher open rate. On the other hand, it is more difficult to obtain a telephone number from a user than an e-mail, but the relevance of the information in the first case is higher than in the second case. Because with a temporary mail services, the user can register at a temporary address, get a subscription bonus and not to visit your site again. To combat this, you can install a filter or an input mask in the "e-mail" field and make a two-step authentication, but this does not guarantee complete cleanliness of the registration list.

Despite the basic definition of personal sale as an oral presentation of the goods in an interview with one or more potential buyers for selling, In the digital environment, it is possible to create the appearance of the personal presence of a living person through robots and artificial intelligence².

At present, it is difficult to imagine an online store without an online consultant – a chatbot. They are mostly technical support, but they can also be programmed to sell products or services to the company. By collecting user data in the form of cookies, the system will be able to anticipate the desired positions that are most relevant to the user's previous search queries. Well-written dialogues create the appearance of communicating with the real person, which fuels the interest of the user and increases trust. In case the prepared phrases do not satisfy the potential consumer, the real manager enters the dialogue and completes the sale.

Mass distribution through various communication channels is easy to personalize. When writing the name of the sender it is better to indicate not just the name of the company, but also to introduce yourself. This will, firstly, differentiate your mailing from others, and, secondly, create the appearance of communicating with a real person. For example, for mailings from Coca-Cola, a good name of the sender will be Eugene from Coca-Cola, Maria from Coca-Cola, etc. When a subscriber decides whether to open a letter to him, he looks more at the sender's name than on the subject of the letter. Users are more important than the content of the letter. To achieve such a relationship with your audience, you have to work on the quality of the content inside the letter. If the mailing is useful, the letters will open independently of the topic.

In contrast to advertising, which motivates the consumer to acquire a certain type of goods or services and directly affects the individual, PR has a completely different mechanism of influence. Public relations are designed to create a positive, trusting attitude towards a company or brand. As a result of the correct conduct of PR campaigns, the consumer has the impression that he himself has concluded to become a client of the promoted company. In order for public relations to have the desired effect, there must be a long-term information flow that forms the right public opinion.

Starting a PR campaign on the Internet is necessary from the creation of a site. First, with the help of SEO and other technologies you can attract visitors to the site who learn about your company. Second, all other methods of PR on the Internet will necessarily require a site. If the user is interested in your company, the first thing he will do is look for you in search engines, which should not be difficult for him.

Publishing interviews and analytic articles means publishing online feature articles that refer to your company and link to the company's website. Articles can be posted free of charge or for money in catalogues of articles, various media, and online magazines.

¹ SendPulse, Google Support (2020). *What are Email Marketing Metrics? – Guide*. <<https://sendpulse.com/support/glossary/email-marketing-metrics>> (2020, May, 21).

² Kotler, Ph. (1984). *Marketing Essentials*. New Jersey: Prentice-Hall, 384.

PR and advertising are different things, and contextual advertising is usually used to promote different products, but it can be successfully used in a PR campaign online. For example, if a user sees advertisements with your company's logo when visiting many sites, he will know about the company from time to time.

Communicating with potential customers is the best way to announce your company. The organization of conferences, lectures, and seminars will make it possible to attract the attention of the Internet public.

The posting of positive information (rumors) on forums and blogs should also not be overlooked. Collaboration with influential bloggers, community and forum owners in publishing and disseminating information about a company is very useful, especially if the target audiences are correctly determined.

A distinguishing feature of PR on the Internet is the speed of dissemination of both positive and negative information. This rapid response to any event makes working with the press the most important aspect of PR on the Internet. Analytic articles, interviews, independent author's publications showing the openness of the company positively influence the image of the company and increase the loyalty of the consumer audience¹.

Social media, where millions of people usually spend their time, should never be forgotten. Creating a community and publishing information about the company, news, and various thematic articles will attract users of social media and will encourage them to disseminate materials about the company.

Compared to PR campaigns conducted by the media, PR on the Internet has many advantages, among which it should be emphasized:

relatively low cost of all online activities;

possibility to update information as needed;

free access to information regardless of the location of the user and time of day.

Key findings. The structure of the marketing communication system proposed by Philip Kotler is still valid today, but the instruments of implementation have changed considerably. If a company ignores its presence on the Internet, it may lose a significant number of potential customers, and therefore a profit. The first step in the online penetration strategy is to create and optimize the site, and then to disseminate information about it online and offline.

References:

1. Google LLC, Google Support (2020). *About Google Ads campaign types* <https://support.google.com/google-ads/answer/2567043?hl=en&ref_topic=3121941> (2020, May, 28). [in English].
2. Kondrateva, A. S. (2019). Ocenka effektivnosti razlichnyh vidov reklamy v internete pri prodvizhenii ekskljuzivnyh tovarov [Evaluation of the effectiveness of various types of Internet advertising in the promotion of exclusive products]. *Integracija nauk* [Integration of sciences], 1, 281-283. [in Russian].
3. ArtKlen (2020). *7 vidov reklamy v Internete* [7 types of Internet advertising]. <<https://artklen.ru/blog/vidy-reklamy-v-internete>> (2020, May, 24). [in Russian].
4. SendPulse, Google Support (2020). *What are Email Marketing Metrics? – Guide*. <<https://sendpulse.com/support/glossary/email-marketing-metrics>> (2020, May, 21). [in English].
5. Kotler, Ph. (1984). *Marketing Essentials*. New Jersey: Prentice-Hall. [in English].
6. Galljamova, D. A., Bajkova, I. V. (2018) Osobennosti PR-kampanii v internete. [Features of a PR campaign on the Internet]. *Informacionnye tehnologii. Problemy i reshenija: materialy mezhdunarodnoj nauchno-prakticheskoj konferencii. (Ufa, 24-25 maja 2018 r.)* [Information technologies. Challenges and solutions: materials of the international scientific and practical conference. (Ufa, 24-25 May 2018)], 1, 214-217. [in Russian].

¹ Галлямова, Д. А., Байкова, И. В. (2018) Особенности PR-кампании в интернете. *Информационные технологии. Проблемы и решения: материалы международной научно-практической конференции.* (г. Уфа, 24-25 мая 2018 г.), 1, 214-217.