Digital Marketing

ELIZABETH SMITH BRIGHAM

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Agenda

- Introduction

- What is Digital Marketing?
  - Definition discussion
  - Major channels
  - Recent trends and growth

- Digital Marketing as part of Marketing Mix

- Digital Campaign Strategy & Execution

- Digital Marketing Brainstorm: Kellogg's Crunchy Nut

- Student of the Game bonus / Q&A

Introduction

Elizabeth Smith Brigham

Ross MBA 2009

Sr. Product Manager, Disney Online, Disney Parks

Walt Disney Parks and Resorts Online

Elizabeth.smith.brigham@gmail.com

773-677-2783

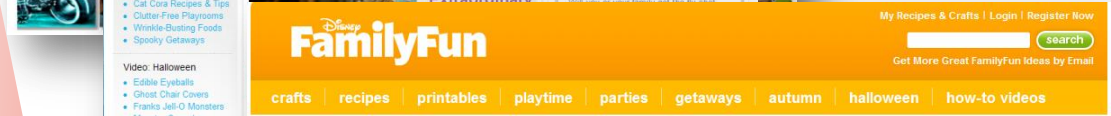# Walt Disney Parks & Resorts Online – Partnership with Disney Online

Disney Parks

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What is Digital Marketing?

Definition discussion

Major channels

Recent trends and growth

How do you define digital marketing?

Digital Marketing Channels
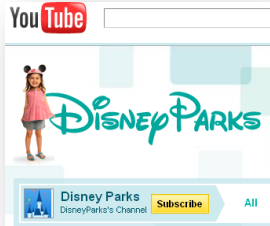
Owned Media

www.disney.com

Disney Parks Twitter Feed

Disney Parks YouTube Channel

WDW Facebook Fan Page

Earned Media

The Disney Blog — Disney News and Information — by fans, for fans

Chip & Company

Countdown to Disney

Expedition Everest at Disney World

Paid Media

IAB media
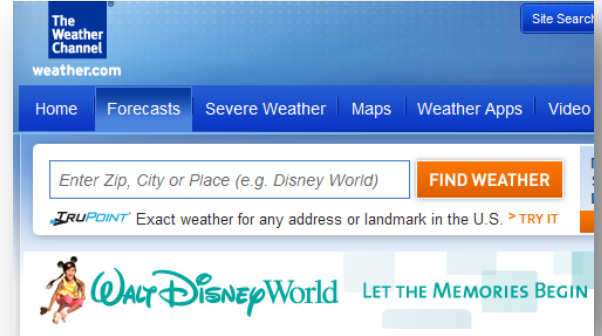
Paid Search
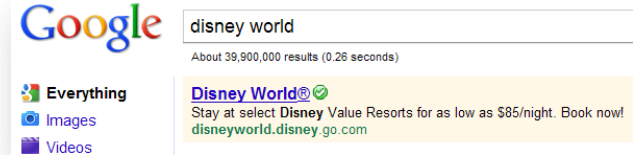
Digital vs. Traditional Media

Through Digital Marketing....

"Brands can now be **direct sellers, content producers, bloggers, tweeters and even friends without having to rely on media to deliver those messages**. Consumers can seek out those brands, connect with them through social networks, tweet about them, and instantaneously let all their friends know what they think about them or what they plan to buy."

– 'Building Brands Online: Interactive Branding: Best Practices in a Direct Response-Driven Media, AdAge Insights, Oct. 2010

Recent Trends and Growth:
Where consumers are spending time online

- 90% of US Internet users visit a social network at least once a month (14.4% of all time spent online)

- Facebook accounts for 12.3% of all time spent online

Trend in Share (%) of Time Spent for Top 5 U.S. Web Properties
Source: comScore Media Metrix, Dec-2009 to Dec-2010

- Facebook.com
- Google Sites
- Yahoo! Sites
- Microsoft Sites
- AOL, Inc.

Percent (%) Share of U.S. Time Spent Online for Top Content Categories
Source: comScore Media Metrix, Dec-2009 to Dec-2010

- Portals
- Social Networking
- Entertainment
- e-mail
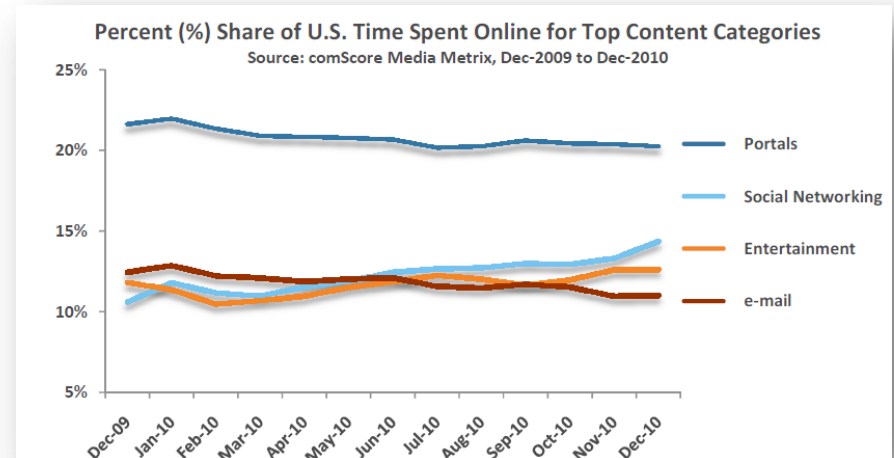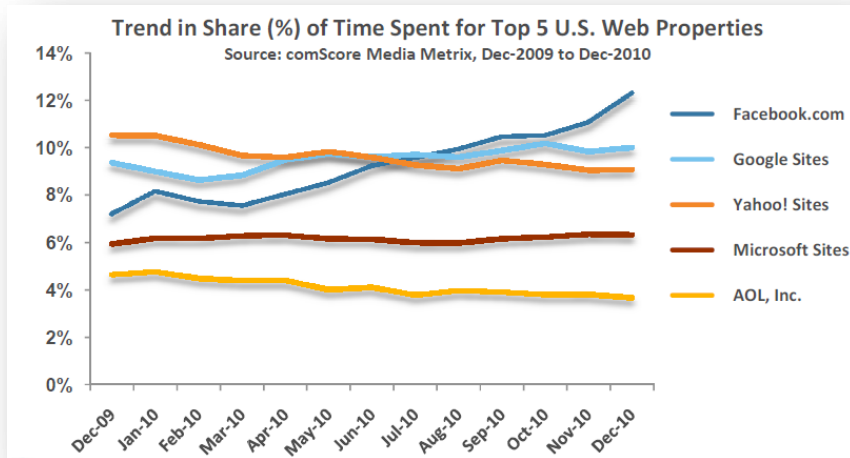
Social media strategies are becoming an increasingly important aspect of digital marketing

Recent Trends and Growth: Search

- US Search market grew 12% overall in 2010
- Search growth indicates US internet users are increasingly using search for navigation, rather than typing a URL into the address bar

U.S. Explicit Core Search Percent Change Source: comScore qSearch, Dec-2010 vs. Dec-2009			
	Searches	Unique Searchers	Searches per Searcher
Total Internet	12%	4%	8%
Google Sites	13%	3%	10%
Yahoo! Sites	4%	8%	-4%
Microsoft Sites	29%	8%	20%
Ask Network	5%	8%	-3%
AOL LLC	-18%	-25%	8%

Search engine optimization and paid search should be key components to all digital marketing strategies

Recent Trends and Growth: Online Advertising

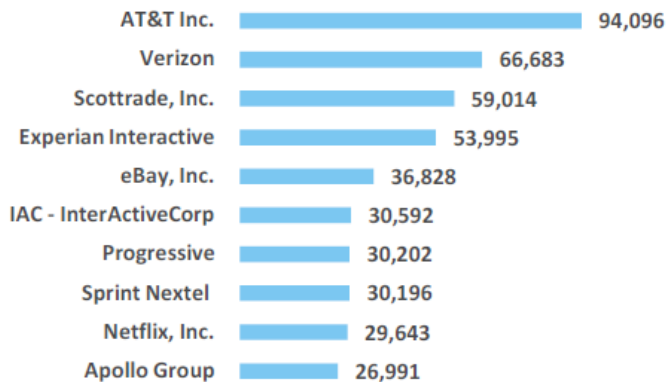- While more companies began shifting ad spend online in 2010, direct marketing campaigns for telecom and other networking services continue to dominate ad impressions
- Interactive/Rich Media display ads increased moderately compared to static ads (mostly due to Facebook's static model)

Top Ten U.S. Online Display Advertisers by Number of Impressions in Millions
Source: comScore Ad Metrix, Jan-2010 to Dec-2010

Advertiser	Impressions
AT&T Inc.	94,096
Verizon	66,683
Scottrade, Inc.	59,014
Experian Interactive	53,995
eBay, Inc.	36,828
IAC - InterActiveCorp	30,592
Progressive	30,202
Sprint Nextel	30,196
Netflix, Inc.	29,643
Apollo Group	26,991

comScore

U.S. Online Display Advertising Impressions (Billions) by Creative Format
Source: comScore Ad Metrix Creative Summary, Dec-2010 vs. Jun-2010

	Jun-10	Dec-10
Standard GIF/JPEG	236	295
Flash	162	147
Rich Media Display/Other	12	16

comScore
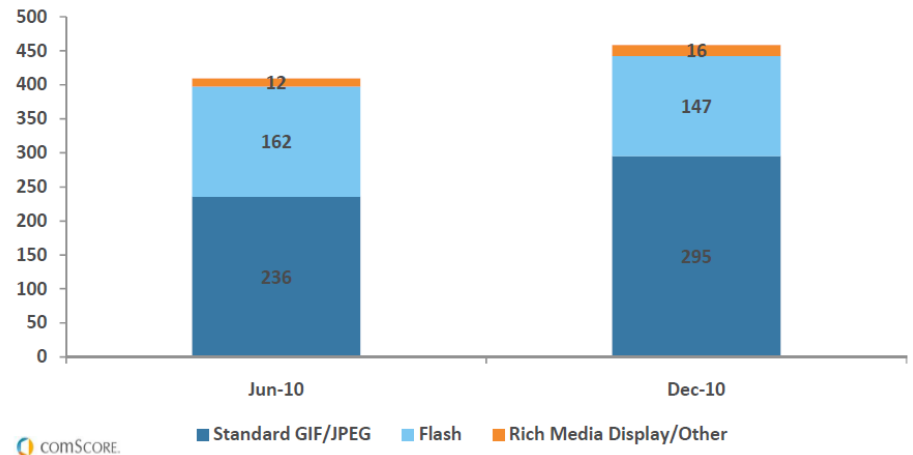
Recent Trends and Growth: Video

- 179M Americans watched video online monthly in 2010
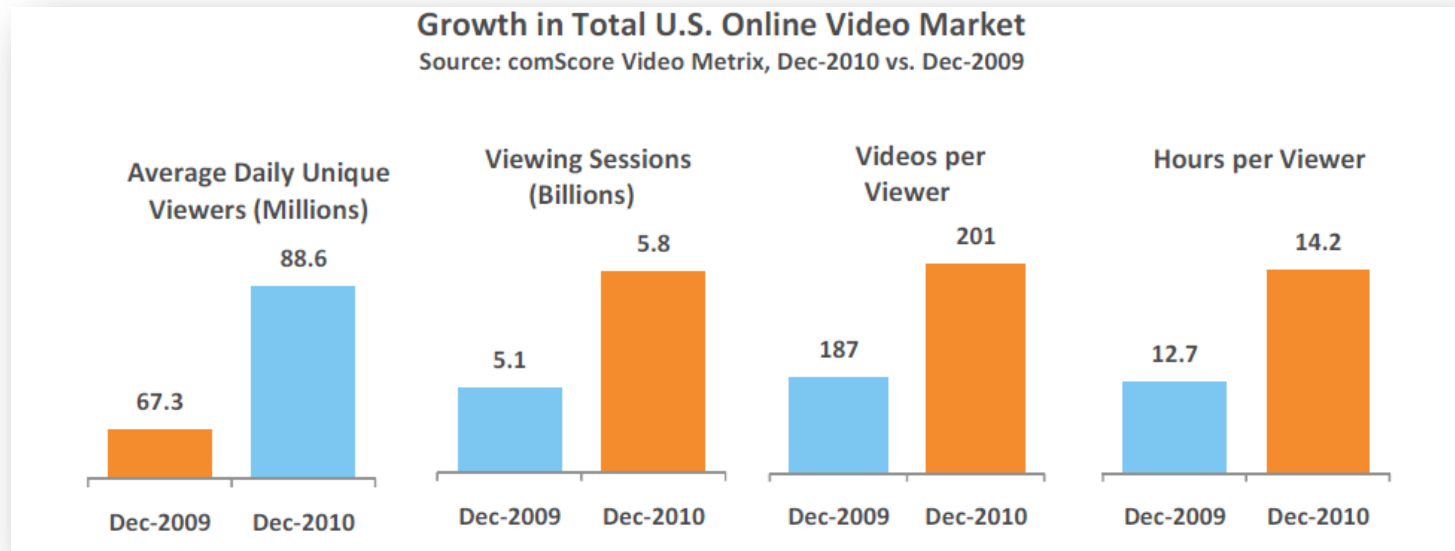- Americans spent 33% more time watching TV online in 2010 vs. 2009 (Hulu and 5 major TV networks' sites)

Growth in Total U.S. Online Video Market
Source: comScore Video Metrix, Dec-2010 vs. Dec-2009

Average Daily Unique Viewers (Millions)
- Dec-2009: 67.3
- Dec-2010: 88.6

Viewing Sessions (Billions)
- Dec-2009: 5.1
- Dec-2010: 5.8

Videos per Viewer
- Dec-2009: 187
- Dec-2010: 201

Hours per Viewer
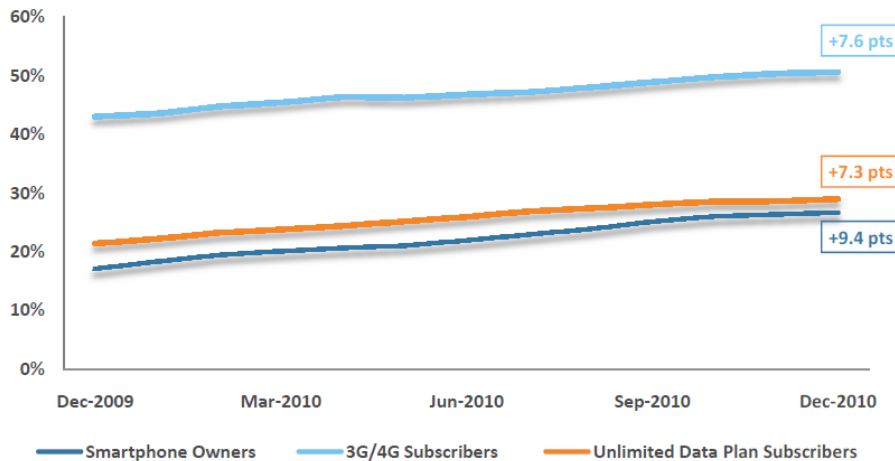- Dec-2009: 12.7
- Dec-2010: 14.2

Recent Trends and Growth: Mobile

- In 2010, the definition of "mobile" expanded to include iPads and other tablet devices
- About 47% of mobile subscribers have a data plan and access browsers regularly

Growth of Mobile Market Enablers in the U.S.
Source: comScore MobiLens, 3 mo. avg. ending Dec-2009 to Dec-2010

+7.6 pts

+7.3 pts

+9.4 pts

Smartphone Owners   3G/4G Subscribers   Unlimited Data Plan Subscribers

Top Mobile Activities in the U.S.
Source: comScore MobiLens, 3 mo. avg. ending Dec-2010

Activity	Percent
Sent text message	68.0%
Took photo	52.4%
Accessed news and information	39.5%
Used browser	36.4%
Used application	34.4%
Used email	30.5%
Accessed weather	25.2%
Accessed social networking or blogs	24.7%
Played games	23.2%
Accessed search	21.4%
Captured video	20.2%
Accessed maps	17.8%
Used instant messenging	17.2%
Accessed sports information	15.8%
Listened to music	15.7%

comScore

Mobile offers standard paid search and media as well as more creative tactics like campaign-based apps and GPS-enabled couponing

Digital Marketing in the Marketing Mix

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Integrated Communication Plans: Strategy to Tactics

Marketing Objectives

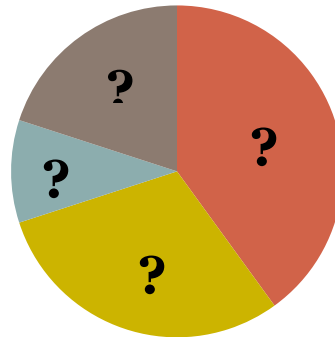| Segmentation	Target	Positioning
• Demographics • Behavioral/Psychographics • Attitudinal • Aspirational	• Target Audience description • Potential Users vs. current users	• 5 Box positioning statement • Benefits

Campaign Tactics

■ TV ■ Print ■ Out of Home ■ Digital

Integrated Communication Plans: Segmentation

What's the main variable for this market on/offline?

What dynamic variable are you competing on?

What are competitors doing on/offline?

Is there white space in digital?

REAL SIMPLE

Meet working mom, Kim

The New York Times

npr

Integrated Communication Plans: Target Digital Profile

Meet working mom, Kim

Integrated Communication Plans: Positioning

<u>Strategic challenge:</u> How do you clearly & consistently communicate your position across digital and offline media?
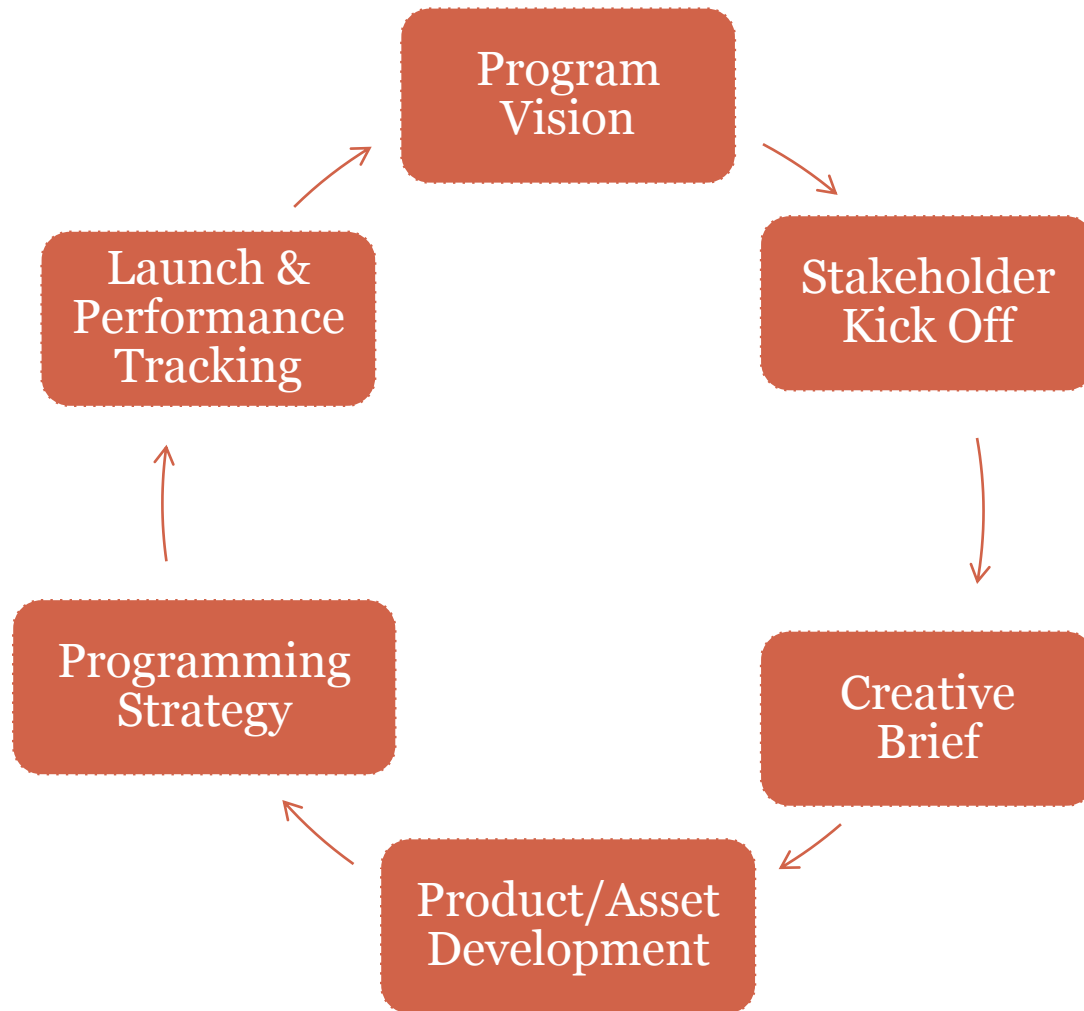
<u>Potential Digital Tactics</u>
- IAB Media
- Paid Search
- Online/Mobile sweepstakes
- Dedicated website/mobile site/mobile app
- Online couponing (or partnership with local coupon site like Groupon)
- Facebook ads
- Sponsored Tweets
- Video game integration
- Microsoft TAG integration
- Augmented Reality
- Viral Video release – YouTube integration

Digital Campaign Strategy & Execution

Digital Campaign Development Cycle

Program Vision

Stakeholder Kick Off

Creative Brief

Product/Asset Development

Programming Strategy

Launch & Performance Tracking

Digital Campaign Development Cycle: Program Vision Key Components

Program Vision sets the strategy and tone for the campaign

Consumer Insights	Campaign Objectives	Digital Strategy	Target Audience
• Qualitative Research • Competitive analysis	• Brand Awareness • Conversion	• Build a website to… • Design a mobile app to… • Purchase Google keywords & IAB media…. • Partner with key mommy bloggers to…	•Working Mom, Tech savvy •Social media enthusiast •Gets news via email, RSS feeds, social networks •Watches video online and on mobile phone •Subscribes to local online couponing services

Inform ⬇

Proposed Tactics	Timeline	Success Metrics
•Website •Mobile site •Paid Media • Social Networks •PR/Buzz/Viral •Video	•Phased approach – Launch, Buzz, Sustain	•Click Through Rate •Unique Visitors, visits, page views •Buzz measurement (Twitter/Facebook discussions) •Video engagement (starts/completes)

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Digital Marketing Brainstorm

KELLOGG'S CRUNCHY NUT

Student of the Game Bonus!!

To better understand recent trends in Digital Marketing, you should be reading:

Trade Publications:
- AdAge Digital
- PaidContent.org
- Media Post:
  - Research Brief
  - Social Media Insider
  - Video Insider
  - Daily Online Examiner
  - Online Spin
  - Behavioral Insider
  - Online Media Daily

- All Things Digital – WSJ (www.allthingsd.com)
- SmartBrief.com
  - Smart Brief on Social Media
- Inc Magazine
- Fast Company Magazine
- Set Google Alerts to watch your target/favorite companies

Research Sources:
Forrester
eMarketer
comScore
TNS Media Intelligence (geared more to media spend analysis)
Google Keyword Tool
Nielsen

APPENDIX

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Owned, Paid and Earned Media

Media type	Definition	Examples	The role	Benefits	Challenges
Owned media	Channel a brand controls	• Web site • Mobile site • Blog • Twitter account	Build for longer-term relationships with existing potential customers and earn media	• Control • Cost efficiency • Longevity • Versatility • Niche audiences	• No guarantees • Company communication not trusted • Takes time to scale
Paid media	Brand pays to leverage a channel	• Display ads • Paid search • Sponsorships	Shift from foundation to a catalyst that feeds owned and creates earned media	• In demand • Immediacy • Scale • Control	• Clutter • Declining response rates • Poor credibility
Earned media	When customers become the channel	• WOM • Buzz • "Viral"	Listen and respond — earned media is often the result of well-executed and well-coordinated owned and paid media	• Most credible • Key role in most sales • Transparent and lives on	• No control • Can be negative • Scale • Hard to measure

Source: Forrester, Sean Corcoran No Media Should Stand Alone Defining The Roles Of Owned, Earned, And Paid Media In Online Marketing, Dec 2009

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Recent Trends and Growth: Social Networking

U.S. Demographic Profile
Share of Visitors to Facebook.com
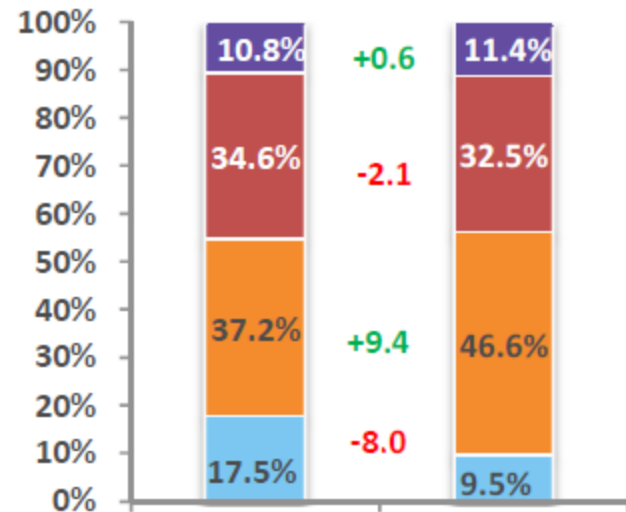Source: comScore Media Metrix, Dec-20010 vs. Dec-2009

U.S. Demographic Profile
Share of Visitors for Twitter.com
Source: comScore Media Metrix, Dec-2010 vs. Dec-2009
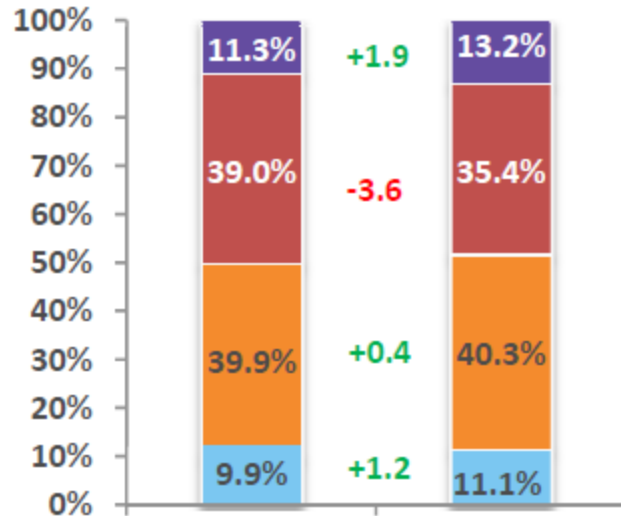
Persons: 2-17 ■ Persons: 18-34 ■ Persons: 35-54 ■ Persons: 55+
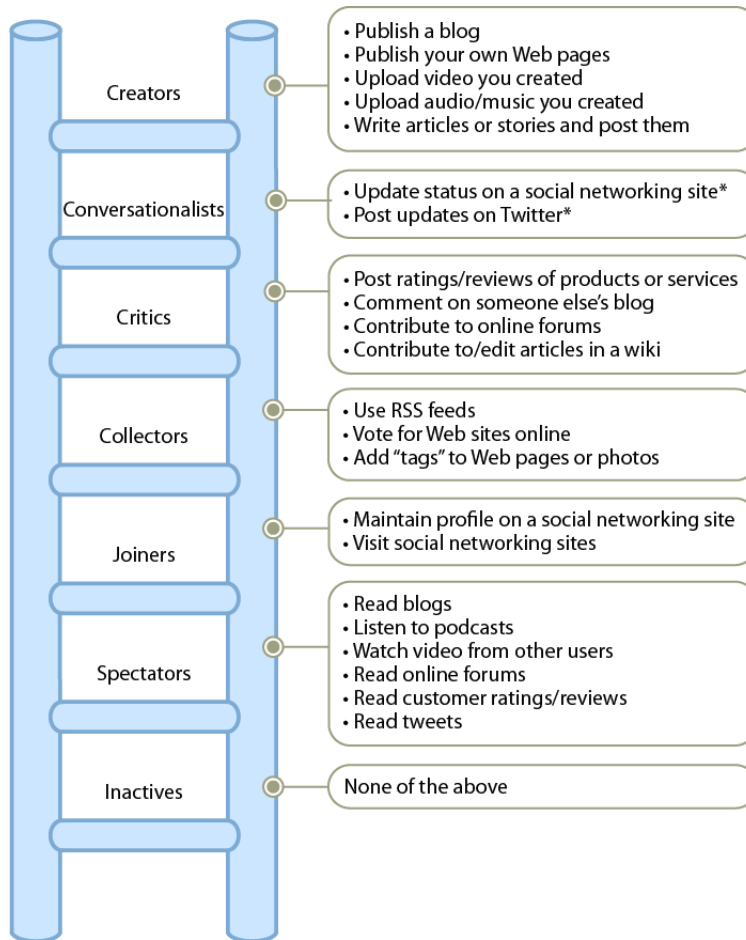
Social Technographics Ladder - Definitions

Creators
- Publish a blog
- Publish your own Web pages
- Upload video you created
- Upload audio/music you created
- Write articles or stories and post them

Conversationalists
- Update status on a social networking site*
- Post updates on Twitter*

Critics
- Post ratings/reviews of products or services
- Comment on someone else's blog
- Contribute to online forums
- Contribute to/edit articles in a wiki

Collectors
- Use RSS feeds
- Vote for Web sites online
- Add "tags" to Web pages or photos

Joiners
- Maintain profile on a social networking site
- Visit social networking sites

Spectators
- Read blogs
- Listen to podcasts
- Watch video from other users
- Read online forums
- Read customer ratings/reviews
- Read tweets

Inactives
- None of the above

Groups include consumers participating in at least one of the indicated activities at least monthly.

*Conversationalists participate in at least one of the indicated activities at least weekly.

- Social Technographics Ladder is a leading Forrester framework to evaluate levels of participation in social media

- 2008 foreshadowed the growth of online conversations about brands
  - Contributors to online forums and groups grew 48% 2007 v. 2008
  - Postings of ratings and reviews grew 69% - 2008 over 2007

- 2010 – Forrester added "Conversationalists" level to account for exponential growth in conversations on Twitter and Facebook

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Source: "Introducing the New Social Technographics: How Conversationalists Change The Marketing Landscape", Josh Bernoff, Sept. 1, 2010

Key Social Media Stats 2008 v. 2010

2008
Social Technographics Ladder

- Inactives: 25% (2008), 44% (2007)
- Spectators: 69% (2008), 48% (2007)
- Joiners: 35% (2008), 25% (2007)
- Collectors: 19% (2008), 12% (2007)
- Critics: 37% (2008), 25% (2007)
- Creators: 21% (2008), 18% (2007)

■ 2008 ■ 2007

2010
Social Technographics Ladder

- Inactives: 18% (2009), 19% (2010)
- Spectators: 73% (2009), 68% (2010)
- Joiners: 51% (2009), 59% (2010)
- Collectors: 21% (2009), 19% (2010)
- Critics: 37% (2009), 33% (2010)
- Conversationalists: 0% (2009), 31% (2010)
- Creators: 24% (2009), 23% (2010)

■ 2009 ■ 2010
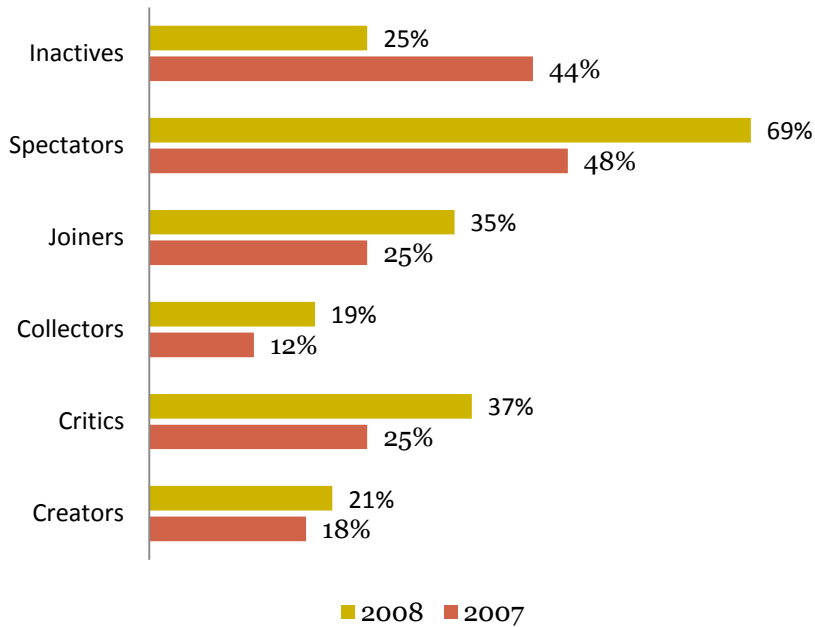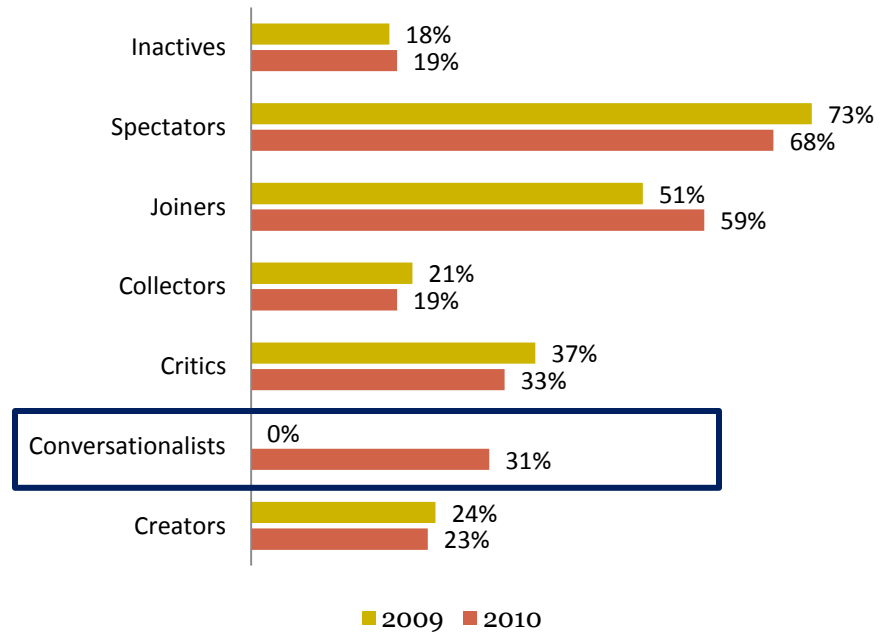
Although content "creators" have remained stagnant 2008 v 2010, conversations about existing content and status updates have grown significantly

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Digital Campaign Development Cycle: Stakeholder Kick Off

Leadership should be looped in early to ensure program vision is in line with general brand strategy and any broader campaigns

Key Stakeholders:

• Marketing/Brand Leadership

• Production Leadership

• Technology Leadership

• Programming Leadership

• Analytics Leadership

Develop more specific creative brief with stakeholder feedback

Digital Campaign Development Cycle: Creative Brief

Key Components:

- Campaign Objectives

- Overall Strategy

- Target Audience(s)

- Timeline
  - Strategic changes across timeline (e.g. buzz building vs. sustaining engagement)

- Tactics and in-flight dates
  - Content windowing strategy (e.g. when is each piece of content going live)

- Content Assets
  - Media Type and sizes (e.g. videos, editorial copy)

- External traffic drivers (if applicable)
  - e.g. Banner ads or TV spots pointing back to site

- Success Metrics
  - Brand awareness v. direct response

Creative, Tech and Production teams use Creative Brief to develop product/campaign

Digital Campaign Development Cycle: Product Development

After product strategy is developed and agreed upon , key players develop production timelines, coordinate assets and manage product testing/launch & post launch issues

Key Players:
- Creative
- Technology
- Production
- Project Management
- Product Management

Product & project manager oversee development timelines and ensure stakeholders are informed of key milestones

Note: Product Development follows a very distinctive cycle depending on whether you're developing tactics in-house vs. working with agencies or other vendors

Digital Campaign Development Cycle: Programming Strategy

Tactics

- Owned
- Paid
- Earned

Timeline / Windowing

- Need to determine when to release certain assets to keep consumers engaged throughout the campaign

Success Metrics

- Click Through Rate
- Page Views
- Unique visitors
- Visits
- Video views & Completes
- Registrations

- For e-Commerce:
  - Click through
  - Leads
  - Orders
  - Revenue
  - Conversion

Product manager delivers programming strategy to production team to execute upon launch

Digital Campaign Development Cycle: Launch & Performance Tracking

- Product & project manager coordinate launch with all key stakeholders and monitor performance throughout the campaign

- Success metrics are monitored daily to determine how to better optimize the campaign. Often alternative creative executions are developed throughout the campaign to reach performance goals.

- The Product manager distributes performance summaries weekly (if not daily) to key stakeholders, especially senior leadership.

Kellogg's Crunchy Nut - Website

Kellogg's Crunchy Nut - Website

Kellogg's Crunchy Nut – Facebook Integration

Kellogg's Crunchy Nut YouTube ads