

Importance Of Digital Marketing

What is Digital Marketing?

Digital marketing is a broad term that includes all marketing channels and methods you can use to promote products or services on the Internet and electronic devices such as TVs, mobile phones, and electronic billboards.

The main difference between digital marketing and traditional marketing is that digital marketing campaigns are executed exclusively through digital channels. This gives marketers more control, tools, and data to analyze the effectiveness of a campaign.

Why is Digital Marketing important?

Digital Marketing is a valuable asset to your business's growth and helps you establish an authoritative online presence. Eighty-nine percent of marketers say methods, like search engine optimization (SEO), are booming. Additionally, methods like pay per click (PPC) advertising increase brand awareness as much as 80 percent.

By investing in digital, you will help your business grow.

Top 5 Facts About the Importance of Digital Marketing:

1. Reaches People Where They Spend Their Time & Money

The average Internet user has at least seven social media accounts. 97% of us adults under 65 are on social media at least once a month. The vast majority are on it every day. Social Media is strongly preferred as a means of customer care.

22% of the world population is on Facebook. 62% of people in there. 76% of Facebook users and 51% of Instagram users are on it every day.

30% of people on social media mention a specific brand when referring to milestones in their lives. Gen X is slightly more likely to interact with a brand on social media than millennials.

The trend right now is the average person spends over 2 hours a day on social media. Teenagers average of 9 hours.



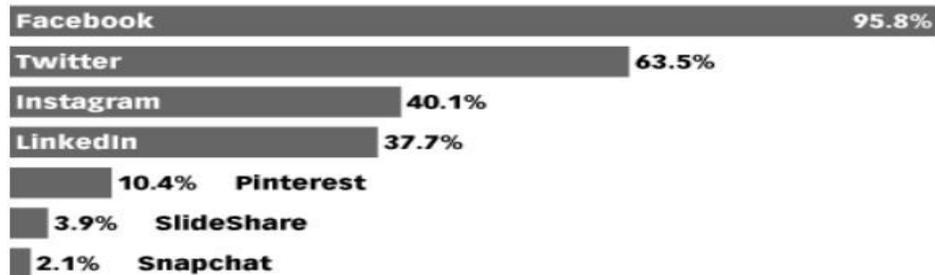
Social Media is integrated into everything they do from school, work, entertainment, and hanging out with friends.

One of the top 5 reasons people say they're on Social Media is to buy products advertised to them. They spend around 37% of their social media time interacting with branded content.

57% of Millennials say that social media has made the ads they see more relevant to them. 48% of people say they made their last online purchase due to a Facebook ad.

Social Media Platforms that Produce the Best ROI According to Social Media Marketers Worldwide, March 2016

% of respondents



*Note: n=456; respondents chose up to 3
Source: Social Fresh, "The Future of Social" in collaboration with Firebrand
Group and Simply Measured, April 21, 2016*

But only 45% of marketers think their social media efforts are paying off. There are some winners and losers on social media. Just having a profile and sharing some content once in a while isn't enough.

Social Media is a piece of Digital Marketing. But it's an essential one.

2. Levels the Playing Field for Small Business

You've seen it happen before. A huge company like Walmart comes to town and wipes out 100's of local specialty shops. Starbucks rolls in and mom and pop coffee and bagel shops close down.

We've seen the online equivalent of this with Amazon. It's hard to compete with the name recognition or the millions that they put into marketing and reputation management.

That's where the importance of digital marketing shines as a beacon of hope for small businesses. It's the same for brick & mortar, ecommerce, and personal brands alike. Digital marketing actually allows smaller businesses the ability to hold a top ranking position, like a client we helped outrank Amazon and Lowe's using our AdWords services.



Digital marketing allows you to compete with your competition by exposing you to a wider audience on a much smaller advertising budget. When managed effectively, it gives businesses laser-focused control over where and how they spend their money. When you have this kind of control and the data to support decisions, you make smarter ones.

Continue to explore the benefits and importance of digital marketing. Just how it levels the playing field becomes increasingly clear.

3. More Targeted

When you run a magazine ad, for example, you definitely do some targeting. You know if your target audience reads that publication. You have some control over placement and size. You control the message within certain publisher guidelines.

That ad may reach 1 million plus readers.

But what percent of this million is actually your target? A particular fashion magazine might have a demographic 59% female ages 35-55. They may have some college education. And you know they're interested in the type of fashion depicted in the magazine. But that's a huge demographic.

One of the gifts that digital marketing has given us is the ability to dissect huge demographics. Whittle them down into very targeted groups to get super-focused on a specific kind of person.

Who's that person? It's the person most likely purchase what you sell.

When you do targeting at this level, you create an ad that's highly relevant to your target market. Because it's so relevant, it connects on a level that more general advertising can't. This connection gives it the ability to influence decisions. You do it without annoying traditional advertising techniques. You're not showing the same ad thousands of times over a month's period. Or interrupting someone's program over and over.

So, what kind of targeting is possible with digital marketing? You'll probably be surprised.

Let's look at search advertising as an example. That includes AdWords. In this form of digital marketing, you target people doing searches in Google. Search results now account for about 64% of website traffic across the Internet.

For businesses who've put strong focus on SEO (search engine optimization) as much as 80% of traffic arrives from search results.

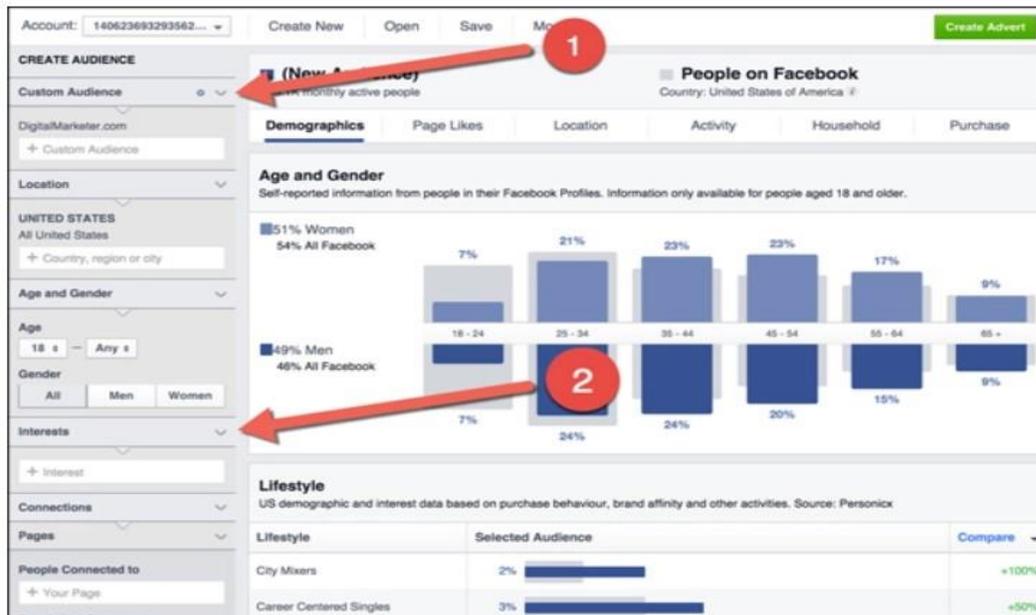
Search advertising, aka PPC (pay per click) allows you to position yourself near the top of searches. That's even if that's not where your website would organically appear.

With search advertising, you can target people with a very specific:

- Challenge
- Goal
- Profession
- Education level
- Buying behavior
- And more

Do this by bidding on search queries that represent these specific targets. Build ads and landing pages around them to convert that traffic.

Social media advertising similarly allows you to narrow your target audience. Use the data they've collected about their users. Tell Facebook, for example, to only show your ad to people with a very specific recent behavior, interest, location or other identifier.



You don't spend thousands on one ad. And you can run ads indefinitely. So you can easily modify that ad to connect with different groups of people. You don't have this level of control over who sees your ad with any other form of marketing.

4. Can Be Hyper-Personalized

We've only just begun to discuss the importance of digital marketing in regards to targeting. With email marketing, yet another important part of digital marketing, you can target almost down to the individual level.

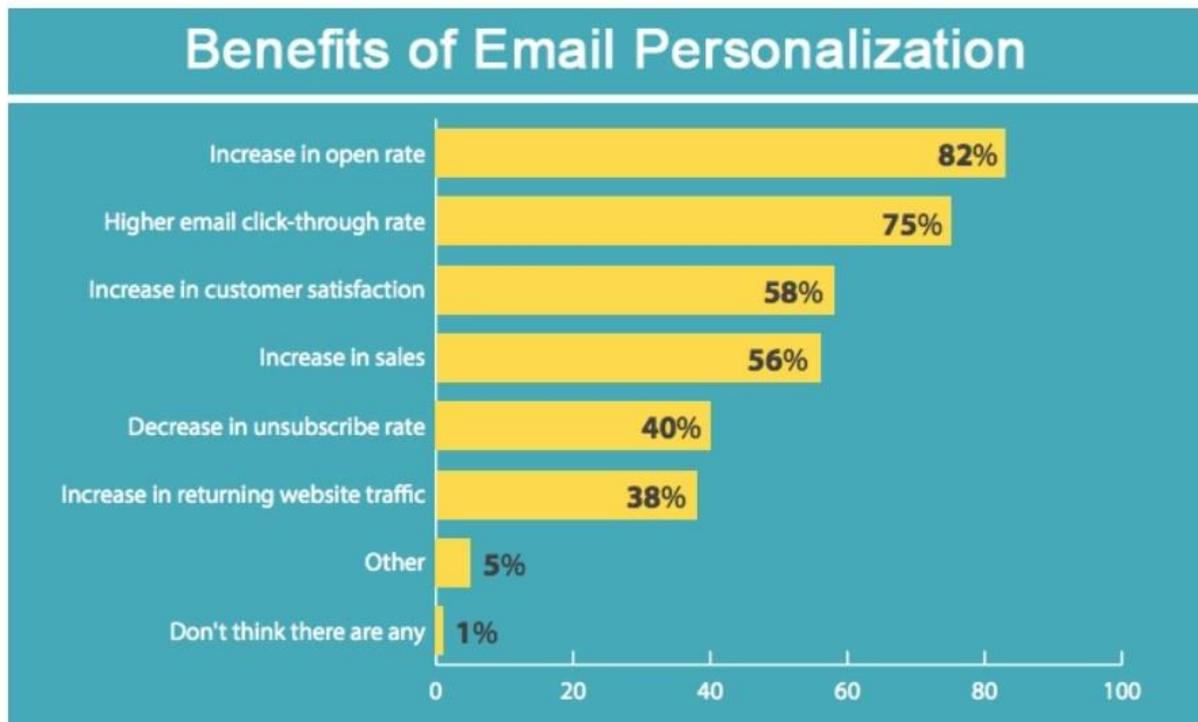
We call this "segmentation".

In some cases, you actually can get to the individual level. Marketers call this "personalization".

72% of consumers prefer that businesses use email to communicate with them. This gives people a sense of control that makes them more comfortable signing up for your emails and buying from you. If they don't like what you send them, they can just unsubscribe.

But when you send them content that is highly relevant, they stay on your list and continue to buy again and again. You can see where in the importance of digital marketing lies in a repeat lifetime customer.

There are basic programs that will allow you to add a person's name or certain information automatically to an email. But we're talking about a much more advanced approach that's proven its ability to get results for our clients, like the improvements in the chart below. That's email segmentation, automation, and personalization.



With segmentation, you're collecting data about each email subscriber. You use this data to sub-divide your list based upon certain traits or behaviors identified through

analytics. Once, divided, send each segment content that is most relevant to that segment.

If it isn't relevant, you don't send it to them. And if you can make small changes to a piece of content make to it more relevant to a different segment, you do it to reach more people.

Automation allows you to send that content at the optimal time to obtain the desired result. It takes the repetitiveness out of the process.

You learn what this optimal time is through your data collection process. This time may be immediately. It may be a certain time of day. It may be sending a certain message before another one.

Finally, you have personalization. You recognize a person on an individual level. You are able to recommend the best products to them because you know their purchase history. You recognize that they just visited your website and abandoned their cart. You refer to them by name. They feel that you respect their individuality.

5. More Advanced Analytics

What do you really know about how a TV ad performed? You can determine best times for the ad to air and best frequency if you do some testing. You might create a focus group to drill down on the data. But generally, you only know its reach according to the agency and whether it increased buzz, sales, or met a similar marketing goal.

Now, let's look at the importance of digital marketing in comparison.

With digital marketing you know the following about your ads and users:

- Whether they actually saw it. With TV ads, you don't even know that much.

They could have been in the kitchen or had the TV on mute.

- If they interacted with it

- If they liked it

- If they lingered on it
- If they shared it with a friend
- If it prompted another action
- If it led to a sale down the road (this is important when deciding how to best spend money)

You also learn much more about the people interacting with that ad:

- Who's most interested in your ads
- What are they like
- What makes them more likely to take an action
- Who is easiest to convert
- Who spends more
- What do they do online
- What terms do they use to find you online
- Which websites do they visit that lead them to yours

All of this is pretty easy to track with free analytics software like Google Analytics. Or you can gain even more insight with paid tools. Use what you learn to cut costs where you aren't seeing a return on investment. Increase spend and efforts where you get the best results.

Continue to streamline your campaigns to optimize your results.

You may still decide to shell out some money for traditional marketing. Many businesses like to have a mix in their marketing plan. In that case, the importance of digital marketing is how much you learn about who your customers are that carries over to other marketing methods.

6. Easy to Scale & Adapt

As with any marketing, there's initial investment required to get traffic flowing. But the importance of digital marketing to small businesses becomes very clear when you see how easy it is to scale and adapt as your business grows.

For example, with social media campaigns, display ads and search ads you can choose a daily budget. You know exactly how much that campaign will cost you.

Budget & Schedule

Define how much you'd like to spend, and when you'd like your ads to appear. [Learn more.](#)

Budget ⓘ **Daily Budget** ▼ \$20.00
\$20.00 USD

Actual amount spent daily may vary. ⓘ

Schedule ⓘ Run my ad set continuously starting today
 Set a start and end date

Start	<input type="text" value="Mar 25, 2017"/>	<input type="text" value="8:30 AM"/>
End	<input type="text" value="Apr 25, 2017"/>	<input type="text" value="8:30 AM"/>

(Pacific Time)

Your ads will run for **31 days**. You'll spend no more than **\$620.00**.

Now you begin to see amazing results. You don't have to go in and renegotiate an ad spot to keep the ad running. Your ad continues uninterrupted. As you continue to convert that traffic, you just increase your daily spend and revenues with it.

If you got a massive order in from a customer and need to scale back to avoid getting backlogged, it's just as easy to do that.

If something isn't working in your marketing, you don't have to wait for the ad contract to run out. You don't have to start from scratch.

You've got the power. Just make that small change and re-launch the ad.

The importance of digital marketing lies in the fact that you can get instant results. Analyze data and make changes fast to reduce wasted ad spend and lost revenues.

This leads us to just how cost-effective digital marketing is for a small business.

7. Best ROI

Email marketing has the highest ROI of any marketing method...period. It can get a whopping 3800% return. That's \$38 in revenue for every \$1 you spend. About 20% of companies are seeing an ROI of \$70 to \$1 spent.



Email marketing is a conversion machine. But you do need a way to build your email list with quality subscribers. Then deliver highly relevant content to a subscriber's inbox.

This is most often accomplished through a combination of social media marketing and content marketing. But these marketing methods have an impressive ROI of their own.

Content marketing can generate 3X the leads for about 62% less than traditional marketing. Of course, when we say "lead" we're not just talking about website traffic. These are people who are very likely to buy your product and become loyal customers as you nurture that relationship.

Social media's ROI can be indirect at times. But a Forbes study found that companies using social media outsell 78% of businesses who don't use social media. IBM found that a lead that comes in through social media is 7X more likely to become a paying customer. More likely to convert also means you're spending less money trying to convert people who will never become paying customers.

As a small business, cost-effectiveness is your ultimate priority. You have to be able to stretch those dollars as you grow your business. Every dollar you spend matters. You need to know it's going to provide you an ROI.

That's the importance of digital marketing to small business.