

What Is Digital Marketing?

The term digital marketing refers to the use of websites, apps, mobile devices, social media, search engines, and other digital means to promote and sell products and services. Digital marketing started to become popular with the widespread adoption of the internet in the 1990s.

Digital marketing involves many of the same principles as traditional marketing and is often considered an additional way for companies to approach consumers and understand their behavior. Companies often combine traditional and digital marketing techniques in their strategies. But digital marketing also comes with its own set of challenges.

How Digital Marketing Works

Marketing encompasses a wide range of techniques and media that companies can use to promote their products and services to potential consumers and improve their market share. To be successful, it requires a combination of advertising and sales savvy. Professional marketers take on these tasks either internally at individual companies or externally at marketing firms that may serve many different clients.

Companies once focused on marketing through print, television, and radio because that was all they had. Although those options still exist, the internet gave companies another way to reach consumers and gave rise to digital marketing.

Types of Digital Marketing Channels

Digital marketing channels have evolved since the 1990s and continue to do so. Here are eight of the most common channels in use today.

Website Marketing

Companies often use their own website as the centerpiece of their digital marketing activities. The most effective websites represent the brand and its products and services in a clear and memorable way. A website today must be fast-loading, mobile-friendly, and easy to navigate.

Pay-Per-Click Advertising

Pay-per-click (PPC) advertising enables marketers to reach audiences on news and other websites and digital platforms through paid ads. Marketers can set up PPC campaigns on Google, Bing, LinkedIn, X (formerly Twitter), Pinterest, and Facebook and show their ads to people searching terms related to their products or services.

These campaigns can segment users based on their demographic characteristics (such as age or gender), or their particular interests or location. The most widely used services for PPC are Google Ads and Facebook Ads.

Content Marketing

The goal of content marketing is to reach potential customers through the use of written, visual, or video content that interests them. That content is usually published on a website and then promoted through social media, email marketing, search engine optimization, or even pay-per-click campaigns. Content marketing attempts to be more subtle than advertising, and the product or service the sponsor is attempting to market may or may not be conspicuously highlighted.

Email Marketing

Email marketing is still one of the most effective digital marketing channels, though many people associate it with spam and treat such messages accordingly. Many digital marketers use their other digital marketing channels to collect names for their email lists. Then, through email marketing, they try to turn those leads into customers.

Social Media Marketing

The primary goals of a social media marketing campaign are to build brand awareness and establish trust. As you go deeper into social media marketing, you can use it to obtain leads and as a direct marketing or sales channel. Promoted posts and tweets are two examples of social media marketing.

Affiliate Marketing

Affiliate marketing is one of the oldest forms of marketing, and the digital world has given it new life. In affiliate marketing, companies and individual "influencers" promote another company's products and get a commission every time a sale is made or a fresh lead is added to their list. Many well-known companies, including Amazon, have affiliate programs that pay out millions of dollars to affiliates that help sell their products.

Video Marketing

A lot of internet users turn to sites like YouTube before making a buying decision, to learn how to do something, to read a review, or just to relax. Marketers can use any of several video marketing platforms, including Facebook Videos, Instagram, and TikTok, to run a video marketing campaign. Companies find the most success with video by integrating it with SEO, content marketing, and broader social media marketing campaigns.

Text Messaging

Companies also use text messages (formally known as SMS, or short message service) to send information about their latest products and promotions. Nonprofit organizations and political

candidates also use texting to promote themselves and solicit donations. Today many marketing campaigns make it possible for consumers to make a payment or donation via a simple text message.

Top Benefits of Digital Marketing

1. Global Reach

The first digital marketing advantage is global reach. Traditional marketing is restricted by geography and creating an international marketing campaign can be hard, expensive, as well as labor-intensive. However, digital marketing happens on the Internet, which means that the reach you can achieve with it is immense. Even a very small local business owner has the ability to reach an international audience with an online store. This would never be possible with traditional marketing or would cost a whole lot of money to do so. This online accessibility has opened many growth opportunities for businesses to explore. The combination of global reach and visibility is a great opportunity for any business.

2. Local Reach

While global reach is a significant advantage of digital marketing, it also improves local visibility, which is especially important if your business relies on nearby customers. Local SEO and locally targeted ads can be beneficial for companies trying to bring more customers to their doors. Think of the reach you can get to a whole neighborhood with digital marketing versus the reach it would take you to print out flyers and distribute them around.

3. Cost-effective

The next digital marketing advantage is cost-effectiveness. Whether you want to promote your business locally or internationally, digital marketing provides you with cost-effective solutions. It allows even the smallest companies to compete with larger companies using highly targeted strategies. Most of these strategies won't even cost anything at all to start with (such as SEO, social media, and content marketing). However, not every form of digital marketing is suitable for every business and some may even have more costs than others. A business can find appropriate solutions based on its marketing goals.

4. Brand Awareness

Digital marketing can help businesses build brand awareness and recognition. This is important for businesses that want to attract new customers and grow their business.

5. Effective Targeting

Even if you don't have a clear idea of your target audience, digital marketing enables you to extract data to see which audiences will work best for you and optimize your campaign around them. There are many different options for targeting such as through keywords for search engine optimization (SEO), pay-per-click (PPC), or demographic information on social media. This

enormous amount of targeting elements at your disposal makes sure that every campaign reaches the right audience. It also helps you to analyze the changing behaviors of customers and modify campaigns for those changes. This ability to understand customers' changing needs quickly is a sure way of success for any company.

6. Multiple Strategies

There are different strategies of digital marketing that can be used by different types of businesses. A B2B business that is interested in gaining international leads may have a totally different strategy than a B2C local business selling clothes. While some companies can benefit more easily from content marketing and SEO, others can benefit from conversion-based ad campaigns. The key is to always analyze the results and develop better tactics and methods with time. A well-executed digital marketing strategy is one that changes and adapts quickly as the needs of the business transform.

7. Multiple Content Types

Another crucial advantage of digital marketing is the different content types available to showcase your brand online. For a lot of platforms, there is a wide range of content types you can choose from to keep your brand fresh and build effective online campaigns. Unlike traditional marketing, you can more easily reproduce one piece of content to fit as many platforms as you want.

Here are some of the most common types of content that you can choose from:

1. Blogs
2. Podcasts
3. Emailers
4. Ebooks
5. Visual content
6. Info graphics
7. Whitepapers
8. Quizzes
9. Social media posts
10. Webinars

8. Increased Engagement

One of the most important advantages of digital marketing is increased engagement. Digital marketing is designed to be highly engaging by default. Users can share a blog post, like a photo, save a video, or engage with your website via a paid ad click. The best part is that all of these actions can be measured. This enables you to create even more engaging posts to increase brand awareness or boost sales. The more you engage online, the more loyal customers you can get. Businesses that use engaging formats effectively in their online strategies have an easier time converting cold traffic to loyal customers.

9. Analytics and Optimization

Another important advantage of digital marketing is web analytics which measures the result of digital marketing campaigns in real time. This helps to optimize future campaigns and fix any possible mistakes quickly. Analyzing your digital marketing campaigns also enables you to have the ability to pinpoint every source of traffic and take total control of your sales funnels.

10. Increased ROI

Accrue ment plays a pivotal role in making a business successful. It is essential to extract maximum returns on the investment. Digital marketing lets you access your driving sales force to optimize it. It enables higher conversion rates with supreme potential clientele.

11. Promotes Engagement

Digital marketing lets the business engage with its customer in real-time to build a solid foundation. Two-way communication is key to a loyal customer base. You can optimize this to generate high sales with elevated customer retention. The advantages of digital marketing over traditional marketing help booming the business.

12. Scope of A/B Testing

A/B testing is a fundamental segment of digital marketing with a significant scope in this field. The phenomenon that lets you have two different ideas for the same campaign is known as A/B Testing.

Website Optimization - Augment the website with elements such as calls-to-action, landing page, and navigation menus.

Social Media - A/B testing is optimal for creating social media content like post copy, videos, and images. You can test different versions to determine which arrangement resonates most with your audience.

Email Marketing - This phenomenon lets you test several email campaigns. Use different subject lines, images, and email copy for increased click-through and open rates.

Mobile App Optimization - Reform your mobile phone app with A/B testing for a user-friendly experience. Mobile app elements like app icons, in-app messaging and much more.

13. Huge Customer Base

The next benefit of online marketing is the expansion of the customer base. With Digital marketing, your business gets a global and local reach. Compared to traditional marketing, your business reach is not limited. The world is an oyster if you know where to explore. Even a small business can fetch international clients and witness a roar in its sales. Make use of strategies that will increase your visibility online.

14. Improved Customer Experience

A loyal customer base is the backbone of any thriving business, and digital marketing lets you not build an honest audience but also retain them using various techniques. Digital marketing bestows a podium to reach a new audience interested in your company's products and services.

Furthermore, you can connect with the audience's complaints or seek redressal services virtually. Many companies use chatbots to answer frequently asked questions. This makes the client feel heard and respected. Ultimately, higher retention impacts overall sales.

Digital Marketing Strategy

Running a digital marketing campaign without a strategy is like exploring a new city without a GPS. You will likely take many wrong turns, resulting in frustration and an unnecessarily long route to get where you want to go. You might not even get there.

As an itinerary keeps you on track for a great trip, a digital marketing strategy maximizes your time and budget. A digital marketing strategy is a plan that helps your organization attain specific goals through carefully selected marketing channels such as advertisement, social media, and website content.

Working with dozens of clients in about every B2B industry, we found that companies with the highest SQLs, conversion rates, and marketing ROI installed a digital marketing strategy with 12 components. You don't have to put each of these in place by next month, just as you don't have to visit every location in one day. But adding these elements to your digital marketing strategy might be the difference between seeing a next year or freeing up market space for your competitors.

1. Set SMART Marketing Goals

When creating an itinerary, you have a destination in mind. Goals are the destination that marketing strategies aim towards. This end state must align with the company's biggest challenges and aspirations to receive the support it needs from stakeholders.

Whatever your goal, ensure you can measure it to report on its progress and reevaluate paths. Without measurability, evaluating the success of marketing initiatives becomes challenging, hindering the ability to make informed decisions or demonstrate the impact of the team's work.

You can set measurable goals using the SMART framework. SMART stands for Specific, Measurable, Achievable, Relevant, and Time-bound. These goals eliminate ambiguity and give a sense of direction, allowing the team to allocate resources and effort more efficiently. By establishing measurable metrics, such as revenue growth, customer acquisition, or website traffic, the team can track their strategies' effectiveness and identify improvement areas.

To illustrate a SMART goal, consider an example of a company with a business goal of growing its clientele list by 20% to meet investors' demands. In that case, a SMART marketing goal could be: "Increase inbound traffic by 247% and 15 inbound leads within three months by writing new content and rewriting existing ones using language that our target audience uses."

The goal is achievable and measurable; we recently got (and reported) these results for a client. It is relevant, as more leads align with what our customers need. Finally, the goal is time-bound, with a three-month timeframe, providing a sense of urgency and a deadline for evaluation and adjustment.

2. Define Who You Are Marketing To

When traveling, you know the importance of understanding how locals interact—if you seem like an odd tourist who doesn't know the culture, you might not bond with locals.

The same rings true for digital marketing. You need to understand your target audience, demographics, and the psychology of existing and new customers to ensure what you sell and the messages you use to sell are relatable. This research is often condensed into a buyer persona or ideal customer profile.

A buyer persona is a fictional representation of your ideal customer. It captures your target audience's attributes, preferences, and behaviors. Creating buyer personas is essential in developing effective marketing strategies, as it helps you understand and connect with your customers on a deeper level in the right channels. For example, if your buyer persona is a 27-year-old journalist who writes about tech, Twitter might be the best channel to communicate with them.

The information to fill up your buyer persona will come from research. Have you had proven success with a certain group of individuals? Great, describe them!

Begin to identify these personas with basic background information such as job title and location. You also want to determine what these people want, such as a solution to a specific problem that you hopefully solve.

Be specific. Skip the stereotypes and look into factual insights through tools like Facebook Audience Insights and Google Analytics. The less you assume what your customers want, the likelier each campaign is to succeed.

3. Plan Out Your Customers' Journeys

There are several steps a potential buyer must move through to get to the point of buying your product and advocating for it. The stages vary in order and between companies, but they usually

fall into awareness and education, consideration, decision, conversion, and recommendation:

Awareness: Customers don't know you. This is the stage to focus on brand awareness and establishing expertise while targeting decision-makers in ideal client verticals. The KPIs for this campaign type could include reach, impressions, and engagement.

Consideration and decision: Customers are getting to know you. You need to influence and incentivize prospects who know about you to consider you the best option. The KPIs for this stage often relate to lead generation, e.g., case studies downloaded.

Conversion: Customers have doubts about you. It's your chance to retarget past website visitors or better communicate your value to existing ones. The KPIs for this campaign could be meetings booked through a contact form or a signed contract/proposal.

Recommendation: Customers had a positive experience with you. How will you persuade them to talk about you? The primary KPI here is the number of referrals.

Mapping customers' journeys help identify key touchpoints throughout the entire buying process. By understanding customers' different stages, you can deliver the message they need to hear to reach the next stage.

For example, through customer interviews, we found that prospects considered one of our clients because of their portfolio. But they bought from our client over alternative solutions because of our clients' value propositions. Presenting case studies to people still considering options and value propositions to people making a decision—not the opposite order—raised our chances of selling.

4. Get Your Messaging Right

Let's say you're traveling solo and pop into a local restaurant. You know there's a social art and etiquette to approach someone you wish to speak to. The same goes for your marketing efforts.

Craft your messaging to resonate with those you are trying to speak with, the personas from step two. The voice and content of your campaign should speak to them in a way that they understand, regardless of the format of your message. Your research and planning from the previous steps come full circle here.

If you've identified where they are in the sales funnel, you should know where to kick off the conversation. For example, if they don't know anything about you, establish your expertise through words they resonate with and build trust.

By getting your messaging right, your audience will be far more receptive to what you have to offer.

5. Make Sure Your Website Is Suitable for Selling

Your company website is the main gateway through which most (if not all) of your prospects will pass before becoming actual customers. So its design must be intuitive and appealing and persuade visitors to follow steps that lead to or encourage a sale. Without these elements, your chances of turning visitors into customers are slim.

Basic web design concepts should be employed to create your website to ensure optimal results. Check out our Basics of Web Design and Understanding Web Development guides for more information.

How the pages are set up and laid out isn't enough, though, if the content itself is not relevant and exciting. Careful attention should be placed on creating engaging material for visitors to connect with. Here, Digital marketing channels are essential ways to grow your voice and strategy.

Why is it important to have a digital marketing plan?

Although only 37% of marketers document their actions, data shows that recording your strategies increases the chances of business success. An accurately designed plan contains a "map" with step-by-step instructions for achieving goals. Here are the main advantages a marketing plan can bring to your business.

Understanding of the target audience. A well thought out marketing plan begins with research to define your target audience. With a specified target audience, you will understand the behavior of your customers and adjust your sales model to help them purchase; speak one language with a customer and provide real help during the buyer journey; better understand the needs of your audience and prepare relevant product launches.

Efficient use of resources. Having a plan prevents you from spending money on things that are unnecessary for business and were not mentioned before. You can also manage your time properly by having clearly defined deadlines in your marketing plan as well.

The same direction for all company departments. Since all members of your company can access the plan as a coordination tool, it allows your company's team to communicate and accordingly move in the same direction.

So, a digital marketing plan will guide you to your goals and help you benefit from your business. Next, we will discuss the components of a marketing plan.

How to Allocate a Digital Marketing Budget for Your Business

The following steps will help guide your budgeting exercise for digital marketing activities.

1. Use a marketing budget tracker

A structured budget template is an important foundational element for any organization serious about growth. This document should house your budget, track expenses, and analyze variance. Without a budget tracker, you cannot correctly assess marketing spend or make adjustments to improve ROI.

Furthermore, a marketing budget tracker lets you visualize data and organize it by category. Reviewing and analyzing past budget trackers can help inform future digital marketing budgets by factoring in proposed spend, actual spend, and the results of that allocation — for instance, how much revenue did it generate? Did it lead to a profit?

2. Review your company's marketing goals

Before allocating a digital marketing budget, your team must be aligned on:

The organization's top priorities for the upcoming period.

Which initiatives will marketing support — and to what extent?

For example, the company may make a significant hiring push next quarter. In this scenario, different sectors may need to collaborate with the social media team to post open roles on social channels. However, the initiative likely won't require dipping into the marketing team's budget.

Other time-sensitive initiatives — such as product launches, deals and promotions, and product or event signups — will require marketing support (and budget).

Be sure to balance one-off and time-limited initiatives alongside conversion strategies requiring ongoing financing.

3. Review previous year and quarter results

Your digital marketing budget is an ongoing project requiring constant analysis. Perhaps you poured \$10,000 into Facebook Ads last month and saw few clicks, little conversion, and no attributable revenue. If this is the case, pausing to reassess the campaign and analyze the data would be recommended.

Continuously reviewing the performance of marketing activities will help you allocate funds more appropriately. During your review, ask the following questions. Which marketing activities contributed to our bottom line? Does it make sense to maintain or grow the budget in these areas? Which marketing activities did not contribute to our bottom line or performed more poorly than

expected? Is there anything we can change about these ads or campaigns that could improve their performance?

How did the performance of different channels and initiatives improve or worsen over time?

For those that improved, how can we continue this trajectory?

For those that got worse, is it worth attempting to reverse course?

4. Determine the appropriate channels

The digital marketing channels you use will vary depending on your industry. To decide which are most appropriate for your business, consider the following questions.

Do we need to do outreach?

Is this an inbound marketing strategy?

Do we want to target specific audience groups based on demographics like job title and age?

Should we target audience groups based on intent and behaviors?

Do we want to increase awareness and track views and traffic?

Is our goal to increase conversions and therefore track qualifying activities?

A significant part of effective budgeting is putting the right amount of money in the right places.

As well as reviewing your previous marketing efforts, other crucial marketing activities should be attended to. Building buyer personas, conducting customer and stakeholder interviews, and analyzing current online audiences will provide the insights necessary to choose the most relevant marketing channels.

5. Factor in salaries, agency costs, and production costs

Marketing budgets need to account for every aspect necessary to produce results, including:

1. Software fees
2. Salaries
3. Market research costs
4. Website costs
5. Agency or freelancing fees
6. Payroll

For example, hiring a Video Marketing Coordinator may seem more cost-effective than constantly outsourcing video production needs. However, it may be more costly to the business after factoring

in the associated equipment, software, HR fees, and travel expenses. Failing to incorporate all costs into your digital marketing budget can leave you and your team in an undesirable position — potentially going thousands of dollars over budget.

6. Finalize your digital marketing budget

After factoring in additional costs and deciding where to channel funds, it's time to finalize your marketing budget and submit it for approval.

Be sure to include any details gathered during the research process that will help support your case. The more specifics you're able to enclose, the better.

What Are Digital Marketing Goals and Objectives?

Without setting clear digital marketing goals and objectives, it can be difficult to measure the success of your campaigns in any concrete way. It can also be a major struggle to optimize your return on investment for your digital advertisement spending.

Digital marketing goals and objectives are essentially the metrics that you will use to measure the success of your campaigns. They can include one or more of the following:

1. Generate more leads
2. Improve your conversion rate
3. Increase your sales
4. Boost your traffic
5. How to set digital marketing goals and objectives

It is worth noting that the digital marketing goals and objectives mentioned above should only act as broader aims. It is also important that your teams set SMART marketing goals. That is to say that all digital marketing goals and objectives should be:

1. Specific
2. Measurable
3. Attainable
4. Relevant
5. Time-bound

Let's take the example of generating more leads as one of your digital marketing goals and objectives. Below, we'll detail some of the elements you might want to consider before starting the campaign for SMART goal-setting.

Specific: What are the audiences or personas that we are targeting to gain these new leads? Which channels will we use to reach them?

Measurable: How many leads should we aim to get in total from the campaign? What will be the exact KPIs that we track for this campaign or set of campaigns?

Attainable: What is the percentage we will need to increase our leads by and is that realistic to achieve? What has been our performance over previous quarters?

Relevant: How can we appeal to the pain points of this audience and how does our product or service seek to solve them? Can we offer them very specific benefits?

Time-bound: How long will this campaign run for? When would we like to measure how successful our digital marketing goals and objectives have been?

Depending on your specific digital marketing goals and objectives, you may want to think about taking steps such as:

Researching keywords and creating keywords for which you'd like to rank

Building landing pages that provide information and enable potential customers to register their interest

Better understanding the customer experience or journey — what is the best channel to reach your customers? What are their top concerns when considering purchasing?

Lastly, don't be afraid to experiment with the channels and messaging you use to reach your potential new customers. Use your digital marketing goals and objectives to find what works.