

Choosing Effective Internet Marketing Tools in Strategic Management



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Abstract: *User buying decision models are continually changing. Few people spend money spontaneously - people watch reviews, read reviews, compare prices, and only after they receive the relevant information are they ready to move on to the next stage. Therefore, the definition of useful Internet marketing tools is one of the main steps in strategic management.*

Along with the classic tools, such as website, email marketing, SMM, SEO and SEM, content marketing, it is necessary to implement modern, sharply gaining popularity in recent years: chatbots and instant messengers, optimization for voice search, audio content.

Particular attention should be paid to end-to-end analytics, which can track the effectiveness of each advertising channel, even offline. Based on the indicators, it is necessary to optimize advertising budgets and adjust the management strategy.

Keywords : *email marketing, Internet Marketing, SEO, SEM, SMM, Strategic Management.*

I. INTRODUCTION

Defining goals, methods for achieving them and choosing the right tools for Internet marketing are one of the main steps in strategic management [1-3].

As a rule, a strategy is developed for a year and adjusted every few months, depending on its implementation and the market situation [4-7].

In Internet marketing, there is no standard turn-based strategy and a specific set of tools that work equally well for any business [8].

Before starting the promotion, it is necessary to determine the target audience, analyze competitors and set goals. Only then can you begin working with Internet marketing tools.

Internet marketing tools are technologies and methods that

make it possible for modern entrepreneurs to actively sell products and services to Internet users or to distribute them on the World Wide Web for the purpose of their further sale in offline stores [9-11].

The main objective of Internet marketing in strategic management is the same as offline - to get the most out of a potential target audience [12]. Literally, this concept denotes the procedure for promoting goods or services on the market using a global network, using particular online marketing technologies and tools.

II. STRATEGIC PLANNING AND OMNICHANNEL

A couple of years ago, there were only three touches to get a potential client, and now they are already needed 5. The user must get information from 5 sources to be interested. More than 50% of buyers expect from retailers not just purchases, but omnichannel experience: the brand should not only be present in different channels but also create a comprehensive experience for customers. Omni-channelism is just about a systematic approach (Fig. 1).



Fig. 1. Example of a figure caption.

Instead of racing for followers and likes on social networks, you need to select sites and tools that are relevant to the business sphere that will attract the client's attention to the purchase of a product/service.

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it meets the request for reliability and authenticity.

Live broadcasts watch three times longer than regular videos, sending a more significant stream of comments. This creates all the conditions for the development of broadcasts in digital marketing.

Video materials have the ability not only to demonstrate the product, but also the entertainment of the client. They contribute to the development of brands that should be represented on all platforms.

B. Voice search

By 2020, about 30% of all actions on the Internet will be done without the help of hands, and 50% of searches will be carried out using voice commands. Brands are looking for ways to develop apps like Siri, Google Assistant, and Bixby.

However, as these forecasts come true, marketers will inevitably begin to optimize content for voice search, which is very different from the traditional one. Voice queries are formulated more freely than printed ones, and their average length is approximately twice as long: from 1-3 words in a print search, it grows to 3-5 words in a voice search. The "restructuring" of content to voice may become one of the main trends of next year.

Not all users use voice features yet. Surveys showed that 62% of marketers do not engage in the development of this area in 2019, largely because they do not realize all the advantages of this trend. But this is only a temporary phenomenon.

Marketing tools integrate with voice services: there are many applications for voice shopping, ordering food and receiving news.

For example, in the eBay application, the assistant clarifies the details of the product that the client is looking for, issues a suitable option and voices the prices. In the Starbucks application, the assistant remembers the user's preferences and can offer the "as usual" option. The assistant reports the cost of the order, delivers to choose the type of payment and earn an order in the nearest restaurant.

C. Audio content

Another way to seamlessly integrate the brand into users' lives is to expand and develop audio content. A year ago, a survey showed: 65% of owners of smart speakers would never want to return to life without their voice-controlled assistant. And the number of such owners continues to grow at a tremendous pace. For the same reasons that encourage people to use voice commands and messages, people are looking for content in the most accessible and convenient way.

For those who want to learn something useful along the way to the bus and not apply any extra effort - this is the most convenient option. Audio content is becoming one of the newest and most effective marketing tools to date.

D. Chatbots and instant messengers

The chatbot industry is on the rise; by 2020, more than

85% of all company interactions with customers will go through bots. Chatbots work based on instant messengers, such as Facebook Messenger, Telegram, Viber, as well as Slack, Skype, etc. platforms, can conduct dialogues with users, help order food at home, choose clothes, book tickets and advise clients.

Their advantage is the ability to provide support 24 hours a day, 7 days a week. This increases not only customer satisfaction but also response rating, which will favourably affect SEO and brand promotion.

Due to a lack of experience, many are wary of chatbots. However, there is no reason for concern - according to recent studies, more than 70% of buyers are satisfied with the interaction with chatbots.

E. Influencers and micro-influencers

In recent years, influencers on social networks have become a real force: now we have stars on Instagram, millionaires on YouTube, and famous bloggers on Twitter. Millions of people follow them and their messages, reviews and other content. The influence of such people has become apparent to everyone. At the same time, the number of popular influencers in the network has increased, and along with their number, the cost of their services has also increased. As a result, more and more brands are turning to the so-called micro-influences - people who exist in every marketing niche, who have a rather low number of subscribers (less than 10,000), but at the same time a very attentive and loyal audience.

Firstly, they have a more lively and responsive audience, and secondly, their services are much cheaper, and their involvement is many times higher. Thirdly, the audience is no longer so eager to follow the advice of celebrity, knowing that the recommendation of the yoghurt or restaurant has been paid.

F. End-to-end analytics

The final integral tool of modern Internet marketing is End-to-End Analytics. This is the most effective way to optimize advertising budgets and make sound management decisions.

It's not enough to run many advertising channels - you need to track the effectiveness of each of them. The hardest thing to do is with offline data. Such situations often arise: a client saw contextual advertising, followed a link to a site, looked for a product, and left. Analyst systems mark this transaction as incomplete: an online purchase did not take place! And the client wanted, for example, to try on a product, found a store and made a purchase there. But this deal did not appear in the system - it remained unaccounted for.

Modern systems of end-to-end analytics make it possible to systematize all data, even offline, and draw conclusions about the effectiveness of each advertising channel (Fig 3).

Month	Traffic Channel Grouping	Region	Sessions	Costs	Transactions	Revenue	ROS	Revenue Forecast	Plan vs Forecast
+ 2019, Apr Total	Total		10,535,318	\$546,706	273,542	\$13,362,179	2444%		
+ 2019, May Total	Total		10,629,923	\$589,709	293,181	\$14,774,261	2505%		
- 2019, Jun	+ Affiliates Total		266,842	\$48,476	10,855	\$593,251	1224%	\$2,663,492	-0.26%
	+ Direct Total		304,903		6,302	\$311,114		\$1,396,795	0.50%
	+ Display Total		5,113	\$685	36	\$1,734	253%	\$7,785	-0.57%
	+ Email Total		293,964		15,338	\$715,804		\$3,213,714	-1.01%
	+ Marketplace Total		115,158	\$10,090	3,841	\$237,608	2355%	\$1,066,776	-1.01%
	+ Organic Search Total		435,416		16,474	\$781,658		\$3,509,374	-1.05%
	+ Paid Brand Search Total		143,067	\$9,199	9,550	\$435,801	4737%	\$1,956,596	-1.64%
	+ Paid Search Total		370,024	\$41,215	5,289	\$257,577	625%	\$1,156,432	1.35%
	+ Referral Total		97,792		2,944	\$139,522		\$626,406	-1.28%
	+ Retargeting Total		320,005	\$26,680	9,520	\$440,466	1651%	\$1,977,539	0.40%
	+ Social Total		114,172	\$23,389	2,226	\$90,125	385%	\$404,630	0.57%
2019, Jun Total			2,466,456	\$159,735	82,375	\$4,004,660	2507%	\$17,979,539	-0.53%
+ 2019, Jul Total								\$16,170,323	-0.66%
+ 2019, Aug Total								\$16,322,285	-3.83%
Grand Total			23,631,697	\$1,296,150	649,098	\$32,141,100	2480%	\$200,299,758	1.42%

Fig. 3. Automate reports example in end-to-end analytics services.

End-to-end analytics gives all the indicators of the conversion path of the client from the site visitor to the buyer and regular customer.

At each stage of the conversion path, there are indicators (Fig 4) that help you manage your marketing strategy, reduce costs and increase your company's profit.



Fig. 4. Customer Conversion Path

Step 1. A potential customer saw the advertisement

CTR (click-through-rate) - an indicator of clickability. It is defined as the ratio of the number of clicks on an ad to the number of its impressions.

$$CTR = \frac{clicks}{impressions} * 100\% \tag{1}$$

CPC (cost per click) - the cost of a click, which costs us one user who clicked on an ad to the site.

$$CPC = \frac{cost}{clicks} \tag{2}$$

Step 2. Potential client switched to the site

On the site, visitors get to the landing page and then either immediately leave, or perform a series of targeted actions.

The goal is to keep as many visitors as possible on the site.

Behavioural metrics are used to evaluate user actions:

- Attendance, or traffic - the number of site visitors coming from different sources
- Bounce rate - the number of users who left the site almost immediately or visited no more than one page.
- Depth of viewing and time on the site - how many pages the user visited and how much time he spent on the site, respectively.

Step 3. Visitor Converted

CR (Conversion rate) - a percentage of conversion. Shows what proportion of visitors completed the conversion action.



$$CR = \frac{\text{Total Attributed Conversions}}{\text{Total Clicks}} * 100\% \quad (3)$$

CPA (Cost per Action) - the cost of the conversion action. Shows how much money was spent on one user who completed the conversion action.

$$CPA = \frac{\text{Total ad Spend}}{\text{Total Attributed Conversions}} \quad (4)$$

CPO (Cost per Order) - helps to understand how much each order costs for a company.

$$CPO = \frac{\text{Ad Spend}}{\text{Number of Orders}} \quad (5)$$

Step 4. The visitor becomes a buyer

LCR (Lead Conversion Rate) - a percentage of closed transactions

$$LCR = \frac{\text{Sales (closed deals)}}{\text{Orders}} * 100\% \quad (6)$$

CPS (Cost per sale) - the value of the closed transaction, it is considered similar to the CPA and CPO indicators, instead of the indicator of the committed target actions - the number of closed transactions.

$$CPS = \frac{\text{Ad Spend}}{\text{Sales (Closed Deals)}} \quad (7)$$

Average Check - an indicator that serves as a guideline for setting marketing goals, pricing, planning advertising costs.

$$\text{Average Check} = \frac{\text{Revenue}}{\text{Orders}} \quad (8)$$

Step 5. The customer becomes a regular customer

CAC (Customer acquisition cost) - this is the sum of all investments to attract one new buyer.

$$CAC = \frac{\text{Total marketing costs}}{\text{Total customers acquired}} \quad (9)$$

LTV (lifetime value) shows the profit from one client for the entire time of his interaction with the company.

$$LTV = \frac{\text{Average Purchase Value} - \text{Average Purchase Frequency}}{\text{Average Customer Lifespan}} \quad (10)$$

ROMI (Return On Marketing Investment). This is the king of all marketing indicators. It is calculated as the ratio of the client's lifetime value to the cost of attracting and retaining him.

$$ROMI = \frac{\text{Gross profit} - \text{Marketing Costs}}{\text{Marketing Costs}} * 100\% \quad (11)$$

This table (Table I) will help evaluate the effectiveness of advertising and what to look for.

Table 1. Evaluation of the effectiveness of Internet marketing

Goal	Indicators	Responsible	Improve
Advertising setup	CPC, CTR	Contextual advertising manager,	Advertising settings, ads, audiences
Converting visitors to customers	Behavioural Metrics	Targeted Advertising Manager	Website Usability, Content
Lead generation	CR, CPA, CPO	Internet marketer	Usability and content of the site, Unique selling proposition, advertising strategy from the audience to the offer, budget distribution by advertising channels
Sales	LCR, CPS, Average Check	Internet marketer	Pricing, value proposition (product or service + service), work of the sales department
Marketing management	CAC, LTV, ROMI	Head of Marketing, Head of Sales	Logistics, points of sale, strategy for attracting and retaining customers, positioning

IV. RESULT AND DISCUSSION

Proper strategic management should be based on the development of weaknesses of the business and strengthening the strengths, as well as the most efficient use of current resources. The strategy in Internet marketing is always individual and must be built on the basis of your target audience, analysis of competitors, take into account the goals of the business and be based on web analytics.

Technologies do not stand still, and this is both their plus and minus. But in the future, with the right choice, the new digital marketing tools will not only simplify strategic management but will also bring significant benefits to companies.

To be effective, Internet marketing should not work in a vacuum - you need to look through the prism of a business, starting from an understanding of people, processes and a product, in order to create a holistic strategy that would provide many points of contact with customers without losing the quality of user experience. It should be equally useful in all directions.

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