

Unit 30: Internet Marketing

Unit code: D/601/1102

QCF level: 5

Credit value: 15 credits

Aim

This unit provides learners with an understanding of internet marketing so they can develop the skills to use the internet for promotion, advertising, interactive communications, market research, developing customer relationships and an internet marketing plan.

Unit abstract

Internet marketing refers to the application of marketing principles and techniques via electronic media and more specifically the internet. The purpose of this unit is to develop learner understanding of, and skills in, the use of the complex interactive digital media which comprise the tools of internet marketing. This area of study is subject to rapid rates of change with an immense array of continually developing technology converging and impacting on how e-business operates.

Internet marketing encompasses all the activities a business conducts via the worldwide web with the aim of attracting new business, retaining current business and developing its brand identity. Being able to use the internet for promotion is a core skill and this is covered in detail through search engine marketing. The topic of public relations through the internet is outlined as is the concept of the internet as a community.

This unit also addresses the utility and importance of the internet for market research. Data from customer relationship management can be used to support internet market research. This research can, in turn, lead to improvements in customer relations by enabling the company to supply better products and services. An understanding of these areas is therefore required.

To be able to research and design an internet marketing plan is an essential skill and learners will explore, the steps involved in drawing up these plans. This activity will bring together the skills covered in this unit.

Learning outcomes

On successful completion of this unit a learner will:

- 1 Understand marketing through the internet
- 2 Be able to use the internet for promotion using digital marketing communications
- 3 Be able to produce market research to support customer relationship management
- 4 Be able to design an internet marketing plan.

Unit content

1 Understand marketing through the internet

The elements of internet marketing: definition of digital marketing; definition of e-commerce and e-business; the internet micro- and macro-environment; benefits of internet marketing eg reach, scope, immediacy, interactivity, targeting; adaptive and closed loop marketing

The internet marketing mix: product and branding; place eg channels, virtual organisations; price eg auctions; promotions; people; processes; physical evidence; digital marketing tools/e-tools; the online marketing matrix including business and consumer markets; the online customer

Interactive order processing: choosing a supplier; selecting a product; check stock availability; placing order; authorisation of payment; input of data; data transfer; order processing; online confirmation and delivery information; tracking of order; delivery; data integrity and security systems; technology eg three-tier architecture (client-server-database); webforms

2 Be able to use the internet for promotion using digital marketing communications

Search engine marketing (SEM): definition of SEM, definition of search engine optimisation (SEO); advantages and disadvantages of SEO; best practice in SEO; paid search engine marketing, pay per click advertising (PPC); landing pages; long tail concept; geo-targeting eg Google AdWords; opt in email and email marketing

Online public relations (OPR): definition; advantages and disadvantages; best practice in OPR; online partnerships and affiliation; interactive display advertising; mobile commerce; viral marketing; using offline techniques to support online media

The internet as a community: customer 'ownership' of sites via interactivity, instant messaging (IM); chatrooms; discussion groups; blogs; portals eg yahoo; social media networks eg Facebook; file sharing sites eg YouTube; Flickr, Twitter; how businesses can use these media; online reputation management tactics

3 **Be able to produce market research to support customer relationship management**

Market research: secondary research data eg published surveys and reports, online research communities; Google insights and trends; blogs; government information eg census; types of research eg researching customer needs; types of information required eg quantitative data or qualitative data; primary market research methods eg online surveys; open and closed questions; focus groups; listening labs

Steps in online market research: establish the project goals eg secondary research – background to a business problem, primary research – new product for existing customers; determine your sample; choose research methodology eg survey sent via email or advertised online; create your questionnaire eg www.surveymonkey.com; pre-test the questionnaire; conduct interviews; enter data; analyse data; produce the reports

Relationship marketing: benefits of relationship marketing eg loyalty, lower costs, easier targeting; electronic customer relationship marketing (eCRM); operational CRM; analytical CRM and data mining eg Amazon past purchase suggestions – collaborative filtering; web analytics; conversion optimisation; segmenting customers eg by value, by loyalty; eCRM technology eg Salesforce software; implementing eCRM eg attracting new and existing customers, incentivising customers, embrace, capturing information; collaborative CRM; maintaining dialogue online and offline; vendor relationship management VRM

Security and trust issues: 'permission marketing'; value of orders; lead times; payment authorised in advance; consumer trust; transaction security eg data, financial details; UK Data Protection Act

4 **Be able to design an internet marketing plan**

The internet marketing plan: situational analysis, key performance indicators in internet marketing eg click through rates, churn rates, sessions; SWOT eg examination of business strengths eg, customer data, weaknesses, opportunities eg opt in email campaigns, threats; environmental analysis; competitors analysis; channel analysis eg texting; set objectives; target markets eg segmenting by channel; decide media eg pay per click; control; feedback

Creating an online pay per click campaign: preplanning eg online and offline analysis of the business (as above); customer demographics; the industry and competitors; goal definition eg branding campaigns; set budget, Cost Per Action (CPA) and targets; keyword research; copywriting; bidding; measure; analysing; testing; optimising

Learning outcomes and assessment criteria

| Learning outcomes On successful completion of this unit a learner will: | Assessment criteria for pass The learner can: |
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| LO1 Understand marketing through the internet. | 1.1 explain the elements of internet marketing 1.2 evaluate the internet marketing mix 1.3 compare internet marketing tools – e-tools 1.4 examine interactive order processing |
| LO2 Be able to use the internet for promotion using digital marketing communications | 2.1 demonstrate the mechanics of search engine marketing 2.2 write the copy for a suitable opt-in email marketing newsletter 2.3 follow guidelines for best practice in online public relations 2.4 demonstrate how businesses can use new digital media communities, eg file-sharing sites |
| LO3 Be able to produce market research to support customer relationship management | 3.1 conduct secondary market research 3.2 design an online survey 3.3 demonstrate the use of electronic customer relationship marketing |
| LO4 Be able to design an internet marketing plan | 4.1 produce an outline internet marketing plan 4.2 create a presentation on pay per click advertising. |

Guidance

Links

This unit links with Unit 1: Business Environment and follows on from *Unit 29: The Internet and E-Business*. Aspects of this unit link with the following units: *Unit 3: Organisations and Behaviour*, *Unit 7: Business Strategy*, *Unit 17: Marketing Intelligence* and *Unit 18: Advertising and Promotion in Business*. There are also links with *Unit 31: E-Business Operations*.

Essential requirements

Access to the web in class to illustrate the required topics is required.

Tutors must build a bank of case studies and other resource materials to ensure there is a sufficient supply of relevant information across a range of the elements of the internet marketing mix. Textbooks must be supported by website examples and case studies.

For part-time learners working in business, their experience of work must be used in comparing the approaches adopted.

Employer engagement and vocational contexts

Centres should develop links with local businesses. Many businesses and chambers of commerce want to promote local business and are often willing to provide work placements, visit opportunities, information about businesses and guest speakers. Local businesses may also be interested in being the subject of an assignment for example 'develop an online marketing plan for High St Car Hire' and therefore learners can gain advice from the business.

