

F3

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Marketing communication research

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MINISTERSTVO ŠKOLSTVÍ,
MLÁDEŽE A TĚLOVÝCHOVY

Introduction

- Marketing communications is anything your organisation does that affects the behaviour or perception of your customers (Callen, 2009, p.2)
- However, this endeavor must be directly linked to the stated objectives of marketing communication
- Marketing communication is an important tool in creating and expanding market share and building a brand or company image (Kozel, 2006)

Introduction

- Marketing communication is therefore an essential tool for monitoring marketing strategies (Kozel, 2006)
- A start-up puts money into marketing communication and must therefore monitor their valuation, so-called ROI (Return on Investment)
=> we evaluate the efficiency of **resource allocation**

The effectiveness of marketing communication

- Is generally considered to be problematic
- It is necessary to compare the plan with the actually achieved result
- The effectiveness of marketing communication can be divided into
 - Effectiveness of communication action
 - Cost-effectiveness
- For example, communication may well target a target audience, but this group may not be appropriate to stimulate demand

The effectiveness of marketing communication

- In planning stage, the start-up needs to answer key questions
- **Who?**
 - Who is an existing and potential customer?
 - How many such customers are there approximately?
 - Where do they occur most often?
 - What is he reading, what is s/he listening to and what is s/he looking at?
 - Which professional events and exhibitions does he visit?
 - What are his/her values?
 - What he/she likes?

The effectiveness of marketing communication

- **Why?**
 - Why should he/she be approached / targeted?
 - Is it a one-time sale or long-term plan?
 - Is it about increasing sales to existing customers or expanding the market?
- **What?**
 - What product and what benefits will be offered?
 - What are its parameters and properties?
 - What is the main competitive advantage?
 - What benefit can a customer expect?

The effectiveness of marketing communication

- **When?**
 - It is necessary to address the correct timing of the action and the intensity of the deployment
 - Typically, before Christmas, it is difficult to decide when to run a campaign so that it will not run unnecessarily early
- **How?**
 - How effective and efficient?
 - What ways - personal or impersonal?
 - What channels?

Goals of marketing communication

- **Long-term (strategic)**
 - To set or change overall strategy
 - Adjusting the market position
- **Short-term (taktic and operational)**
 - Inform
 - Prepare the customer for a new product
 - Motivate
 - Remind
 - Promote sales

Goals of marketing communication

- **Goals according to Egan (2007)**
 - Knowledge-based objectives
 - The aim is to stimulate awareness or interest
 - Feeling-based objectives
 - The aim is to invoke the desired associations and strengthen the brand image
 - Action-based objectives
 - The goal is to generate sales growth

Research realization

- We can carry out three types of research
 - Preliminary Research (pretest)
 - Ongoing research (testing)
 - Subsequent research (posttest)

Research realization

- **Preliminary Research (pretest)**
- Suitable for securing the preparation of a communication campaign
- It usually solves these problems
 - Identification of target groups
 - Suitability of arguments for communication messages
 - Media selection
 - Sets the default level of brand or product knowledge to the target audience
 - Forecasts the impact of the communication campaign

Research realization

- **Ongoing research (testing)**
- The main task is to verify the unexpected effects of the communication action
- It solves these problems
 - Continuous control of communication targeting
 - Evaluating the suitability of media selection
 - Assessment of arguments for communication messages
 - Eliminating possible communication noise
- If continuous research has a regular repetition rate, it is called a *tracking study*

Research realization

- **Subsequent research (posttest)**
 - Its importance lies in obtaining information about the success of the communication campaign (in relation to the set goals - sales and communication)
 - These goals may be
 - Sales growth
 - Increase brand or product knowledge
 - Shifting attitudes
 - Positive change of attitudes
 - Increase purchasing readiness
 - Identifying new opportunities
 - Agency performance

Media research

- Research on the ability and efficiency of different media types
- Used for audience research and targeting
- Usually we measure
 - Reach - number of possible followers
 - Audience - the number of those who follow the medium
 - Share - The number of those who actually watched the medium
 - Frequency - frequency of watching / consuming

Media research

- Media can be divided into
 - Broadcast Media (TV, Cinema, Radio)
 - Print media (magazines, newspapers, billboards, brochures, etc.)
 - Internet
 - Others (building walls, means of transport, etc.)

Evaluation of communication efficiency

- **Measuring the sales success of a communication event**
 - The problem of separating communication-dependent sales success
 - The marketing mix brings a synergistic effect
 - The problem of limiting the effect of communication
- **Measurement of communication effect**
 - Above all, we follow knowledge or familiarity
 - Measuring the degree of acquaintance
 - Spontaneous (no hint)
 - Knowledgeable (with hint)

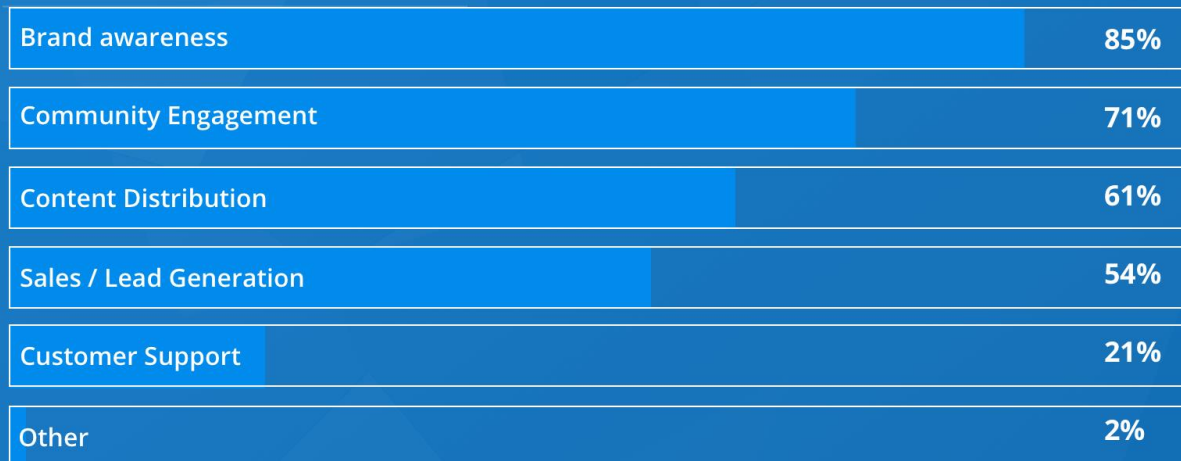
Evaluation of communication efficiency

- **Measurement of communication effect**
 - Recognition Test - works with a test group of respondents
 - Memo Test - Measures more consistently knowledge of advertising and its content
- **Polarity profile** - Tests various effects of slogans in conjunction with product
 - Proximity – Distance
 - Hero – coward
 - Reliability – unreliability
 - Quality - poor quality
 - Credibility – Untrustworthy
 - Complexity - Ease

Measuring social media



What are the main reasons your business uses social media?



Measuring social media

- **Measurement of communication effect**
 - A negative meme, an exploding battery could shatter your brand (Fisher, 2009)
 - We can observe
 - activity (web Analytics of blog or site);
 - tone (sentiment);
 - velocity (spread over time, URLs, trackbacks);
 - attention (duration on site);
 - participation (comments, trackbacks);
 - many qualitative attributes (comments, what did they say, what did they mean)

Measuring social media

- **Return on investment (ROI)**
 - $ROI = (\text{Revenue} - \text{Cost of goods sold}) / \text{Cost of goods sold}$
 - Let's say you have a product that costs \$100 to produce, and sells for \$200. You sell 6 of these products as a result of advertising them on Google Ads. Your total sales are \$1200, and your Google Ads costs are \$200. Your ROI is $(\$1200 - (\$600 + \$200)) / (\$600 + \$200)$, or 50%. (Google Ads knowledge base)

Measuring social media

- **Conversion rate**
 - **Making a purchase**
 - **Submitting a form** (contact us form, lead gen form, etc)
 - **Calling your business**
 - **Engaging with your online chat**
 - **Signing up for a subscription** (either paid or free—like a newsletter)
 - **Registering on the site**
 - **Downloading something** (software trial, eBook, mobile app, etc)
 - **Using something** (new/advanced feature on your software or app, simply using your software/app for a certain amount of time)
 - **Upgrading their service**
 - **Engaging with your site in some way** (time on site, repeat visits, number of pages visited)

Measuring social media

- Conversion rate calculation
- *Conversion rate = (conversions / total visitors) * 100%*

Measuring social media

- **Conversion rate calculation**
 - **Overall conversion rate** (how well does your website convert traffic from any source?)
 - **Marketing channel conversion rate** (is AdWords traffic or Facebook Ads traffic more likely to convert?)
 - **Page-level conversion rate** (which of these pages is better at converting traffic?)
 - **Campaign conversion rate** (did my targeting changes improve anything?)
 - **Individual ad conversion rate** (do I need to change my ad copy? does this ad drive more qualified traffic?)
 - **Keyword conversion rate** (which keywords deserve more budget?)

Measuring social media

	Impressions	Clicks	Leads	CR	CPL	Cost
Campaign 1	28,965	417	64	15%	\$65.16	\$4,170
Campaign 2	87,025	2,312	241	10%	\$76.75	\$18,496
Campaign 3	66,594	2,988	225	8%	\$26.56	\$5,976
Campaign 4	17,893	635	51	8%	\$236.57	\$12,065
Campaign 5	55,722	1,120	113	10%	\$59.47	\$6,720

	Impressions	Clicks	Leads	Sales	Revenue	SR	CPS	ROI	Cost
Campaign 1	28,965	417	64	8	\$18,000	1.9%	\$521.25	332%	\$4,170
Campaign 2	87,025	2,312	241	23	\$73,000	1.0%	\$804.17	295%	\$18,496
Campaign 3	66,594	2,988	225	6	\$11,500	0.2%	\$996.00	92%	\$5,976
Campaign 4	17,893	635	51	22	\$102,800	3.5%	\$548.41	752%	\$12,065
Campaign 5	55,722	1,120	113	11	\$36,000	1.0%	\$610.91	436%	\$6,720

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Q & A





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