Organizing & control and Ethical Marketing

Marketing is the most important parts of any business activity. It is what creates customers and generates income, guides the future course of a business and defines whether it will be a success or a failure. Without marketing, a business is like sitting in the dark and expecting people to find you without a light. Marketing can be done without a marketing team, but you cannot expect to go too far or succeed by marketing on your own. For a sustained marketing effort, a business of any size requires a dedicated marketing department or a marketing team.

Importance Of A Marketing Department

The Marketing Department is the key to good marketing and sales. It promotes and establishes a business in its niche, based on the products or services the business is offering. It identifies the areas in which the product fits and where the business should focus its marketing strategy and, therefore, spend its budget for the maximum coverage and results. The marketing department helps a business to do the following:

- **Build relationship with the audience**: Creates awareness of the business and its products as well as provide inputs that create interest for the audience. It brings in new customers and creates new business opportunities for the enterprise.
- **Involve the customer**: It engages existing customers, tries to understand them and hear what they have to say. It monitors the competition, creates new ideas, identifies outlets, plans the strategy to involve customers and retain them.
- **Generate income**: Finally, the aim of the marketing department is to generate revenue. All its activities are aimed at broadening the customer base and finding opportunities that would create more revenue for the enterprise.

ORGANIZATION OF A MARKETING DEPARTMENT

The marketing department of any enterprise is responsible for promoting the products, ideas and mission of the enterprise, finding new customers, and reminding existing customers that you are in business. It organizes all the activities that are concerned with marketing and promotion. It may consist of a single person or a group of people working in a hierarchal system who are responsible for bringing the product of the business to the attention of its targeted customers. Since this department is the key to your revenue and business activity, it requires people who have the skills for dealing with people and understanding what they require.

There is no hard and fast rule to the organization of a marketing department, which depends entirely upon the needs of the business, its size and the amount of money that it wants to spend on marketing. But a typical marketing department in a large business operation is organized as follows:

- **Chief Marketing Officer**: This is the person who is at the top of the pyramid and is in charge of the marketing department. The responsibilities of CMO lie in the decision making within the process of the development of the major marketing strategies, as

well as running the marketing department. CMO is also answerable to the Board of Directors or the Management about the results of the marketing strategies.

- **Marketing Director:** The person in this role is responsible for all the marketing strategies that are created and implemented. With his tasks he assists the CMO of the company.
- **Vice President Marketing**: He is answerable to the Marketing Director. His responsibility is the implementation of the marketing strategies of the organization. He works with the marketing manager in determining the strategies, messages, and media to be employed for marketing.
- **Marketing Manager**: Marketing Manager works under the vice president marketing and assists him with the implementation of all marketing strategies including creating messages or advertisements for marketing, choosing the medium of displaying the messages, which might include print media, television, banners and hoarding, website and social media marketing, etc. A marketing manager is also responsible for managing the other employees of the department. There may be one or several marketing managers depending upon the size and requirements of the business.
- **Marketing Analyst or Researchers**: These individuals are responsible for research and analysis that drives the marketing department and guides its marketing strategies by finding out about the target customers and the competition of the business. Marketing Analysts employ marketing tools such as surveys or studies to discover information that may be useful for marketing. They report to the marketing manager.
- **Public Relations**: Public Relation Officer is in charge of managing the reputation and goodwill of the company. His job is to create understanding of the clients and try to influence their thinking and behavior. PRO uses media management and communication to build up the company's profile. The PRO works under the Marketing Manager and reports to him.
- **Social Media Expert/Creative services**: With the internet becoming a major player in marketing, a company benefits from the services of Social Media Experts (SME) and creative services. While the SMEs concentrate on marketing the business and its service on the internet so that more people become aware of it, the creative services take care of designing and presentation part of the business, these include websites, web pages, brochures, booklets, flyers, advertisements, mailers and e-mailers, and all other promotional material that is required by the marketing department. The creative services and social media marketing report to the marketing manager and work under him.
- **Marketing Coordinator**: Coordinates all the various sections of the marketing department and manages the advertising and marketing campaigns. Marketing Coordinator is responsible for tracking sales data, maintaining the promotional material inventory, planning events, preparing reports, etc. They work with the Marketing Manager and assist him.
- **Marketing Assistant**: Assists and reports to the marketing manager to run the day to day business of a marketing department. Carries out administrative work required for the smooth running of the department.

Marketing Control

> **Definition**: Marketing control refers to the measurement of the company's marketing performance in terms of the sales revenue generated, market share captured, and profit earned. Here, the actual result is compared with the standard set, to find out the deviation and make rectifications accordingly.

Marketing is one of the crucial functions of any organization. Therefore, the management must exercise proper control over the marketing operations to ensure error-free results, optimum utilization of the resources and achievement of the planned objectives.

Content: Marketing Control

1. **Types**
   - **Annual Plan Control**
   - **Profitability Control**
   - **Efficiency Control**
   - **Strategic Control**

Types of Marketing Control

When we say control, it is not about overpowering the personnel, but it means enhancement of efficiency, by reducing the chances of errors and meeting the standards set by the management.

Let us now discuss the four major types of control, implemented in an organization:

Annual Plan Control

As the name suggests, the plans which are determined for one year for the control of operational activities through the successful implementation of management by objectives is termed as annual plan control.

Such programs are usually framed and controlled by the top management of the organization. Following are the five vital tools used under the annual plan control mechanism:

Sales Analysis

The first one is the sales analysis, where the manager determines whether the sales target of the organization have been achieved or not. For this purpose, the actual sales are compared with the desired sales and deviation is computed.

This method is also used for finding out the efficiency of sales personnel by comparing the individual sales with the target set for each salesperson.

Market Share Analysis

To evaluate the competitiveness, the management needs to find out the market share acquired by the organization.

However, it is quite challenging to determine the market share of other organizations which constitute of unorganized firms, due to lack of sufficient data.

Marketing Expense to Sales Analysis

Sometimes the firms spend much on the marketing of products, which diminishes their profit margin or increases the product price.

Therefore, a marketing expense to sales ratio is calculated to know the percentage of sales value paid off as a marketing expense.

- **Sales Force Cost to Sales Ratio** estimates the percentage of sales value used to pay the salespeople.
- **Sales Administration to Sales Ratio** determines the share of sales amount utilized for meeting the selling and administration expenses.
- **Sales Promotion to Sales Ratio** is the value of sales invested in the sales promotion activities.
- **Advertising to Sales Ratio** is the percentage of sales value, which is contributed to the advertising expenses of the products.
- **Distribution Expenses to Sales Ratio** is the value of sales, which is utilized for paying off distribution expenses.

Financial Analysis

The management needs to handle its finances well. It should examine the reasons and factors which influence the rate of return and financial leverage and return on assets in the organization through financial analysis tools.

It also helps to enhance the financial leverage position of the company.

Customer Attitude Tracking

Consumer satisfaction has been considered as an essential parameter to analyze the organization's performance. It is a qualitative analysis tool which can be of the following three types:

1. **Customer Surveys**: The companies get the questionnaires filled or make calls to the past customers for finding out the level of consumer satisfaction. It provides a direction to the sales team and the management.
2. **Customer Panels**: The organizations form consumer panels where the customers are hired to review the products, advertisements and other marketing activities. It helps the management to know about the consumer's perception and attitude.
3. **Feedback and Suggestion Systems**: Market performance of the products can be analyzed with the help of genuine feedback from the customers, and the same can be improved through their suggestions and input.

Profitability Control

Maximizing the profit margin has become a difficult task in today's highly competitive market. This has enforced pressure on the marketing team of the organizations too.
They now need to frame strategies for profit assessment and control in the different product line, trade channels and territories.

The *first step* is to **understand the functional expenses**, i.e., selling, distribution, administrative and advertising expenses incurred while carrying out the marketing function of a territory or **marketing channel**.

The *second step* is to **segregate the non-marketing expenses** from the marketing overheads and then to associate these pure marketing expenses to the marketing entities (like apportioning the building rent into marketing function).

Lastly, to **compile everything systematically** and to ascertain the profit or loss incurred on carrying out the particular marketing activity, an individual profit and loss account is prepared for each operation.

Efficiency Control

The management and the marketers are regularly involved in finding out ways to improve the task performance in the organization. These improvements bring in efficiency and perfection in marketing operations.

The three essential mechanisms used under efficiency control are as follows:

Sales Force Efficiency Indicators

The competence of the sales team can be determined by evaluating the various factors. It includes acquisition of new customers, customer turnover, average cost incurred on each sales call, return on time invested on the prospective customers, market share lost to the competitors, average sales made by each person per day, etc.

Advertising Efficiency Indicators

To know the effectiveness of the advertising activities, the marketers analyze the various advertising functions on different grounds. For this purpose, it finds out the brand awareness, cost incurred on each enquiry, media cost to reach per thousand customers, advertising campaign reach, etc.

Distribution Efficiency

The performance of the distribution channels in comparison to the cost incurred on channel partners and distribution of products can be analyzed through the distribution efficiency control.

It includes the measurement of the channel member's market reach, cost incurred on operating a particular channel and the contribution of each channel member in selling the brand's products.

Strategic Control

The external environment creates a significant impact on the organization's **marketing strategies**. To understand and align the plans with the prevailing external environment, the organization can adopt any of the following control functions:

Customer Relationship Barometer

To determine the customer's loyalty towards the brand and its products, the organization uses the relationship barometer.

Here, the company studies the customer's perception based on the criteria like organization's core values, system, policies, structure, customer orientation strategy, technology, personnel attitude, knowledge, skills and behaviour.

Marketing Audit

Like accounting audits, marketers carry out marketing audit to get a clear picture of the company's performance while executing the various marketing operations.

It is a systematic record which periodically examines the problem areas and provides for the means of rectification, to overcome the weakness by utilizing the organizational strength and grab the current opportunities.

Marketing Control Process

Marketing control is a systematic and integrated process. A marketer follows the following steps while exercising control over the marketing operation in an organization:

Marketing Control Process

1. **Determining Marketing Objectives**: The initial step in marketing control is the setting up of the marketing goals, which are in alignment with the organizational objectives.
2. **Establishing Performance Standards**: To streamline the marketing process, **benchmarking** is essential. Therefore, performance standards are set for carrying out marketing operations.
3. **Comparing Results with Standard Performance**: The actual marketing performance is compared and matched with the set standards and variation is measured.
4. **Analyzing the Deviations**: This difference is then examined to find out the areas which require correction, and if the deviation exceeds the decided range, it should be informed to the top management.
5. **Rectification and Improvement**: After studying the problem area responsible for low performance, necessary steps should be taken to fill in the gap between the actual and expected returns.

Marketing Ethics?

Marketing ethics serve as moral principles and values that should be followed during marketing communication. They are the guidelines that let companies decide about their new marketing strategies. But also keep in mind that it depends on one's judgment of 'right' and 'wrong.' Any unethical behavior is not necessarily unlawful. For example, if a company makes any claims about its products and cannot live up to those claims, it may be called unethical behavior.

Marketing ethics fosters fairness and honesty in all their advertisements. Any fraudulent claims to the customers, intruding on consumers' privacy, stereotyping, and targeting the vulnerable audience (like children and elderly) is deemed unethical. Even trying to damage the competitor's image is considered immoral.

Role of Ethics in Marketing

Ethical marketing refers to a marketer's obligation to ensure all marketing activities stick to core ethics principles, involving integrity, humility, and honesty — both internally and externally.

Our economic system has become adequate at providing wants and needs for the public with time.

This has turned the market's primary focus toward ethical values while serving customers' needs. This is mainly due to two reasons: When there is ethical behavior from the organization's side, there is a more powerful positive public attitude to different services and goods. However, to make their efforts valid to the general public, they must stick to specific marketing standards.

In addition, ethical bodies and organizations manage to pressurize and hold organizations and companies responsible for their actions. As a result, there is a lot of inquiry and sets of guidelines, which have to be strictly followed.

Ethics in marketing plays a crucial role in ethical decision-making for a product or service's optimized presence in its target niche. An ethical marketing technique is liable for paying heed upon different factors such as-

- Organization aspects such as culture, norms, values, and opportunity
- Individual factors such as righteous philosophies and values
- Stakeholder interests and concerns
- The intensity of ethical issues in marketing and organization setup
- Ethical decision making
- Evaluation of ethical outcomes

For instance, your marketing team hires a design agency for a new marketing campaign. However, halfway through the campaign, your team finds the agency doesn't treat its workers lawfully and doesn't align well with your values in terms of environmental and social responsibility.

It's in your best interest to stop working with the agency as soon as possible and re-align yourself with agents that uphold the same standards you've established for your team internally.

Equally important, of course, is the public-facing element of ethical marketing. Additionally, ethical marketing also implies treating workers reasonably, employing sustainable materials, and doing your part to help environmental or social causes that feel vital to your brand.

What Makes Marketing Ethics Important?

According to the reports by Forbes, Over 90% of millennial customers like buying products from ethical companies. Also, over 80% of those users believe that ethical brands beat other market players that follow ethical marketing.

Ethical marketing is important to an organization's overall growth and development over time. The involved set of guidelines and rules leads to a purely good, organized roadmap for everyone to follow. These sometimes overlay with media ethics since they are closely connected with definition and functioning.

Here are the reasons why ethical marketing is an integral part of the life of an organization.

1. Customer Loyalty

It is one of the most critical factors for ethical marketing. With the proper adoption of ethics in business and operation, the company can earn its consumers' loyalty, trust, and confidence that can serve in the long run. The natural human inclination to go after the genuine brand will surely give them promising gains, both in the present and future.

2. Long-term gains

The company or organization's foundation is based not only on its ability to survive the present but also on planning a bright future. By adopting appropriate marketing ethics, brands can engage prospects with high credibility, customer loyalty, significant market share,

improved brand value, better sales, and better revenue. These ethical practices will place their right towards achieving both short-term and long-term goals with perfection.

3. Improved credibility

When the organization looks forward to keeping its commitments surrounding its services and products on a constant and consistent basis, it slowly and steadily goes towards the path of cutting itself into an authentic and genuine brand in the market and customers' minds.

It is not just limited to these two, and a good process can even make good respect in front of investors, counterparts, competitors, stakeholders, etc.

4. Advanced Leadership qualities

When a company pursues ethical practices for an extended period, it gradually presents itself as a leader who can benchmark its policies and strategies that surround its structure and functioning. This eventually leads to numerous benefits like enhanced share in the market, higher sales, inspiration for others, respect, mutual benefits, etc.

5. Display of a rich culture

This structure offers a positive outlook when seen from the outside, but it also leads to a good structure and environment within the hierarchy internally. It gives rise to higher production owing to a confident and highly motivated staff.

6. The attraction of the right talent at the right place

Once the company can build brand value in the market, it becomes a beacon for prominent individuals for the association. Various people like prospective employees, consultants, vendors, etc., look forward to associating and working with the ethical brands that encourage them exponentially. This further let them achieve their goals in a short period successfully.

7. The satisfaction of basic human wants and needs

Once an organization is on route for the appropriate marketing ethics, it solves its customers' basic requirements and desires in the form of integrity, trust, and honesty. When this is displayed for a long time, various other benefits follow.

8. Reaching financial goals

To function smoothly for long periods, the company has to have good financial partners that allow them to grow and make significant strides in the market. Moreover, it helps them earn the moral ground necessary to entice such people.

9. Enhancement of brand value in the market

Once a proper code concerning ethical marketing is followed by the organization, the public in the form of consumers, competitors, stakeholders, etc., look up to such organizations. They pursue such brands with religious dedication, providing a sufficient boost to mark the market.

Ethical Decision Making

Ethical Decision Making Model

When you're making a major decision for your company, it can be tempting to choose the easiest or most cost-effective course of action -- even if that option isn't the best from an ethical standpoint. The PLUS model, a set of questions designed to help you make a decision from an ethical point of view, can ensure you're doing the right thing.

The PLUS model is especially objective because it doesn't focus on revenue or profit, but rather urges leaders to take a legal and fair approach to a problem.

PLUS Model:
P = Policies and Procedures (Does this decision align with company policies?)
L = Legal (Does this decision violate any laws or regulations?)
U = Universal (Is this decision in line with core values and company culture? How does it relate to our organizational values?)
S = Self (Does it meet my standards of fairness and honesty?)

Once you've considered potential solutions using these questions as a guide, you're ready to implement the six necessary steps to make your decision.

Ethical Decision Making Process

When you come across a difficult problem that threatens your company's integrity or beliefs (or could be illegal), you'll want to employ these six steps to make an ethical decision.

Step One: Define the Problem

Use PLUS filters to define your problem, and how it might affect one of the PLUS acronyms. Is it illegal, or does it violate your company's values? Make sure you've outlined the full scope of the problem -- be honest with yourself about it, even if you're partially at fault.

Step Two: Seek Out Resources

It can be difficult, if not impossible, to reach an objective solution on your own. To fairly evaluate your problem, you'll want to seek out all available resources. These resources might be mentors, coworkers, or even friends and family, but they could also be professional guidelines and organizational policies. Make sure you've armed yourself with knowledge to understand the extent of the damage.

Step Three: Brainstorm a List of Potential Solutions

When you're brainstorming a list of potential solutions to your problem, you don't want to only consider what's been done before. Stay open to new and different ideas, and urge other people to share their advice. Consider outside resources, including what other companies have done. Ultimately you'll want a list of at least three to five potential solutions. This way, you avoid feeling like it's an either/or situation.

Step Four: Evaluate Those Alternatives

Dive into your list of potential solutions, and consider all positive and negative consequences of taking each action. It's important you consider how likely those consequences are to occur, as well. You'll again want to refer to resources, guidelines, and standards. For instance, you might decide one solution has only one negative consequence, but that negative consequence has a high likelihood of happening. Another solution has two negative consequences, but both are extremely unlikely. These are important factors to weigh when making your decision.

Step Five: Make Your Decision, and Implement It

At this stage, you've got all the information you need to make a fair and ethical decision. If you've made the decision alone but need to share it with your team, create a proposal outlining why you chose this route, and what alternatives you considered, so they can understand your steps. Transparency is key. Your team needs to understand you used appropriate and objective measures to find a solution.

Step Six: Evaluate Your Decision

Now that you've implemented your solution, decide whether your problem was fixed or not. If there are unforeseen consequences, perhaps you want to consider alternative measures to combat the problem, or refer to outside guidance.

Modern Marketing Strategies

Social Media Marketing

This should be no surprise to you: the first <u>marketing strategy</u> you should know in today's day and age is social media marketing. Using social media platforms is effectively free and is a great way to get the word out about you and your product. You can reach an audience spread across the entire world with super-specific interests, without any trouble at all. That said, make sure you do it right (don't spam your followers: give more than you take!) if you want to see any results. Oh, and one last thing — make sure you pick the social media platforms that are most appropriate to your organization. If you're selling B2C (business-to-consumer), pick platforms like Facebook, Snapchat, and Pinterest, whereas if you're selling B2B (business-to-business) pick more conservative mediums like Twitter or LinkedIn.

Email Marketing

<u>Email marketing</u> is another fantastic strategy nowadays, especially as most people check their emails multiple times a day (if their phone doesn't already do it for them with notifications). Email marketing differs slightly from social media marketing in that it is a more effective way to get in contact with people who already engage with your brand, while social media is more effective in bringing in the initial attention. Basically, <u>don't send unsolicited emails</u>. Try to collect the emails of potential customers with opt-in newsletters, or gather from those who submitted their details in previous purchases, and follow up discreetly and unobtrusively for best results.

Affiliate Marketing

Affiliate marketing can sometimes be seen as a less-respected practice on the internet, but that's just because of the thousands of 'wantrepreneurs' who send their friends product links to make money. As a business though, you can introduce an affiliate program to encourage other webmasters to advertise your product for you, in exchange for a percentage cut of every sale which they can drive. If you have a useful product or service, and you can pick the right affiliate rates, then there'll be plenty of people who'll want to sell your product for you.

Internet Ads

Internet ads fall under the "advertising" portion of marketing, which means that you have to pay to use this marketing strategy. In exchange for your hard-earned cash, there are plenty of online platforms which will display your advertisements for you. For example, Google Ad words and Face book Ads are two online advertising platforms that allow you to display your offerings to highly-targeted audiences and receive more metrics about how they perform than

with any other strategy. Additionally, there are tools to help you out when designing your ads on these platforms, like a <u>Facebook Ad template</u>, that can not only save you time when setting up your internet ad but also make your ad look professional.

Product Placement

Another up-and-coming <u>internet marketing strategy</u> is to pay for product placements in content creators' work. Take video — many YouTube channels nowadays are willing to incorporate your product into their videos for some sum of money, as long as it doesn't bother their audience too much. Again, if you've got a killer product then this shouldn't be an issue.

green marketing?

Green marketing (or environmental marketing) is the promotion of environmentally friendly products, services, and initiatives. More specifically, green marketing refers a broad range of environmentally friendly practices and strategies. Some green marketing examples include:

- Creating eco-friendly products
- Using eco-friendly <u>product packaging</u> made from recycled materials
- Reducing greenhouse gas emissions from production processes
- Adopting sustainable business practices
- Marketing efforts communicating a product's environmental benefits
- Investing profits in renewable energy or carbon offset efforts

Green marketing is becoming more popular as more people become concerned with environmental issues. Indeed, in 2020, more than <u>three quarters</u> of consumers (77%) cited a brand's sustainability and environmental responsibility as very important or moderately important in their choice of brands.

While green marketing can be more expensive than traditional marketing messages and practices, but it can also be profitable due to increasing demand. For example, products made locally in North America tend to be more expensive than those made overseas using cheap labor, but local sourcing and supply chain means they have a much smaller carbon footprint than goods flown in from overseas. For some consumers and business owners, the environmental benefit outweighs the price difference.

Green marketing and LOHAS consumers

The rise of green marketing stems from a growing market segment of consumers who prefer to purchase green products even though they might be more expensive. These consumers are known as the Lifestyles of Health and Sustainability (LOHAS) demographic.

"[LOHAS] is a demographic defining a particular market segment related to sustainable living, "green" ecological initiatives, and generally composed of a relatively upscale and well-educated population segment."

LOHAS consumers are active supporters of environmental health, and are the heaviest purchasers of eco-friendly and socially responsible products. They also have the power to influence other consumers.

With about <u>100 million</u> LOHAS consumers worldwide, this segment suggests a surging market for green marketing campaigns built around eco-friendly practices and products.

Green marketing strategy

Beyond making an environmentally friendly product, business owners can implement other tactics to create a business strategy that capitalizes on the benefits of green marketing. The following can all be part of a green marketing strategy:

- Using eco-friendly paper and inks for print marketing materials
- Skipping printed materials altogether in favor of electronic marketing
- Adopting responsible waste disposal practices
- Using eco-friendly or recycled materials for product packaging
- Seeking official certifications for sustainability and
- Using efficient packing and shipping methods
- Using renewable energy and sustainable agriculture practices
- Taking steps to offset carbon emissions via investment

Green companies take a long view of their businesses, prioritizing the well-being of the planet and future generations over short-term profits.

What is greenwashing?

Some brands and marketers have attempted to capitalize on consumer demand for environmental consciousness by taking a green marketing approach to products or services that are not necessarily green or sustainable. This practice is known as "greenwashing." Some popular examples of greenwashing include:

- Employing unregulated terms like "green" or "natural" to describe products
- Using the colour green or environmental symbols like leaves or trees on packaging
- Promoting misleading studies or statistics to support an eco-marketing message
- Portraying cost-cutting measures as motivated by environmental sustainability

Using greenwashing to falsely market your products as environmentally conscious is not only misleading to consumers: it can also be hazardous to a company's health. For example, following its 2015 scandal involving falsified emissions reports for its vehicle, Volkswagen's stock price tumbled more than 50 percent—and took six years to completely recover.

If you plan to build a sustainable brand and practice green marketing in your business, be sure that the claims you're making about your products are clear and factual.

Mobile Marketing

Mobile marketing is any advertising activity that promotes products and services via mobile devices, such as tablets and smartphones. It makes use of features of modern mobile technology, including location services, to tailor marketing campaigns based on an individual's location.

Mobile marketing is a way in which technology can be used to create personalized promotion of goods or services to a user who is constantly connected to a network.

- Mobile marketing is an advertising activity that uses mobile devices, such as text promos and apps via push notifications.
- Mobile marketing audiences are grouped by behaviors and not by demographics.
- Mobile marketing is a subset of mobile advertising.

- Marketing faces privacy issues related to data collection.
- Mobile marketing is much more affordable than traditional marketing on television and radio.

Mobile Marketing vs. Traditional Marketing

Unlike traditional <u>marketing</u> efforts, mobile marketing takes advantage of the fact that many users of mobile devices carry them around wherever they go. As a result, location-based services can collect customer data and then offer coupons, deals, or promotions based on their proximity to a store or a place frequently visited by the consumer.

These marketing campaigns can be more targeted and specific to the individual user, and should, therefore, be more effective for the company doing the marketing. One example may be a marketing campaign that sends food-related coupons to a customer any time they come within half a mile of a specific supermarket.

Advantages and Disadvantages of Mobile Marketing

Advantages

In regards to online related advertising, mobile marketing is much easier to access. You don't need high-level technology or significant technical experience to get started. It's also easier to measure the success of mobile marketing campaigns.

Mobile marketing is also extremely cost-effective. There are a variety of options to choose from for any budget and the impact it can have when compared to the cost is significant. In a common comparison, social media ads are much cheaper than purchasing ad space for radio or television.

Customers can also be reached in real-time with mobile marketing no matter where they are. Radio or television marketing only works when a customer is in front of the television or has the radio on.

Disadvantages

There are privacy issues concerning how the data collected by mobile devices are used and whether or not companies have the right to collect such data without explicit consent. Such data can be used for <u>identity theft</u> or to send spam if it falls into the wrong hands due to data theft or poor security of the information. Also, the tracking of an individual's locations and movements may be considered crossing the line by some.

A particular drawback of mobile marketing is that it has the potential of increasing costs for the user. For example, if a campaign directs a user to a video that requires a significant amount of data and the user does not have an unlimited data plan, it may eat into their monthly data allowance or result in charges if they go over their allotment.

Mobile marketing also needs to be perfect from the start. As users have smaller attention spans and a variety of companies competing for their attention, a poor mobile marketing plan will fail to grasp a user's attention and possibly lose their interest forever. For this reason, a mobile marketing plan does not have room to be less than perfect.

How Do You Start a Mobile Marketing Business?

Set up a Mobile Website
People use their smartphones for almost everything these days and so it's important that your website is formatted correctly for viewing on a smartphone. If you have an existing website, many companies offer automated systems that convert your existing website for viewing on a mobile platform. WordPress and GoDaddy are two great examples of companies that do this. Other companies also create a completely new version of your website just for viewing on a mobile device, commonly known as plug-and-play platforms. Another alternative if you are comfortable with writing computer code is adding a line of code on your website that is able to determine the screen size of the device being used and adjusts the site accordingly.

Set up Your Business on Location-Based Platforms
Setting up your business on the various location-based platforms, such as Foursquare, Gowalla, and Facebook Places is a good way to make your business available to a wider range of people and to start running mobile ad campaigns. Foursquare has been a pioneer in this respect, where companies can run various promotions, such as offering discounts for meeting a certain number of visits or "check-ins" on the app.
Dive Deeper
To get a real feel and understanding of mobile ad marketing you need to fully immerse yourself in the experience. Start using location-based platforms wherever you go, check-in, use the various apps available for paying in restaurants or grocers, check out ads, perform various voice searches, all to get a feel of how people might use their mobile devices for consumer transactions. This can help you to design your mobile ad campaigns more efficiently.
Start a Mobile Ad Campaign
Once your website is set up for mobile device viewing and you've understood how the mobile ad marketing world works, it's time to set one up for your business. Mobil ad campaigns are a crucial element for businesses to get viewership. If you have a skateboard shop in the neighbourhood and someone searches "best skateboard shops near me" you want to make sure that your business pops up in their search.
There are a variety of ways that mobile ad marketing campaigns can be paid for. These include flat fees for running an ad for a certain period of time, or on a cost-per-click basis, a cost-per-thousand basis, or a cost-per-acquisition basis. Facebook, Google, Apple, Instagram, and other social platforms all offer the ability to start your own mobile marketing campaign.

Utilize QR Codes
QR codes, which are square bar codes containing information, can be placed in a variety of locations, and once scanned by a phone's camera, direct a user to a website that can show a business's website, promotions, or other important information. They're a simple and easy way to make your business known.

Examples of Mobile Marketing

Samsung
For the release of its Galaxy S6 phone, Samsung worked with Indian tech company InMobi to develop interactive ads. These ads created a personalized real-time battery identification mobile ad unit that displayed the product and service to a user with a demo on their phone when their battery levels were low. The mobile ad highlighted the new phone's "super fast charging capability" right when their battery was low, enticing them to upgrade to the new phone.

Online Marketing
Online marketing is a set of tools and methodologies used for promoting products and services through the internet. Online marketing includes a wider range of marketing elements than traditional business marketing due to the extra channels and marketing mechanisms available on the internet.

Online marketing can deliver benefits such as:
- Growth in potential
- Reduced expenses
- Elegant communications
- Better control
- Improved customer service
- Competitive advantage

Online marketing is also known as internet marketing, web marketing, or digital marketing. It includes several branches such as social media marketing (SMM), search engine optimization (SEO), pay-per-click advertising (PPC), and search engine marketing (SEM).

Online marketing combines the internet's creative and technical tools, including design, development, sales and advertising, while focusing on the following primary business models:

- E-commerce.
- Lead-based websites.
- Affiliate marketing.
- Local search.
- Social media.

Online marketing has several advantages, including:

Low costs
Large audiences are reachable at a fraction of traditional advertising budgets, allowing businesses to create appealing consumer ads. Many advertising platforms also allow for scalable ads with different levels of reach that are proportioned to the advertising budget. Rather than committing a large amount of money to advertising, smaller companies can spend a small amount and still increase their reach.

Flexibility and convenience
Consumers may research and purchase products and services at their leisure. Business blogs can be used to let consumers and prospects conduct their own research on the business's products as well as provide their feedback and reviews.

Analytics

Efficient statistical results are facilitated without extra costs. Many advertising tools include their own analytics platforms where all data can be neatly organized and observed. This facilitates business intelligence efforts and data-driven decision making.

Multiple options

Advertising tools include pay-per-click advertising, email marketing, interstitial ads and banners, social media advertising, and local search integration (like Google Maps). Digital marketing companies usually offer their services across various online advertising channels by tuning their offer to the individual client's needs.

Demographic targeting

Consumers can be demographically targeted much more effectively in an online rather than an offline process. Coupled with the increased analytics potential explained above, organizations can improve their targeting over time, have a clearer understanding of their customer base, and create specific offers that are shown only to certain demographics.

The main limitation of online marketing is the lack of tangibility, which means that consumers are unable to try out, or try on items they might wish to purchase. Generous return policies are the main way to circumvent such buyer apprehension.

Online marketing has outsold traditional advertising in recent years and continues to be a high-growth industry.