

The Web: Math reshapes online marketing

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A significant shift is under way in online marketing -- one that is finally enabling major brand advertisers to more accurately measure the value of their Internet traffic, and even cleverly customize content for specific customers, marketing experts tell UPI's The Web.

So-called Marketing Performance Management solutions have emerged, providing metrics, or measurement tools, for an array of demand channels, from e-mail to Internet site visits.

This is powered by the industry's "need for greater accountability and greater relevancy to more effectively engage prospects and build profitable customer relationships," said Donovan Neale-May, executive director of the industry group, the Chief Marketing Officer Council (cmocouncil.org). "To navigate marketing's shift more successfully, companies need this consistent metrics framework for all of their campaigns, and, more importantly, the ability to target their customers so campaigns and messaging are relevant."

Marketers are using sophisticated algorithms -- mathematical formulas -- for real-time online data exploration and customer segmentation. For example, these formulas take Web traffic patterns, analyze them, and then identify an array of new customer segments, based on similarities, or differences, in the Internet traffic.

A retail site that is targeting customers who may buy a new product line can use the methodologies to determine the customer's "intent" when they come to the site. This is based on a number of factors, including

how recent their latest visit to the site was, what the frequency of their visits are, and what the value of their lifetime purchases is likely to be, based on their past purchases.

Marketers can concentrate on customers, moreover, who have visited Web pages that show new products, but have not yet made an online purchase, and send them promotional discounts. Customers can also be monitored by their "abandonment points," as the experts put it, where and when and why they leave the Web site at a particular time. That data can be grouped to determine patterns of behavior. Those customers, as a result, could receive one of several variations of e-mails, direct mail and even targeted telesales calls.

This can be quite effective, for a recent survey by Jupiter Research, based in New York City, indicates that e-mails based on the Web site "clickstream data" offer a three to nine time revenue improvement when compared to "broadcast" e-mail marketing. In other words, the e-mail messages are more relevant because they pertain to the site visitor's interests.

"The shackles of traditional Web analytics reporting are coming off," said Greg Drew, president and chief executive officer of WebTrends Inc., a developer of analytical tools for online marketers, who knows that old measures such as hits, and clicks, are not enough.

Some things in marketing online, however, remain more intuitive, and so-called viral marketing seems to be quite powerful for customers who do not have massive advertising budgets. A spokesman for Atlantic Webworks, an online marketing firm, told The Web that there is still significant "clutter" in the online marketplace that keeps prospects from finding the companies they would like to do business with presently.

"When they have a particular problem that needs a solution, they have to

wade through mountains of irrelevant advertising to find what they need," the spokesman said. "Smart businesses are using their Web sites to enlist others to ferret out those prospects and make direct contact where they live."

Earned search results, paid advertising, directory listings -- all have been considered good ways to make contact with people at the very moment they're looking for your products or services online. "But these days, Web sites are not only being built with the goal of being easy to find and easy to understand. They're also being built with a conscious focus on encouraging visitors to pass along that information to colleagues, friends, families," said the spokesman.

One illustration -- Atlantic Webworks -- has posted an e-book about viral marketing on its own Web site. Visitors to the site download the e-book, read it, find it of value and forward it to the exact person they think will find it most useful -- the exact person the company would target for new business if executives there knew he or she existed. "The e-book -- and the Atlantic brand -- are given an implicit endorsement by the original reader, and the final recipient feels confident in placing a call or sending an e-mail to ask for more info. It's an elegant solution to a complex problem," said the spokeswoman.

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