



AGROCLUSTER
RIBATEJO

Business Strategy

Innovation
Branding
Solutions
Marketing
Analysis
Ideas
Success
Management

WEB MARKETING

DESCUBRA NOVOS INSTRUMENTOS E
ESTRATÉGIAS PARA A SUA EMPRESA

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E-AGRO
INNOVATION



E-AGRO
MARKETS

Cofinanciado por:

COMPETE
2020

PORTUGAL
2020

UNIO EUROPEA
Fundo Europeu
de Desenvolvimento Regional



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Business Strategy
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1. Online Consumer Behavior



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trend



Consumers will welcome products, apps or services that (constantly) monitor, remind, prod and even force them to behave and perform 'better.'

impact

Audi's e-bike **Wörthersee** features an onboard computer that connects to a smartphone, offering challenges and tips on how to improve performance. An online point-rewarding platform enables users to keep track of successes and compare their achievements with fellow cyclists.

The Customer's Story

- A typical one-hour adventure in the life of a 25-year-old professional, Justin:
 - Stream news from iPhone
 - TV on soccer game
 - Text on Smartwatch
 - Twitter @NASA_Astronauts

Consumers in the 21st Century

- 88% of U.S. consumers used the internet in 2017.
- Less connected groups tend to be:
 - Older
 - Less educated
 - Rural

Offline population has declined substantially since 2000

% of U.S. adults who do not use the internet



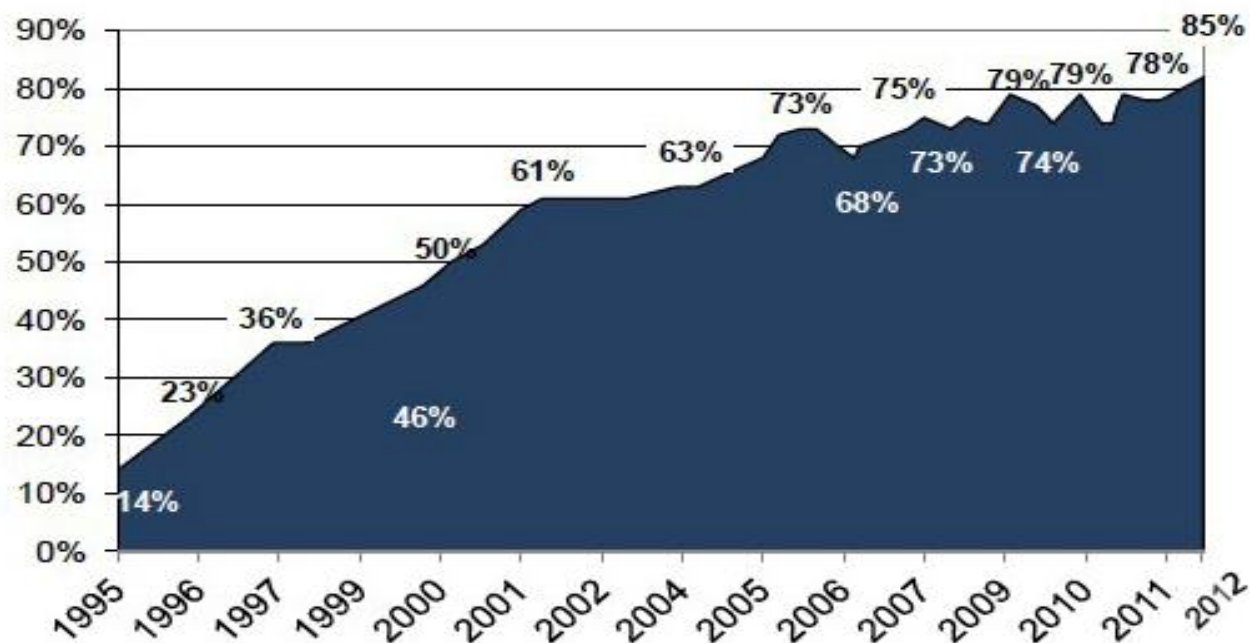
Source: Pew Research Center surveys of U.S. adults, 2000-2016. Data from 2016 includes surveys conducted March 7-April 4 and March 30-May 3, 2016.

PEW RESEARCH CENTER

Internet Reaches Maturity: 1995-2012

Internet adoption, 1995-2012

% of American adults (age 18+) who use the internet, over time. As of August 2012, 85% of adults use the internet.



Source: Pew Internet & American Life Project Surveys, March 2000-August 2012.

More: [http://pewinternet.org/Trend-Data-\(Adults\)/Internet-Adoption.aspx](http://pewinternet.org/Trend-Data-(Adults)/Internet-Adoption.aspx)

Consumer Behavior Online

Many consumer behavior principles that describe offline buyer behavior also apply to online behavior:

- **Buying Process:** need identification; information search; evaluation of alternatives; purchase; post-purchase
- **Hierarchy of effects:** product/brand awareness; developing positive/negative attitude; behavior (registering online or purchasing product)
- **AIDA model:** Attention, Interest, Desire, Action
- **Word of Mouth:** social media

Stage One - Recognition of problem or need

The recognition of the particular problem or need and here the buyer has a need to satisfy or a problem that needs solving, and this is the beginning of the buyer decision process.



Stage Two - Search for information

Buyers here begin to look around to find out what's out there in terms of choice and they start to work out what might be the best product or service for solving the problem or satisfying any need.



Stage Three - Evaluation of available alternatives

The evaluation of the available alternatives whereby the buyer decides upon a set of criteria by which to assess each alternative.



Stage Four - Make your choice

We buy or select a product/service/supplier at stage four. Individuals or teams of buyers make the final choice of what to buy and from whom to buy it.




Stage Five - Post-purchase evaluation

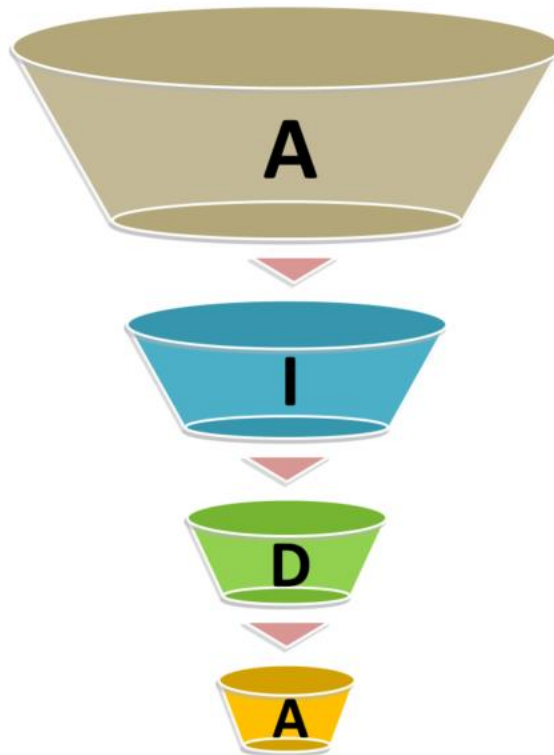
The process continues even when the product or service is being consumed by the individual or business.

The Buyer Decision Process

Consumer Behaviour	Hierarchy of Effect Model	Marketing Objectives
Cognitive (To think, to understand and remember)	1- Awareness	Make the customer aware
	2- Knowledge	Make information about the product easy to find
Affective (To feel, to experience)	3- Liking	Ensure that the customer likes your product, if not, understand why and fix the problem.
	4- Preference	Make consumers focus on the product.
Conative (Behave/ Action)	5- Conviction	Create the desire to purchase.
	6- Purchase / Prescribe	Make the customer purchase.

 EssayCorp

Marketing Sales Funnel



Attention

The consumer becomes aware of a category, product or brand (usually through advertising)

Interest

The consumer becomes interested by learning about brand benefits & how the brand fits with lifestyle

Desire

The consumer develops a favorable disposition towards the brand

Action

The consumer forms a purchase intention, shops around, engages in trial or makes a purchase

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Templates

<http://yourfreetemplates.com>



SOCIAL MEDIA

THE NEW WORD OF
MOUTH **MARKETING**

Consumer Behavior Online (Consumer-Brand Relationships)

Some **consumer behavior theories** for online buyer behavior.

- **Scarcity** => more demand (e.g., discount offered for “limited time only”)
- **Popularity** => more likely to buy brands friends/others like and use (e.g., “Like”; “Love”)
- **Affinity** => more likely to purchase a product that his/her social network friends highly recommend (trust)

Scarcity

Seychelles Aspiration

\$95.00
Ships Free

Black Leather

6

Width: M

Don't see your size?

ONLY 2 IN STOCK

Add to Cart

Add to Favorites

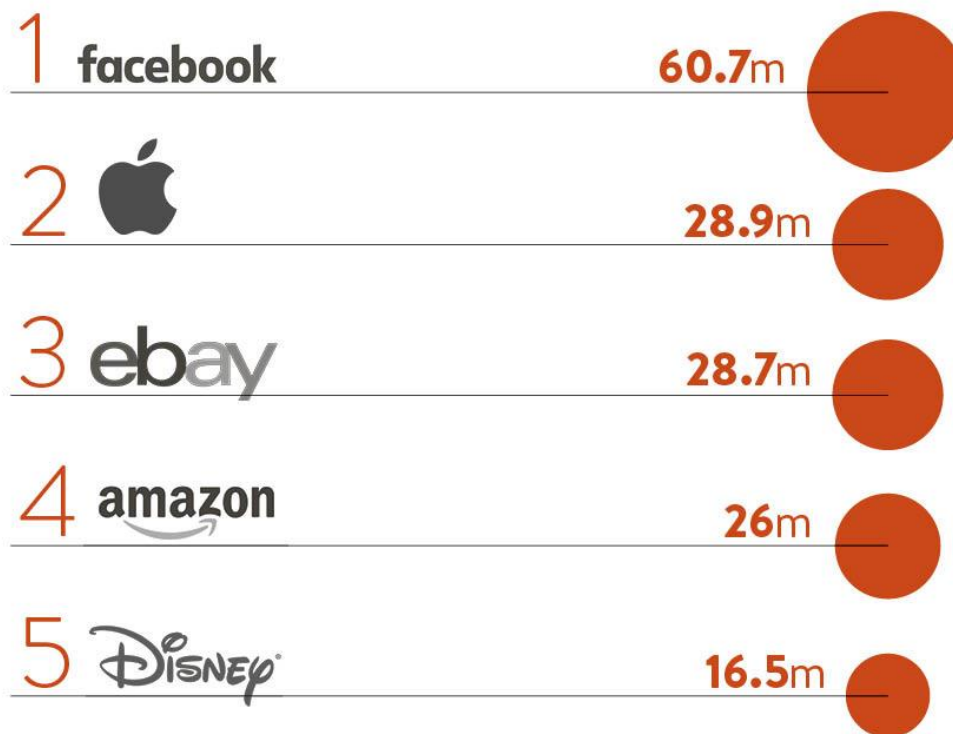
Notify Me of New Styles

Share: [f](#) [t](#) [p](#) [e](#)

Brand Love

TOP GLOBAL BRAND LOVE LIST

NETBASE BRAND PASSION REPORT RANKED BRANDS ON THE MOST POSITIVE CONSUMER EMOTIONS EXPRESSED ON SOCIAL MEDIA CHANNELS*



*English-language posts only

Source: NetBase 2016

Brand Trust



83%

WILL RECOMMEND IT
TO OTHER PEOPLE

82%

WILL USE IT'S PRODUCTS
& SERVICES FREQUENTLY

50%

WILL PAY MORE FOR IT'S
PRODUCTS AND SERVICE

Consumer Behavior Online (Consumer-Brand Relationships)

Some **consumer behavior theories** for online buyer behavior.

- **Authority** => celebrity/famous figure recommends brand, social network, web site
- **Consistency**: particular beliefs and attitudes about a product => explains habitual buying patterns or consistency
- **Reciprocity**: free product samples or 30-day free software trials => increase product sales

Brand Celebrity Endorsement



Brand Authority

Digital Brand Authority Funnel for B2B Brands



Brand Consistency



Brand Consistency

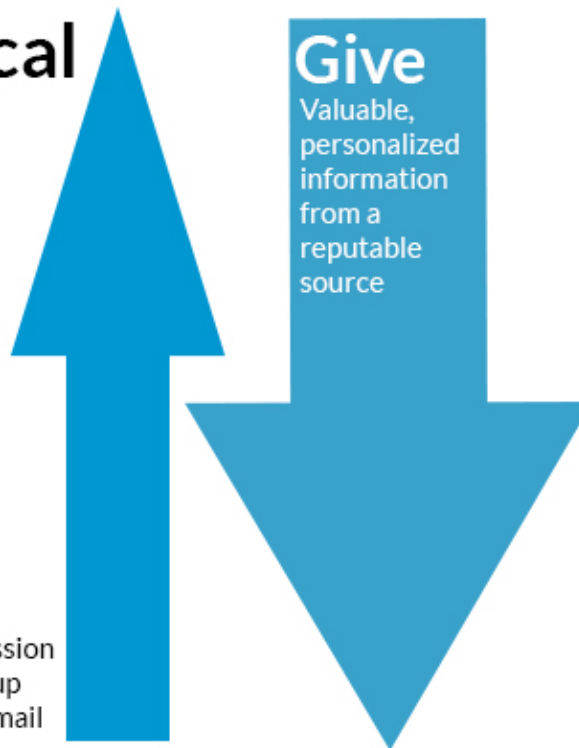
Brands that are consistently presented are **3 to 4 times more likely to experience brand visibility.**

~Lucidpress~

Reciprocity

The Reciprocal Equation

Ask
For permission
to follow-up
through email



Give
Valuable,
personalized
information
from a
reputable
source

Free Product Samples

New Edition

P&G brand **SAMPLER**[®]
gives you a chance to try
great products before you buy!

Sign up for access to the latest offers from **P&G**.

New SAMPLES ADDED!

MEMBERS RECEIVE SAMPLE SIZE PRODUCTS. SELECTION MAY VARY. WHILE SUPPLIES LAST.

30-day free software trials

30 DAYS
FREE TRIAL

ONE CLICK INTEGRATIONS WITH:
INVENTORY MANAGEMENT SOFTWARE

Logos for eBay, Amazon, Shopify, and Magento.

Social Psychology of Social Shopping



Online Consumer Behavior

- **“Know the customer”** (very important prerequisite for successful marketing campaigns)
 - **Who** is on the Web?
 - **What** they do when there?
 - What they buy and look at?

Know your Customer



The Central Marketing Brain

Online Consumer Behavior

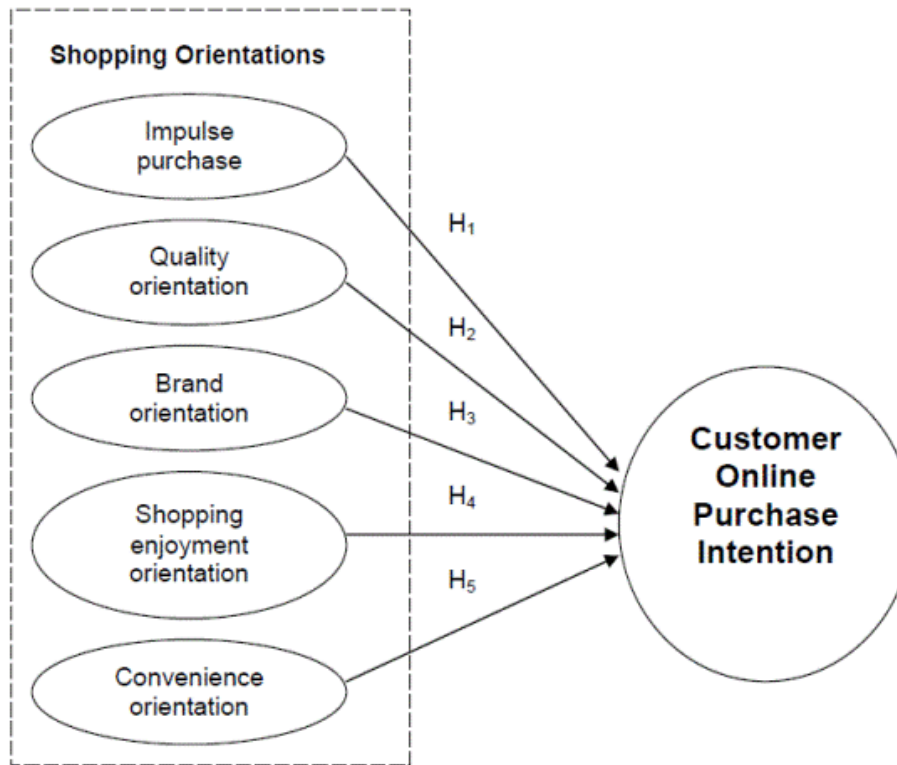
Key points about Online shopping:

- includes both purchasers and browsers
- strongly influences offline purchases
- is largely intentional

Online Shopping



Online Shopping Purchase Intention



Consumers Online: The Internet Audience and Consumer Behavior

- Over 75% (92 million) of U.S. households had broadband Internet access in 2016
- Growth rate has slowed
- Intensity and scope of use both increasing
- Some demographic groups have much higher percentages of online usage
 - Income, education, age, ethnic dimensions

(Q) What are some of the ways that gender, income, education, age, and ethnicity impact online purchasing behavior?

Online Consumer Behavior

(Q1) What are some of the ways that **gender, income, education, age, and ethnicity** impact **online purchasing behavior**?

Online Consumer Behavior

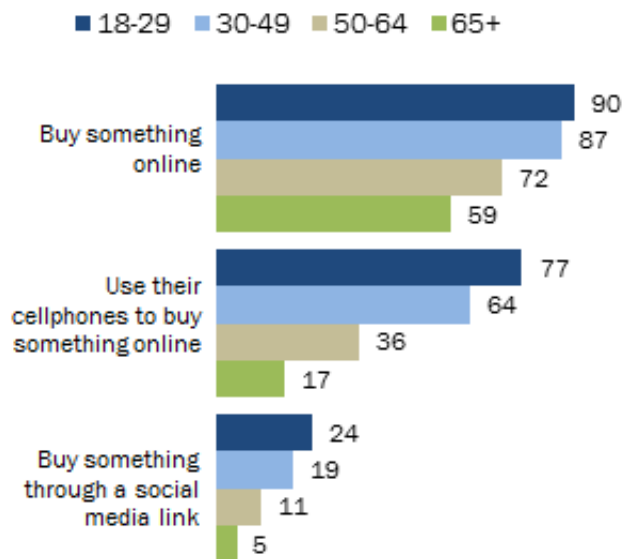
- **Age:** adults over the age of 65
- **Education:** those who have not completed high school
- **Income:** those who make less than \$30,000 a year
- **Ethnicity:** Hispanics
 - are all less likely to purchase products online.
- **Gender:** Women are slightly more likely to purchase online than men

(Source: Pew Internet & American Life Project)

Demographics (e.g., Age)

Online shopping popular across age groups, although Americans under 50 especially likely to buy using cellphones

% of U.S. adults in each age group who ever ...



Source: Survey conducted Nov. 24 Dec. 21, 2015.
"Online Shopping and E-Commerce"

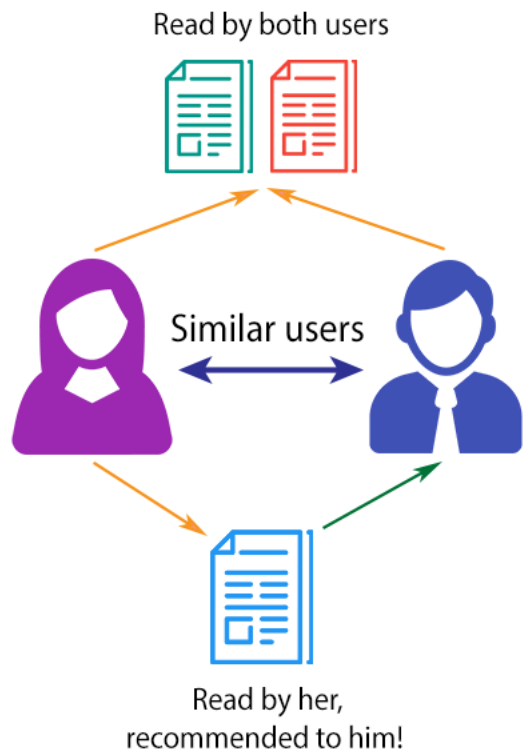
PEW RESEARCH CENTER

Consumers Online: The Internet Audience and Consumer Behavior

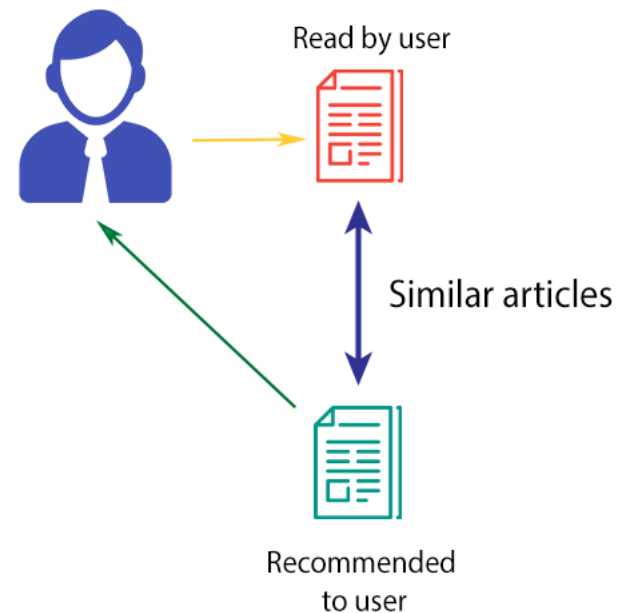
- **Broadband and mobile**
 - Significant inequalities in broadband access
 - Older adults, lower income, lower educational levels
 - Non-broadband household still accesses Internet via mobile or other locations
- **Community effects**
 - Role of social emulation in consumption decisions
 - “Connectedness”
 - Top 10–15% are more independent
 - Middle 50% share more purchase patterns of friends
 - Recommender systems – co-purchase networks

Recommendation Systems

COLLABORATIVE FILTERING



CONTENT-BASED FILTERING

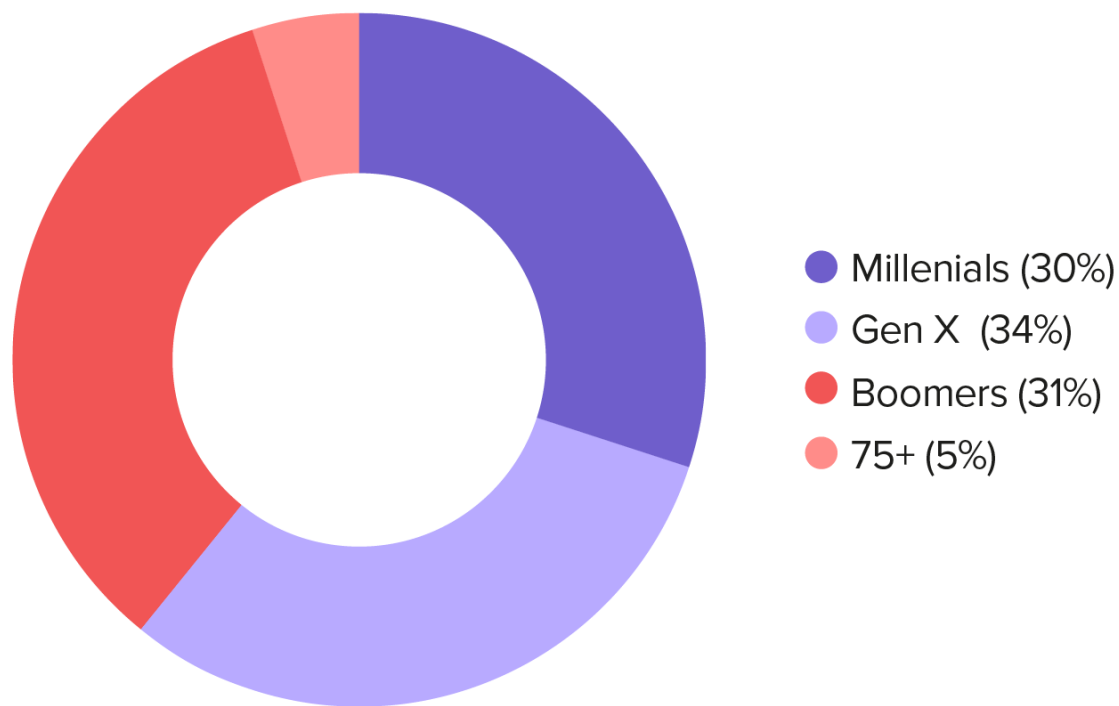


Consumers Online: The Internet Audience and Consumer Behavior

- **Consumer behavior models**
 - Study of consumer behavior; social science discipline
 - **Attempt to predict or explain wide range of consumer decisions**
 - Based on background demographic factors and other intervening, more immediate variables
- **Profiles of online consumers**
 - **Consumers shop online primarily for convenience**

Profile of Online Consumers (e.g., Age)

Age Distribution of Online Shoppers [%]



Predictive Modeling

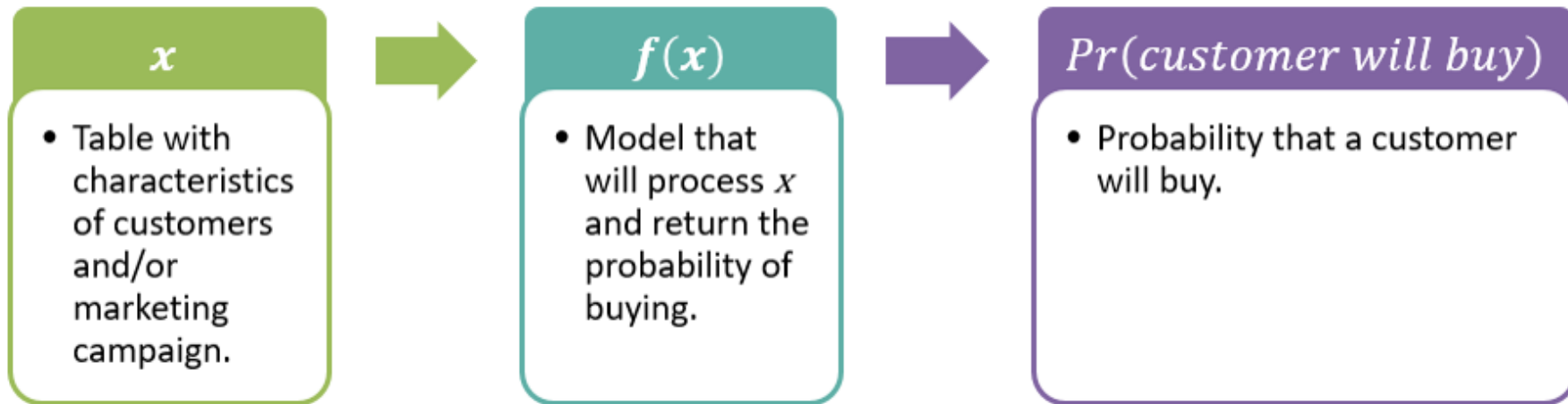


Figure 1: A General Model of Consumer Behavior

Consumer behavior models try to predict the decisions that consumers make in the marketplace

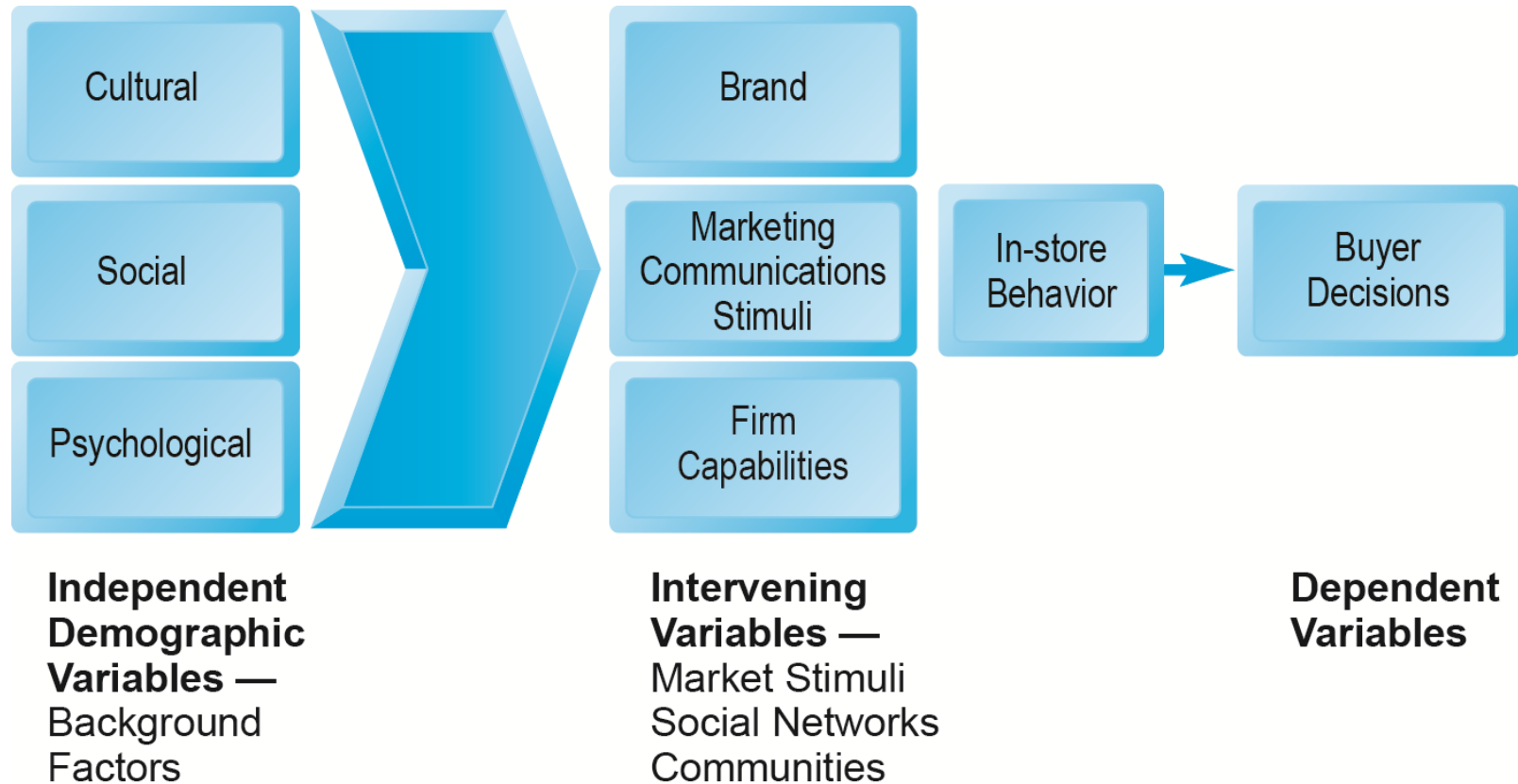


TABLE 6.2		WHY CONSUMERS CHOOSE THE ONLINE CHANNEL	
REASON		PERCENTAGE OF RESPONDENTS	
Lower prices		59%	
Shop from home		53%	
Shop 24/7		44%	
Wider variety of products available		29%	
Easier to compare and research products and offers		27%	
Products only available online		22%	
Online customer reviews		18%	
Better product information available		7%	
Promotion via e-mail or text		7%	
Social media influence		1%	

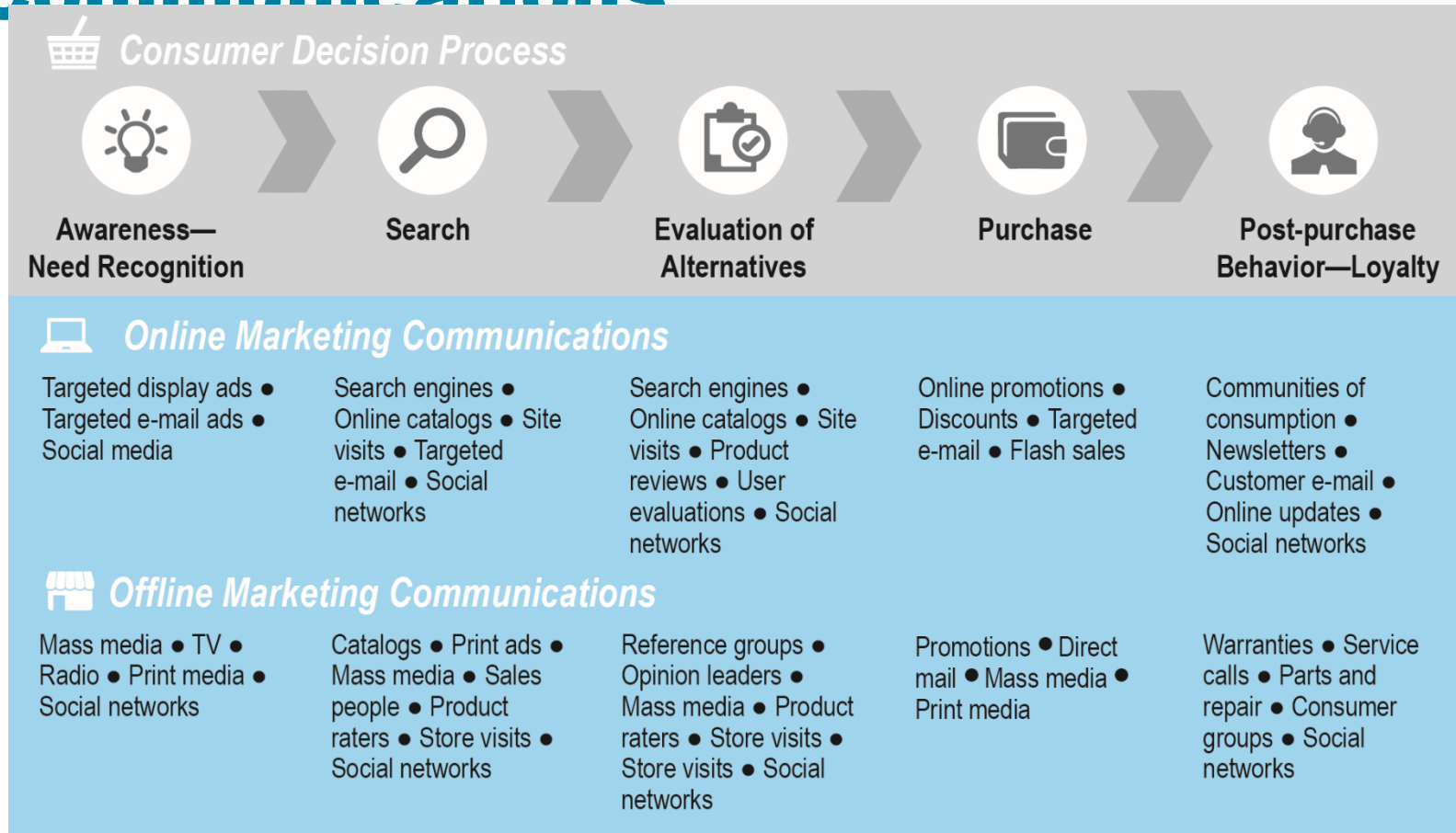
SOURCE: Based on data from eMarketer, Inc., 2014.

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The Online Purchasing Decision

- Five stages in consumer decision process
 - **Awareness** of need
 - **Search** for more information
 - **Evaluation** of alternatives
 - Actual **purchase** decision
 - **Post-purchase** contact with firm

Figure 2: The Consumer Decision Process and Supporting Communications



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The Online Purchasing Decision

- Decision process similar for online and offline behavior
- General online behavior model
 - User characteristics
 - Product characteristics
 - Website features: latency, usability, security
 - Attitudes toward online purchasing
 - Perceptions about control over online environment
- Clickstream behavior

(Q) What is clickstream behavior and how is it used by marketers.

The Online Purchasing Decision

(Q2) What is **clickstream behavior** and how is it used by marketers?

The Online Purchasing Decision

What is Clickstream behavior?

- **transaction log** that consumers establish as they move about the Web
 - from search engine to a variety of sites
 - then to a single site
 - then to a single page
 - and then, finally, to a decision to purchase.
- similar to “point-of-purchase” moments in traditional retail

The Online Purchasing Decision

How is it used by marketers?

- **Clickstream marketing** takes maximum advantage of the Internet environment
- presupposes **no prior “deep” knowledge of the customer** (and in that sense is “privacy-regarding”), and can be developed dynamically as customers use the Internet

The Online Purchasing Decision

How is it used by marketers?

- For instance, the success of **search engine marketing** (the display of paid advertisements on Web search pages) is based in large part on what the consumer is looking for at the moment and how they go about looking (detailed **clickstream data**)
- After examining the detailed data, general **clickstream data** is used (days since last visit, past purchases)
- If available, **demographic data** is also used (region, city, and gender)

Clickstream Analysis

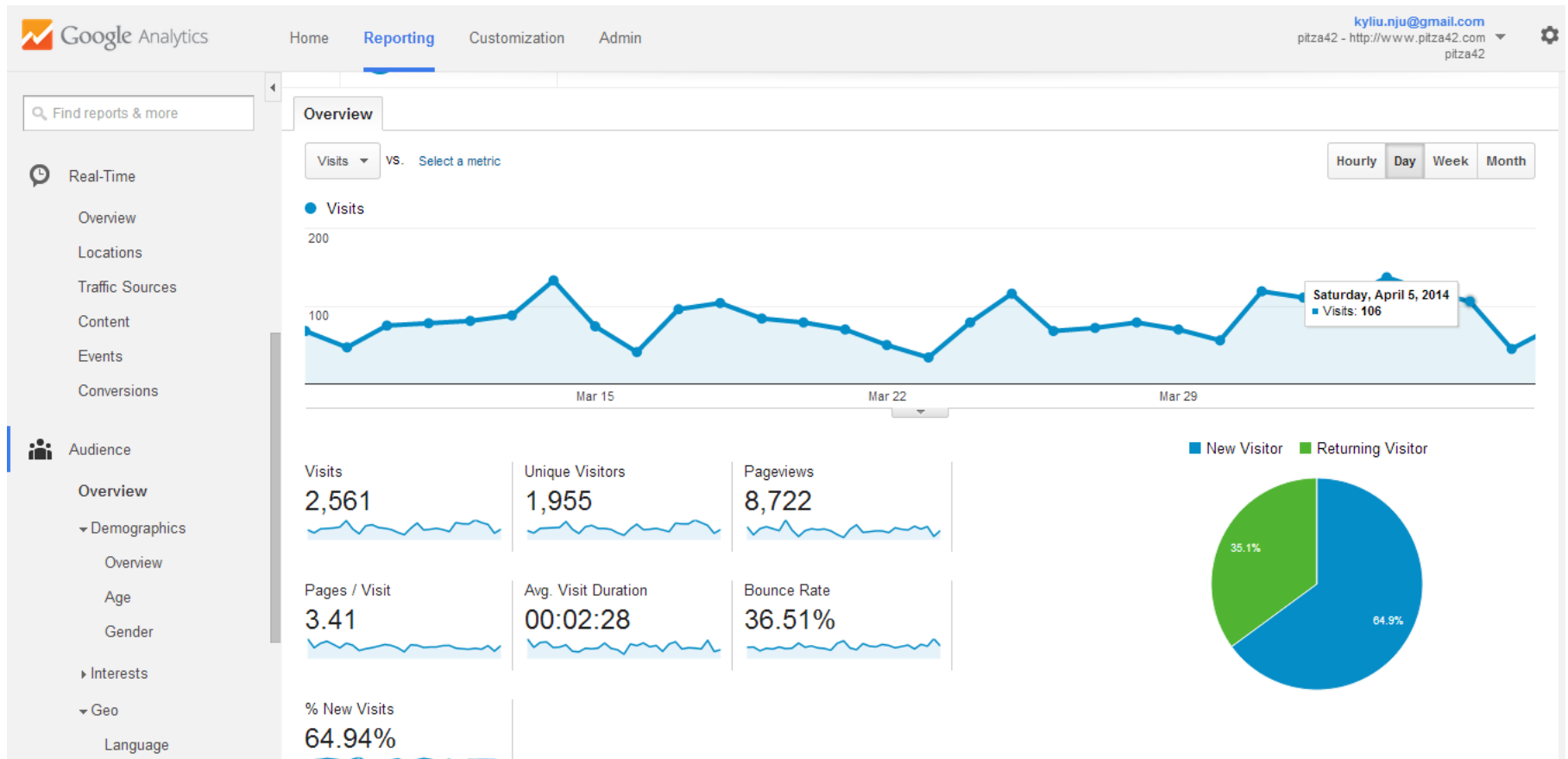
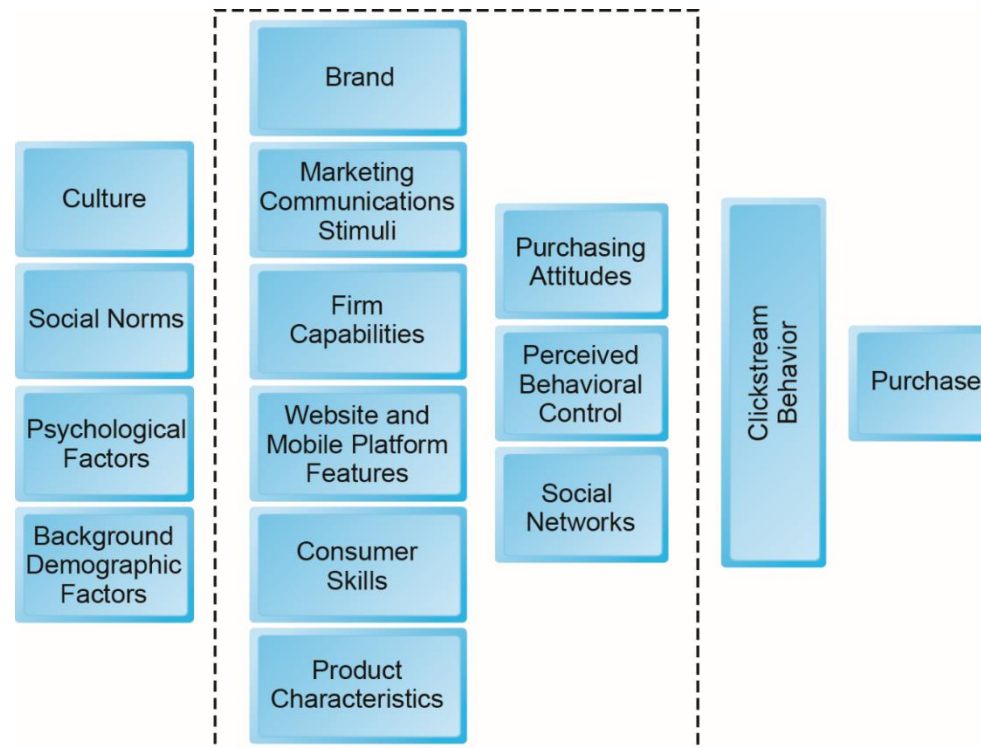


Figure 3: A Model of Online Consumer Behavior

Decision to purchase is shaped by background demographic factors, several intervening factors, and, finally, influenced greatly by clickstream behavior very near to the precise moment of purchase.

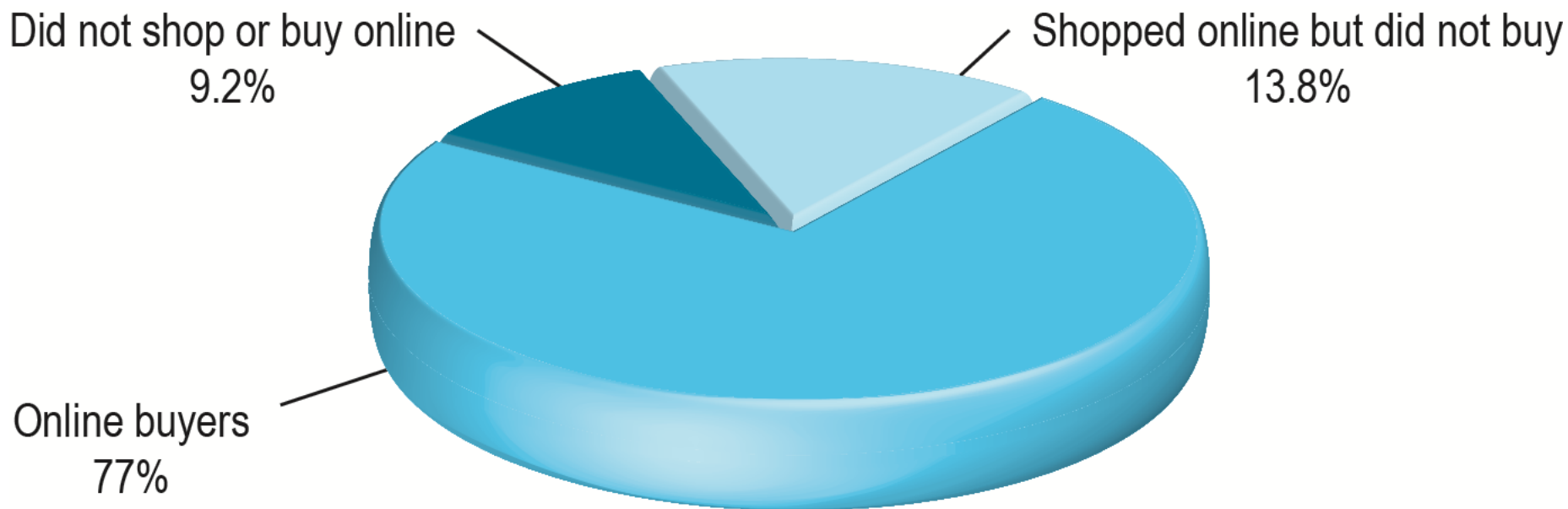


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Shoppers: Browsers and Buyers

- Shoppers: Almost 90% of Internet users
 - Over 77% buyers
 - 13.8% browsers (purchase offline)
- Online research influenced over \$1.3 trillion of retail purchases in 2016
- Online traffic also influenced by offline brands and shopping
- E-commerce and traditional commerce are coupled: Part of a continuum of consuming behavior

Online Shoppers and Buyers in the United Kingdom

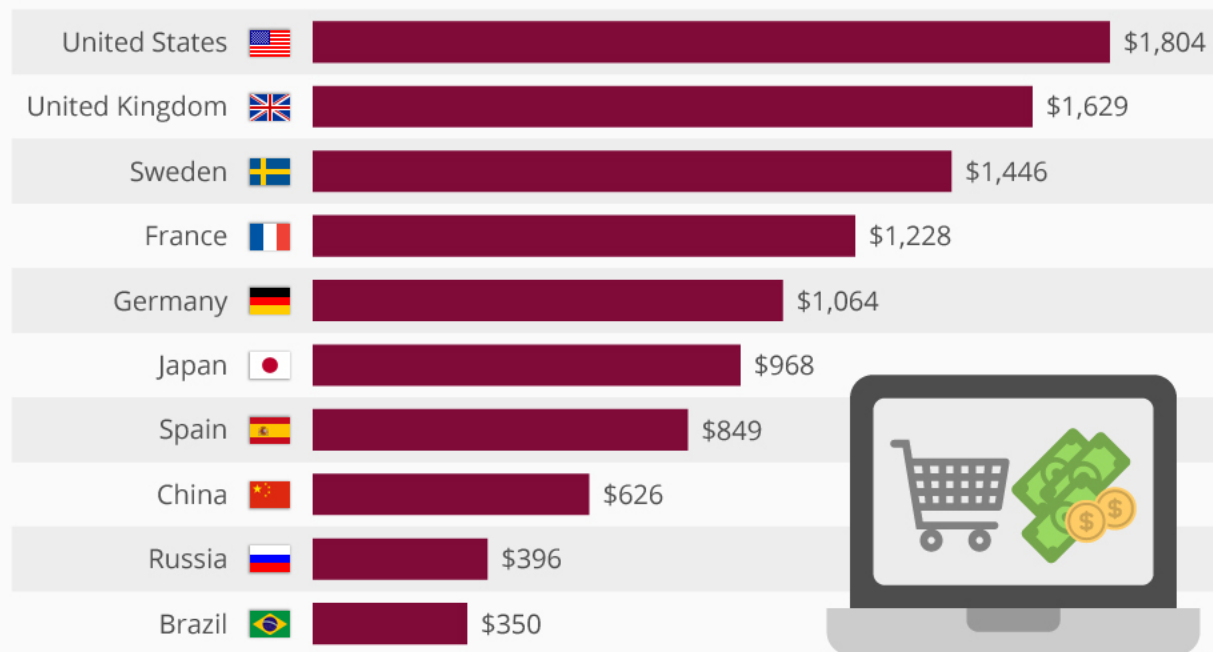


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Online Shoppers

How Much Online Shoppers Around the World Are Spending

Estimated average e-commerce revenue per online shopper in 2015



@StatistaCharts Source: Statista Digital Market Outlook

statista

The Online Buyer's Journey

Meet Beth



She wants to buy some new **running shoes**.



so she opens up her laptop and begins her **online shopping journey**.

81% of shoppers conduct online research before buying.

with **60%** of consumers starting their research with a search engine.

50% of consumers spend 75% or more of their total shopping time conducting online research.

This includes 15% of shoppers who spend **90%** or more of their shopping time online doing research.



88% of consumers say they trust online reviews as much as personal recommendations.



36% of consumers spend before making a purchase **comparison shopping** **65%** spend doing so.



After gathering some initial info, Beth looks at **consumer reviews**, product comparisons, and testimonials to narrow down her choices.



Beth has chosen **two options** from competing companies for her next pair of running shoes.

Her next order of business is to find **coupons or deals** for the shoes she's considering.



U.S. adults redeeming **online coupons**.

93%

of shoppers Use a **Coupon** or **Discount Code** Throughout the Year.

Beth has found a great **deal** on one of the final two pairs, and she's just about ready to make her purchase!

Before buying, however, Beth pays close attention to the following on the running shoe retailer's website:



Shipping & Return Policy



73% of online shoppers noted unconditional free shipping as "**critical**" to a purchase.

Trust & Security Indicators



Businesses with a **trust seal** or **badge** on their website made **86%** of online shoppers feel more confident about giving their personal and credit information, and clicking **buy now**.

Payment Options



40% of shoppers have more confidence in an online shop if it has more than one payment option.



Sources:
<http://www.unitedbydallas.com/files/2014/06/2014-2015-Online-Shopping-Report-25-04-The-Consulting-Online-Research-Desk.aspx>
<http://www.zendesk.com/blog/2014/07/consumers-trust-online-reviews-much-personal-recommendations-10580>
<http://www.comscore.com/pressroom/articles/pdfs/2014-04-Online-Shopping-Report.aspx>
<http://www.ventureintelligence.com/blog/2014/02/10/10-ways-to-know-about-providing-discounts>
<http://www.ventureintelligence.com/blog/2014/02/10/10-ways-to-know-about-providing-discounts>
<http://www.ventureintelligence.com/blog/2014/02/10/10-ways-to-know-about-providing-discounts>
<http://www.ventureintelligence.com/blog/2014/02/10/10-ways-to-know-about-providing-discounts>
<http://www.ventureintelligence.com/blog/2014/02/10/10-ways-to-know-about-providing-discounts>
<http://www.ventureintelligence.com/blog/2014/02/10/10-ways-to-know-about-providing-discounts>
<http://www.ventureintelligence.com/blog/2014/02/10/10-ways-to-know-about-providing-discounts>

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What Consumers Shop for and Buy Online

- **Big ticket items** (\$1000 or more)
 - Travel, computer hardware, electronics
 - Consumers now more confident in purchasing costlier items
- **Small ticket items** (\$100 or less)
 - Apparel, books, office supplies, software, etc.
- Sales of bulky goods, furniture, and large appliances rapidly expanding

Big Ticket Items



Our cars aren't perfect & neither are we.
But we do promise to tell you the whole truth.

Used cars sometimes have slight blemishes. But you can rest easy, knowing we'll point out anything you need to be aware of.

Actual Carvana Vehicle!



Tip: Carvana never sells vehicles that have been in an accident.

Don't take our word for it.
Read what *actual* customers have to say.

Overall Rating (Over 350 reviews)
★★★★★ 4.8 stars

[READ OUR WORST REVIEWS](#)

Try asking your local dealership for this!

About Our Reviews: Reviews are managed by a third-party service and cannot be edited by Carvana.

How Consumers Shop

- How shoppers find online vendors
 - **Highly intentional, goal-oriented**
 - **Search engines**
 - **Marketplaces** ([Amazon](#), [eBay](#))
 - Specific retail site
- About 9% of Internet users don't shop online
 - Trust factor
 - Hassle factors (shipping costs, returns, etc.)

Trust, Utility, and Opportunism in Online Markets

- Two most important factors shaping decision to purchase online:
 - Utility:
 - Better prices, convenience, speed
 - Trust:
 - Perception of credibility, ease of use, perceived risk
 - Sellers develop trust by building strong reputations for honesty, fairness, delivery

(Q) What are the primary differences between online and offline consumer behavior?

Online vs. Offline Consumer Behavior

(Q3) What are the primary differences between **online** and **offline** consumer behavior?

Online vs. Offline Consumer Behavior

Online consumers

- more **goal oriented and intentional**: they are more likely to start the purchasing process with specific products in mind
- online consumer behavior modified by the consumer's understanding of the **online environment and specific Web site features**: consumers may be more distrustful of the purchasing process or an unrecognized brand name and more inclined to limit spending to smaller ticket items
- online consumers are looking specifically for **good deals and convenience**

Brand Trust



16 KEY ATTRIBUTES TO BUILDING TRUST

Edelman Trust Barometer research reveals **16 specific attributes** which build trust.

These can be grouped into **five performance clusters** listed here in rank order of importance.

ENGAGEMENT

- LISTENS TO CUSTOMER NEEDS AND FEEDBACK
- TREATS EMPLOYEES WELL
- PLACES CUSTOMERS AHEAD OF PROFITS
- COMMUNICATES FREQUENTLY AND HONESTLY ON THE STATE OF ITS BUSINESS

INTEGRITY

- HAS ETHICAL BUSINESS PRACTICES
- TAKES RESPONSIBLE ACTIONS TO ADDRESS AN ISSUE OR CRISIS
- HAS TRANSPARENT AND OPEN BUSINESS PRACTICES

PRODUCTS & SERVICES

- OFFERS HIGH QUALITY PRODUCTS OR SERVICES
- IS AN INNOVATOR OF NEW PRODUCTS, SERVICES OR IDEAS

PURPOSE

- WORKS TO PROTECT AND IMPROVE THE ENVIRONMENT
- ADDRESSES SOCIETY'S NEEDS IN ITS EVERYDAY BUSINESS
- CREATES PROGRAMS THAT POSITIVELY IMPACT THE LOCAL COMMUNITY
- PARTNERS WITH NGOs, GOVERNMENT AND 3RD PARTIES TO ADDRESS SOCIETAL NEEDS

OPERATIONS

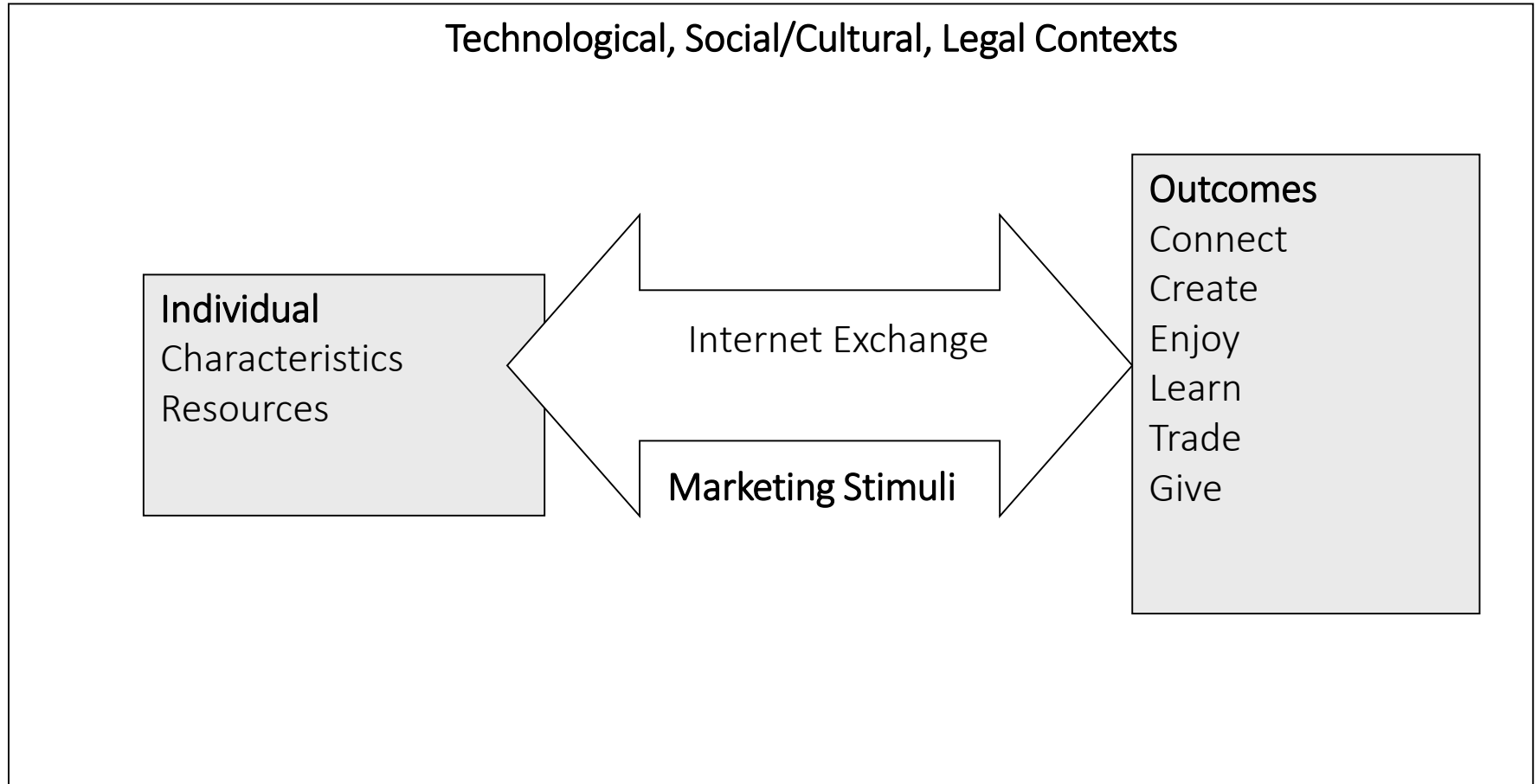
- HAS HIGHLY-REGARDED AND WIDELY ADMIRERD TOP LEADERSHIP
- RANKS ON A GLOBAL LIST OF TOP COMPANIES
- DELIVERS CONSISTENT FINANCIAL RETURNS TO INVESTORS



The Internet Exchange Process

- **Exchange** is a basic marketing concept.
 - It refers to the act of obtaining a valued object by offering something in return.
- Exchange occurs within the following **contexts**:
 - Technological
 - Social/cultural
 - Legal

The Online Exchange Process



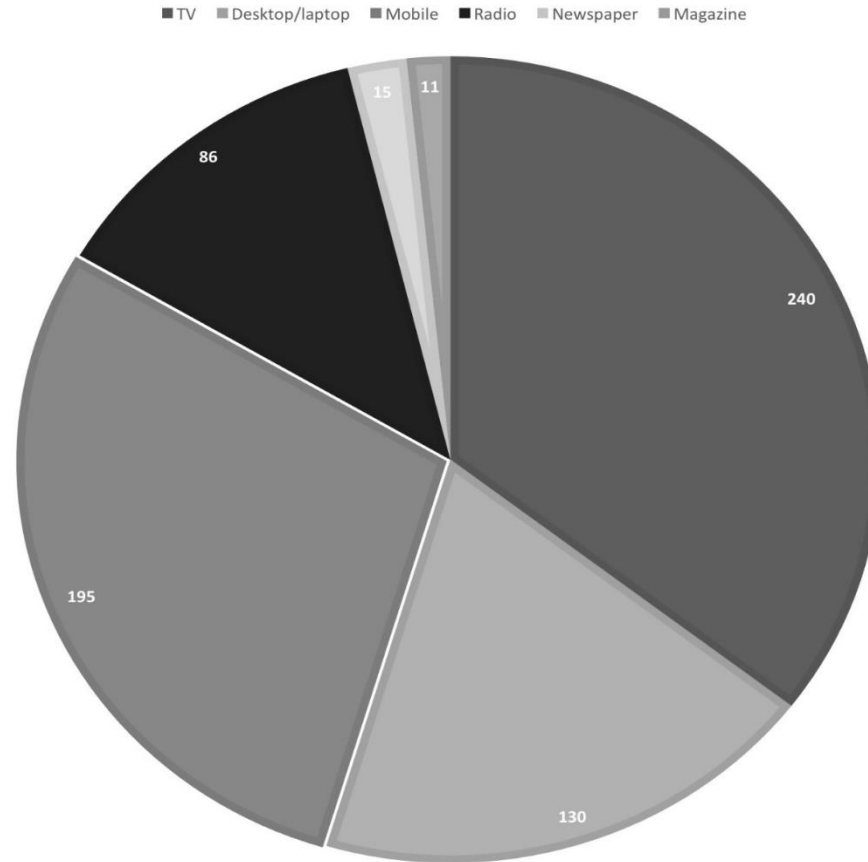
Technological Context

Three important developments affecting online consumer behavior today:

- **Home connection speeds**
- Changing landscape of **digital-content receiving devices** (smartphones, televisions, smartwatches)
- **Web 2.0 technologies**

2017 U.S. Daily Media Use (Minutes/day)

■ TV ■ Desktop/laptop ■ Mobile ■ Radio ■ Newspaper ■ Magazine



Social and Cultural Contexts

Three cornerstones for attracting customers online:

- **Reputation:** Brand image and reputation are based on the market's perception.
- **Relevance:** Consumers don't like being interrupted with irrelevant communication.
- **Engagement:** Marketers must provide relevant content or entertainment.

BRAND

VERSUS

REPUTATION

WHAT IS THE DIFFERENCE?

BRAND

the way in which you present yourself to the world

Take strategic steps when representing yourself to ensure your reputation reflects your ideal brand

Brands are enduring

REPUTATION

how others collectively perceive you

Currently most easily influenced and most easily researched via internet searches

Reputations change more rapidly, and are more malleable

Brand Relevance

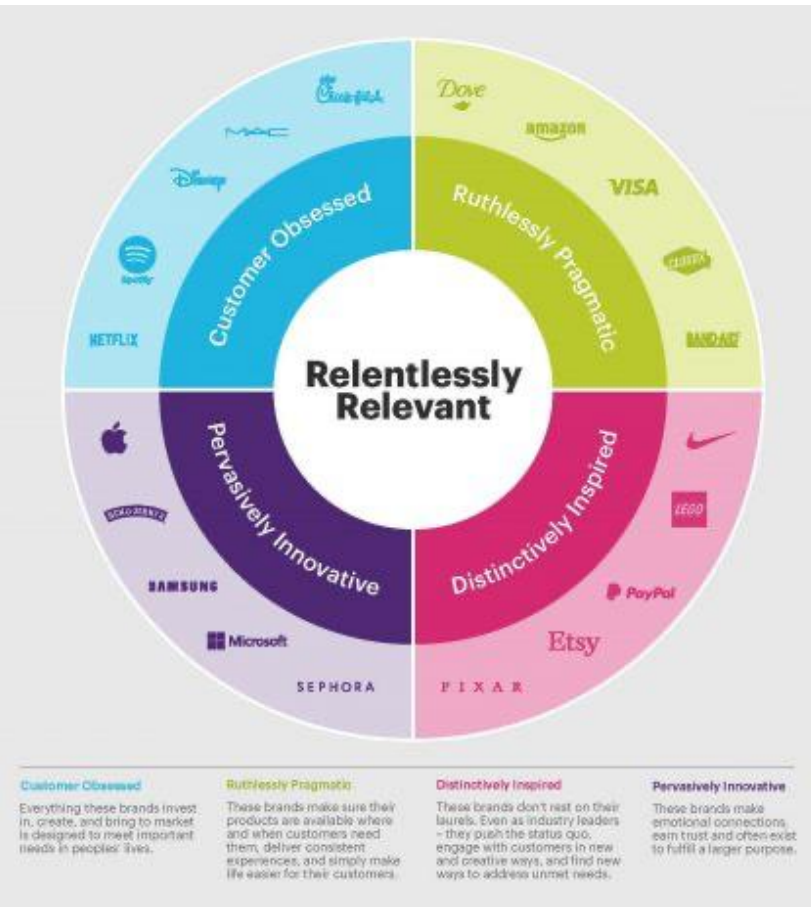
Prophet

Defining Brand Relevance

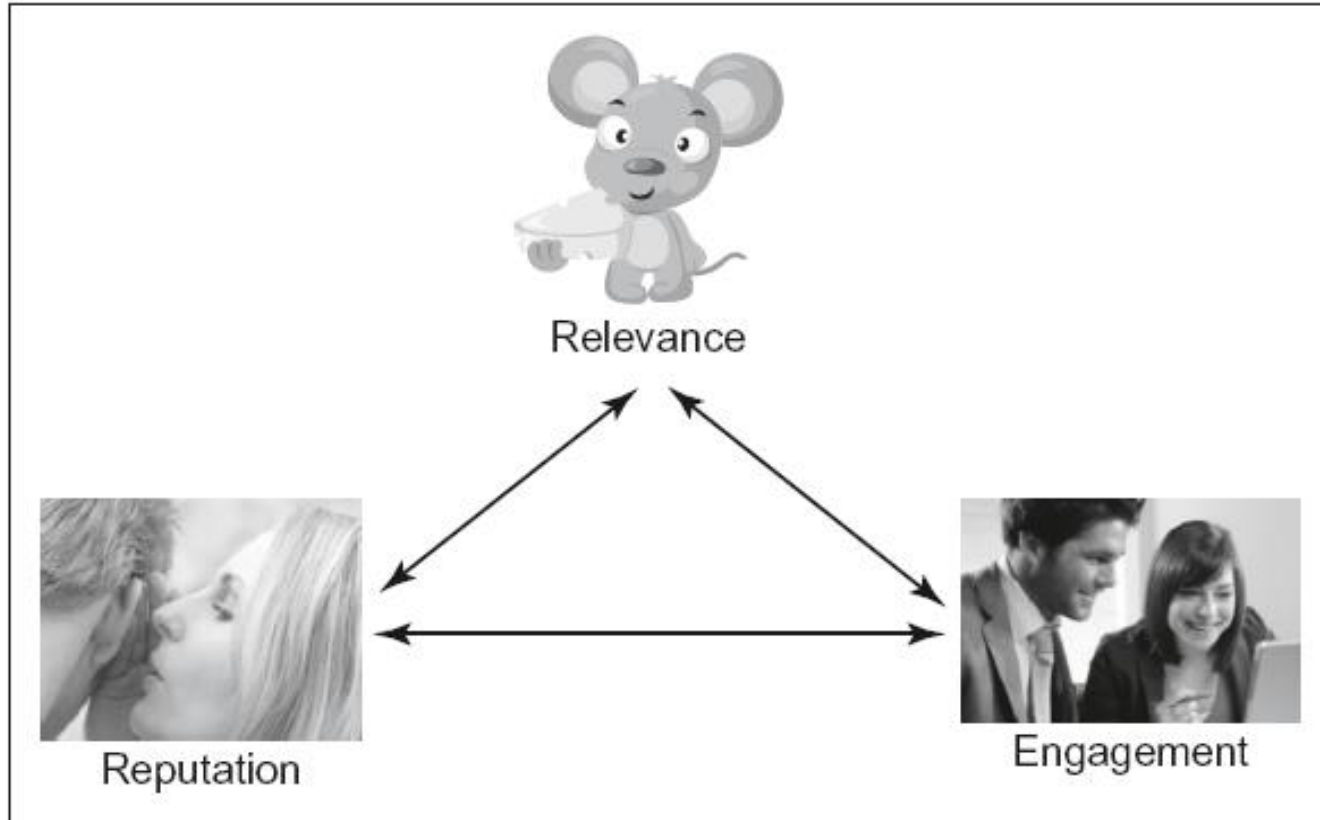
Building and maintaining the strength of a brand has never been more challenging. At Prophet, we believe that relevance is the most reliable indicator of a brand's long-term success. We created the first annual Brand Relevance Index to help business and brand leaders measure the relevance of their brands, and provide them ways to improve it.

We have identified four key principles of relentlessly relevant brands.

#BrandRelevance
prophet.com/ReliantBrands



Engaging Customers With Relevant Content



Social and Cultural Contexts

Other Key Trends:

- **Information overload:** too much information overwhelms consumers.
- **Multitasking:** speeds up normal processes and lowers attention to each task.
- **Home and work:** boundaries between home and work are dissolving.

Information Overload



Cofinanciado por:



Multitasking



Social and Cultural Contexts

Other Key Trends:

- I want **what** I want **when** I want it: anywhere, anytime convenience is critical for busy consumers.
- **Online Oxygen:** increasing number of consumers cannot do without their internet access.
- **Connectivity:** being connected means everything in this social media world.

Internet Addiction



Connectivity



Social and Cultural Contexts

Other Key Trends:

- **“In the Know”**: consumers who have access to information that others don't.
- **Self-service**: empowered consumers want to log on, find information, make purchases, track package shipments, check their accounts, and make inquiries anytime, 27/7.
- **Privacy and Data security**: customers want marketers to keep their data confidential, to ask permission to before sending commercial e-mail messages, etc.

Data Privacy and Security

You Control Your Data



Data Security

All your data on dacadoo is securely protected. dacadoo uses state-of-the-art cryptographic methods to store your data in a data center in Switzerland with logical and physical security.



You



Data Privacy

dacadoo complies with data protection and privacy laws. As a user, you decide what you want to share, and what to keep private.

Legal Context

- In spite of the Can-Spam act the number of **unsolicited emails** was 71.9% in June 2012.
- When the recording industry sued **illegal music file downloaders**, consumer behavior was affected.
 - In 2002, 37% of online consumers shared music files, but the percentage has dropped.
 - The Recording Industry Association of America still claims \$12.5B in annual losses from music piracy.

Individual Characteristics & Resources

- Individual characteristics affect internet use.
 - **Demographics** such as age, income, education, ethnicity, and gender.
 - **Attitudes toward technology.**
 - **Online skill and experience.**
 - **Goal orientation.**

Attitudes Toward Technology Companies According to US Millennials vs. Seniors, June 2018

% of respondents in each group

Personal impact is more good than bad



Social media platforms censor political viewpoints



Companies often fail to anticipate how products will impact society



Companies have too much power and influence



Companies should be regulated more than they are now



Companies do enough to protect users' personal data



■ Millennials (18-29)

■ Seniors (65+)

Source: Pew Research Center, "Public Attitudes Toward Technology Companies," June 28, 2018

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Consumer Resources

- Consumers perceive value as benefits minus costs: **Value = Benefits - Costs**
- These **costs** constitute a consumer's resources for exchange:
 - Money
 - Time
 - Energy
 - Psychic costs

Exchange Outcomes

- There are 6 basic things that people do online:
 - **Connect**
 - **Create**
 - **Enjoy**
 - **Learn**
 - **Trade**
 - **Give**
- Each is ripe with marketing opportunity.

Connecting Online in the U.S.

Outcome	Percentage	Outcome	Percentage
Send or read e-mail	91	Read a blog	32
Send or receive text messages from cell phone	74	Make internet phone call	25
Support for specific situation	58	Share files (P2P)	15
Use social networking site	66	Use Twitter	15
Send instant messages	46	Visit dating Web site	8
Post or review a comment online	32		

Creating & Uploading Content

Outcome	Percentage	Outcome	Percentage
Upload photos to share	46	Create content and post	30
Rate a product, person, service using online rating system	37	Create webpages	14
Post comments to blog or other site	32	Create an avatar for virtual world	6

Entertainment Online

Outcome	Percentage	Outcome	Percentage
Surf for fun	74	Play a game	36
Watch video on social media site	71	Download video	27
Sports scores	52	Download podcast	21
Download music	37	Visit adult Web site	13

Learning and Getting Information

Outcome	Percentage	Outcome	Percentage
Use search engine for information	91	Research for school/training	57
Map or driving directions	84	Info about a job	56
Hobby information	84	Find phone number/address	54
Check the weather	81	Use Wikipedia	53
Health/medical	80	Virtual tour of location	52
Get news	76	Financial	37
Search for info about a person	69	Look for religious/spiritual info	32
Find "how-to" or repair info	68	Listen to/see a live event online	29
Government site	67	Research family genealogy	27
Buy/make travel reservation	65	View live images of places or of a person	17
Political news/information	61	Take a class online for fun	13

Trading Online

Outcome	Percentage	Outcome	Percentage
Research product before buying	78	Pay bills online	38
Buy a product	71	Participate in online auction	26
Buy/make travel reservation	65	Sell something online	15
Bank online	61	Take class for college credit	13
Use online classifieds (Craigslist)	53	Buy/sell stocks, bonds, mutual funds	11

Giving Online

- [Trendwatching.com](https://www.trendwatching.com) mentions “Generation Generosity” as one of the **top global consumer trends**.
- 25% of Americans made an **online donation** to charity.
- [Kickstarter.com](https://www.kickstarter.com) offers a Web platform for individuals **seeking funding** for creative projects.

Question 1

- Some research shows that online shoppers tend to be more _____ oriented than _____ oriented.
 - a) time; experience
 - b) goal; experience**
 - c) experience; time
 - d) experience; goal

Question 2

- Which of the following is not identified as one of the five major activities that consumers do as they spend time online?
 - a) Connect
 - b) Create
 - c) Transform
 - d) Give

Question 3

- Online oxygen is a term coined by www.trendwatching.com which refers to _____.
 - a) empowering customers
 - b) multitasking on the internet
 - c) addictive nature and qualities of the internet
 - d) instant messaging

Question 4

- One way for marketers to watch the trends of internet users is to _____.
- a) monitor RSS feeds
 - b) monitor search terms entered at Google, Yahoo!, and other search engines/directories**
 - c) measure the use of chat rooms
 - d) all of the above

Question 5

- _____ is a basic marketing concept that refers to the act of obtaining a valued object from someone by offering something in return.
- a) Commerce
 - b) Barter
 - c) Exchange
 - d) Promotion



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Business Strategy

- Innovation
- Branding
- Solution
- Marketing
- Analysis
- Ideas
- Success
- Management

2. E-Marketing Research



E-AGRO
INNOVATION



E-AGRO
MARKETS

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COMPETE
2020

PORTUGAL
2020



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trend



- In a world that is completely dependent on being connected, with ever-more powerful and exciting devices, it's now actually extended battery life and charging options that are the holy grail for anyone addicted to an online lifestyle.

impact

- **PowerFelt** (not yet in mass production) is a flexible thermoelectric fabric that can be attached to a smartphone. The device is then able to convert body heat into power, and charge the battery whilst inside its owner's pocket.

The Purina Story

- Nestlé Purina PetCare wanted to know whether their **Web sites and online advertising increased off-line behavior.**
- Nestlé Purina developed 3 **research questions:**
 - Are our buyers **using our branded Web sites?**
 - Should we **invest beyond these branded Web sites in online advertising?**
 - If so, **where do we place the advertising?**

The Purina Story, cont.

- Online and offline shopping panel data revealed:
 - **Banner click-through rate was low (0.06%).**
 - **31% of subjects exposed to Purina ads** mentioned the Purina brand compared with **22%** of the no-exposure subjects.
 - **Home/health and living sites** received the most visits from their customers.
- The information helped the firm decide where to place banner ads.

Purina brand image on Brandt ags

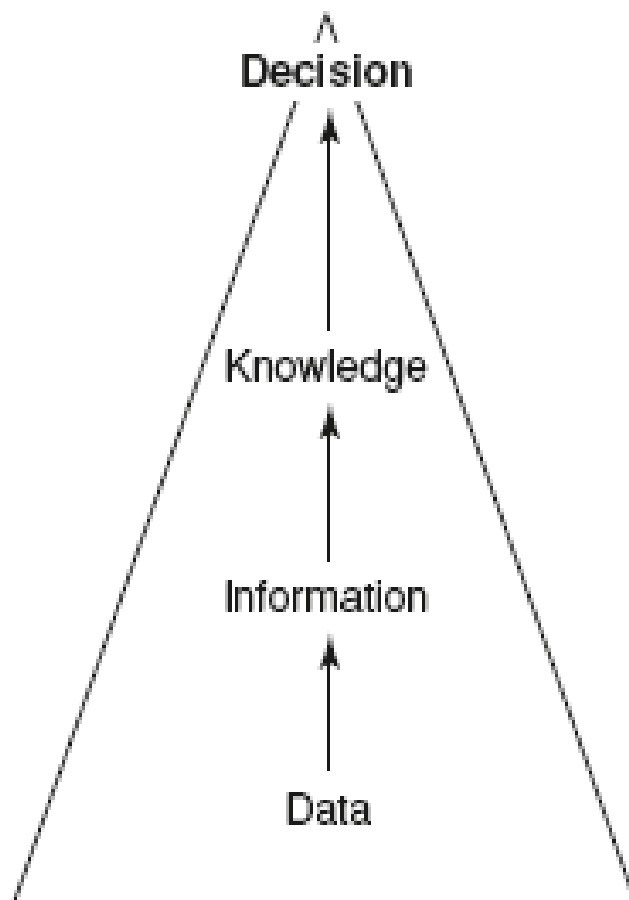
Brand:

amazing animal animal food animals awesome
 bad beautiful best black car **cat** cat chow **cat food**
 catchow **catfood** cats cheap chow clean **cool** crap crunchy
 cute **delicious** dependable describe describe this describe this
 brand describethis brand **dog** dog and cat food **dog chow**
dog food dog gone good dog's food **dogchow** **dogfood**
 doggie doggies doggone good **doggy dogs** dogs food dogs love it dogs3
 don't know dont know dontknow drink dunno eat epic error
 excellent expensive famous fantastic feed feeds fine fish
 flour **food** food dog food for animals for cats for dogs for the dogs fresh
 fun funny gay god **good** good brand good dog food good food good
 for dogs good for pets good for your dog good pet food good petfood good quality good stuff
 goog **great** great dog food great dogfood great food **gross** ha ha haha health **healthy**
 healthy pet food hello hi horrible horse feed hot i don't know i dont know i dunno
 idk idontknow lame lol love media media error mediaerror **meow** my dog loves it nasty never
 heard of it **nice** no no idea nutrition **nutritious** ok okay penis perfect **pet**
pet food pet foods pet's food **petfood** **pets** pets food pig pizza poo poop
 popular puppy puppy chow **pure** purina describe purina describe this
 brand wit **quality** red **reliable** retarded **shit** solve stupid sucks sweet
tasty the best thebest **trusted** trustworthy ugly unknown very good **water**
 well known what wonderful word wow yes your answer youranswer **yum**
yummy

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From Data to Decision: Nestlé Purina



Let's put banner ads on about.com

Dog owners who see ads online are likely to buy Purina ONE. We know the sites they visit: about.com, www.petsmart.com.

1. Purina buyers are 20% more likely to visit about.com.
2. 36% of dog owners who see Purina ads would buy the brand.

016030102
(Buyer 1 bought Purina puppy chow on March 1)

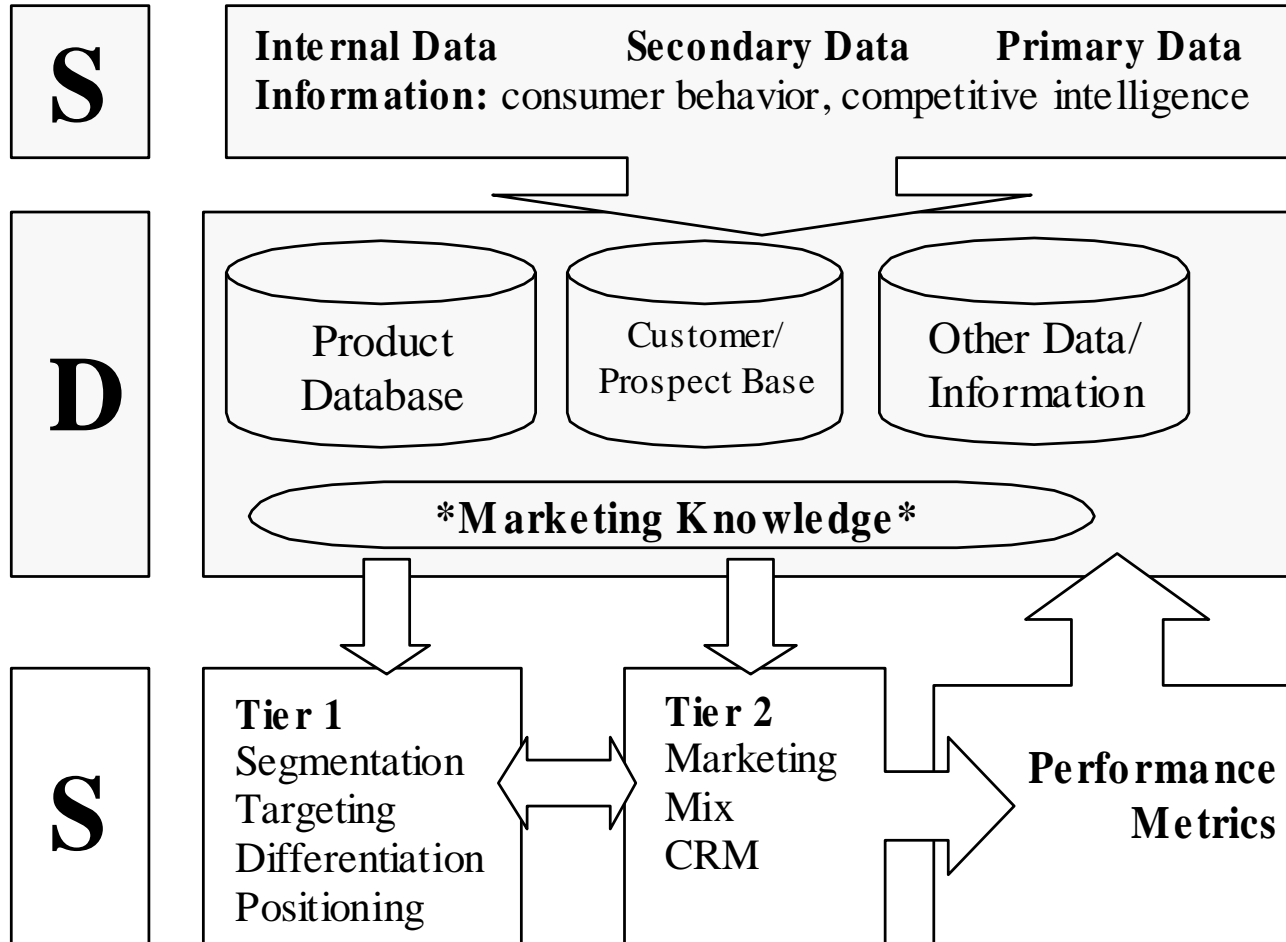
Data Driven Strategy

- U.S. marketers spend \$6.7B annually on marketing research; global spend is \$18.9B.
- E-marketers can generate a great deal of data by using surveys, Web analytics, secondary data, social media conversations, etc.
- Marketing insight occurs somewhere between information and knowledge.
 - Data without insight or application to inform marketing strategy are worthless.

Big Data

- IBM maintains that businesses must manage four aspects of big data:
 - **volume** (the quantity),
 - **velocity** (handling time sensitive data quickly),
 - **variety** (ranging from social media conversation to customer click patterns and census data), and
 - **veracity** (is the information reliable and trustworthy?)

Sources to Database to Strategy (SDS)



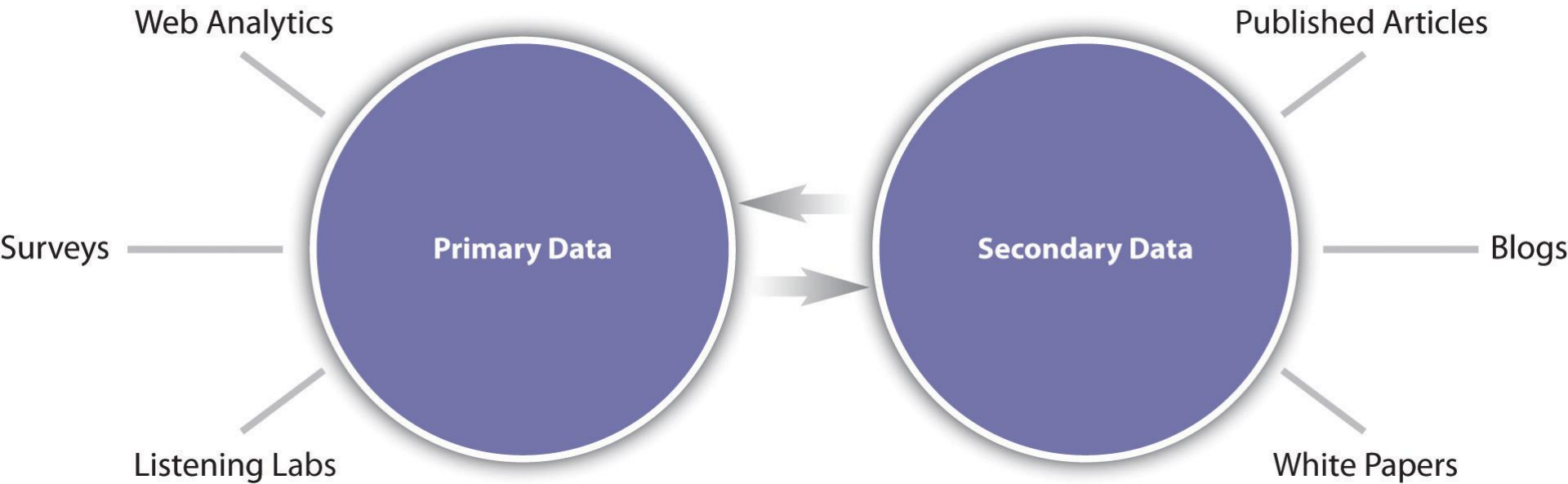
Marketing Knowledge Management

- Knowledge management is the process of managing the creation, use, and dissemination of knowledge.
- Data, information, and knowledge are shared with internal decision makers, partners, channel members, and sometimes customers.
- **A marketing knowledge database includes data about customers, prospects and competitors.**

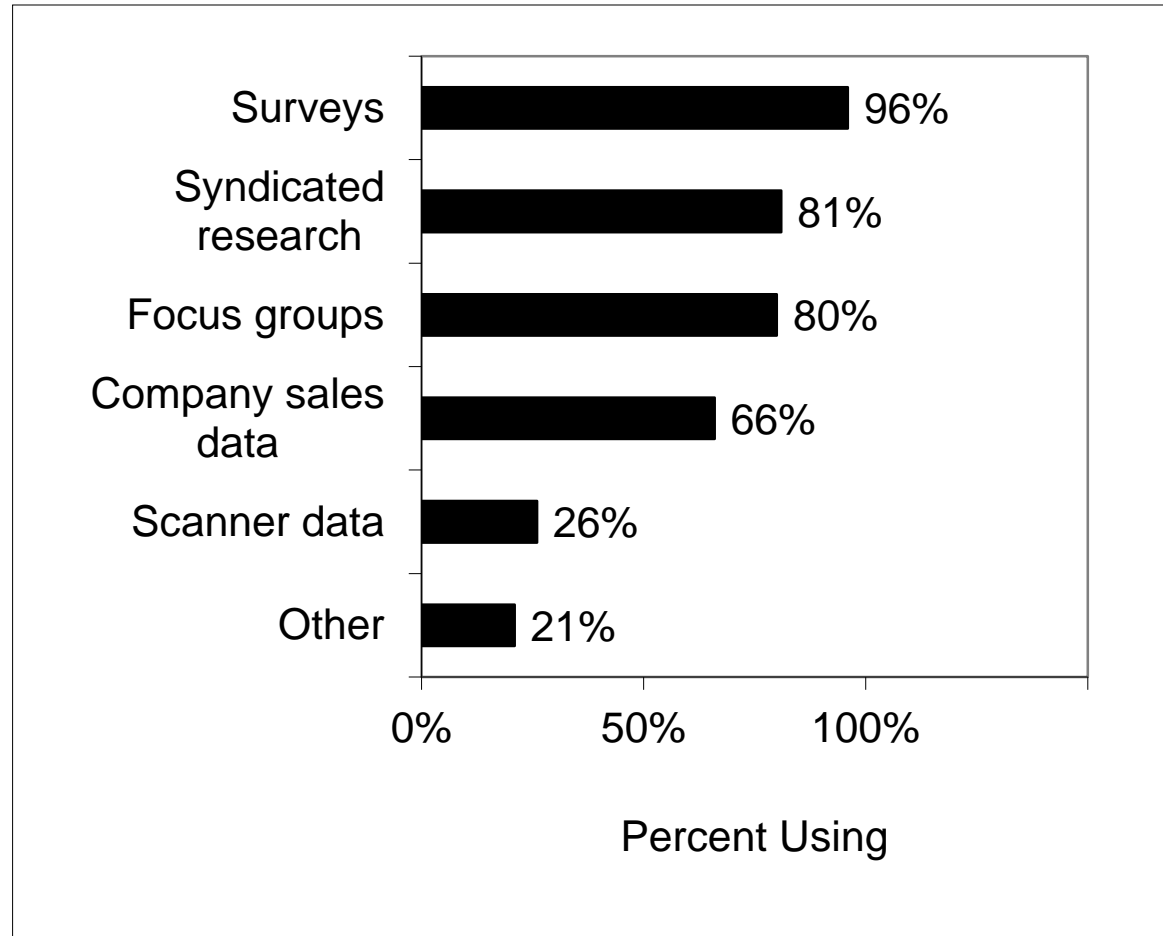
The Electronic Marketing Information System

- A marketing information system (MIS) is the process by which marketers manage knowledge.
 - Many firms store data in databases and data warehouses, available 24/7 to e-marketers.
- The internet and other technologies facilitate data collection.
 - **Secondary data** provide information about competitors, consumers, the economic environment, technology, etc.
 - Marketers use the internet and other technologies to **collect primary data about consumers.**

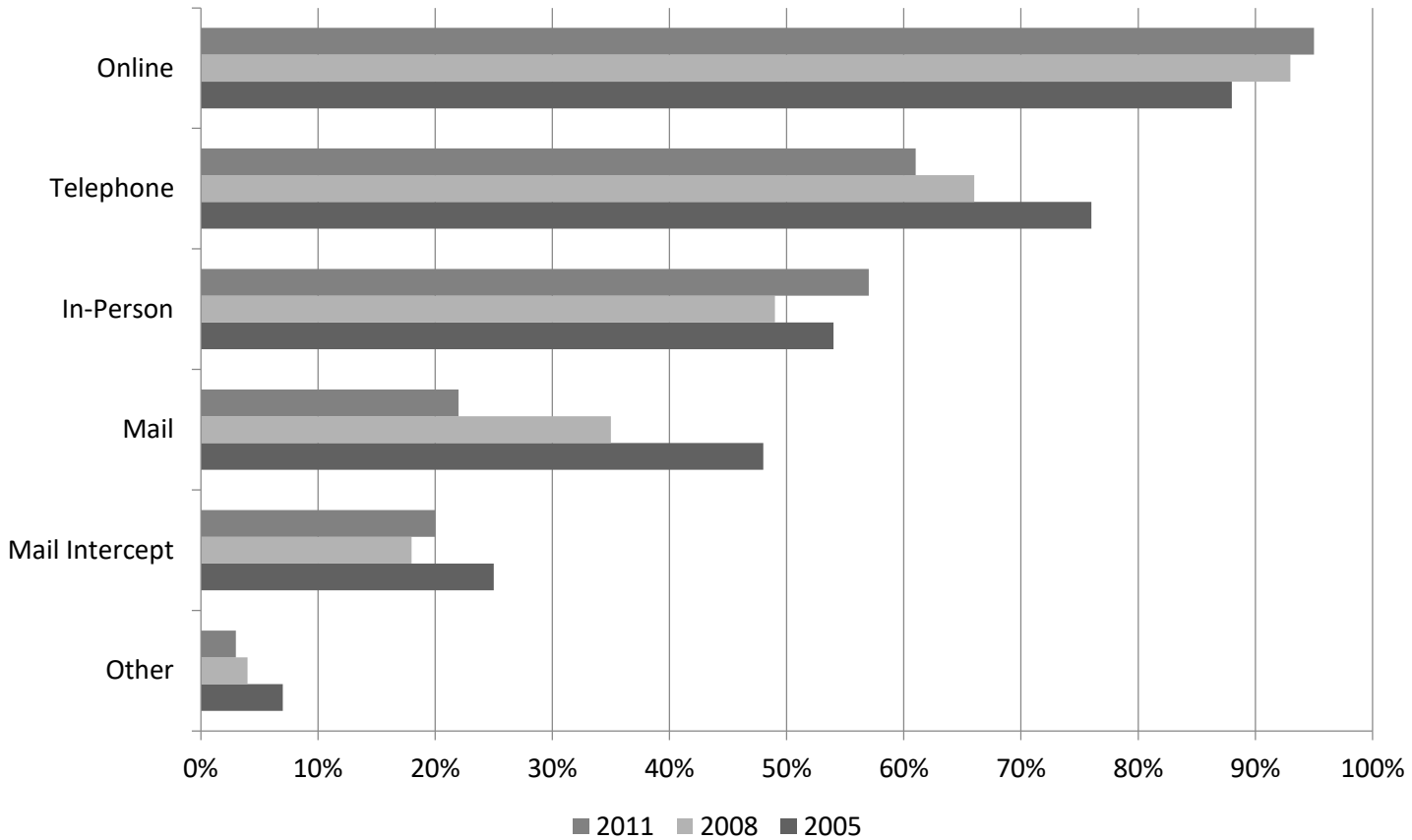
Primary and Secondary Data



Most Common Data-Collection Methods



Proportion of Marketing Research Professionals Using Various Methodologies



Sample Web Survey

1. It is 5:00 p.m. on a weekday and you are with friends at a restaurant selecting a beverage. How important are each of the following to you when selecting a beverage to consume immediately?

	Extremely unimportant	Somewhat unimportant	Somewhat important	Extremely important
Low price	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Energy - boosting	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Healthy	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Thirst-quenching	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good taste	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good social drink	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Radio button "choose all that apply"

1. What is your beverage of choice at a restaurant/that you consume most often? Click on the arrow for choices.

drop down menu of choices

2. Gender

Male
 Female

Radio button "choose one"

3. Age (please use number, not a word)

Open-ended

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Source 1: Internal Records

- Accounting, finance, production, and **marketing personnel collect and analyze data for marketing planning.**
 - **Sales data** (e.g., web site log)
 - **Customer characteristics and behavior.**
 - Universal product codes.
 - **Tracking of user movements** through Web pages.
 - **Web sites visited before and after** the firm's Web site.

Behavioral Segmentation Methods



Source 2: Secondary Data

- Can be collected more quickly and less expensively than primary data.
- Secondary data may not meet e-marketer's information needs.
 - Data was gathered for a different purpose.
 - Quality of secondary data may be unknown and data may be old.
- **Marketers continually scan the macroenvironment for threats and opportunities (business intelligence).**

Business Intelligence & Analytics



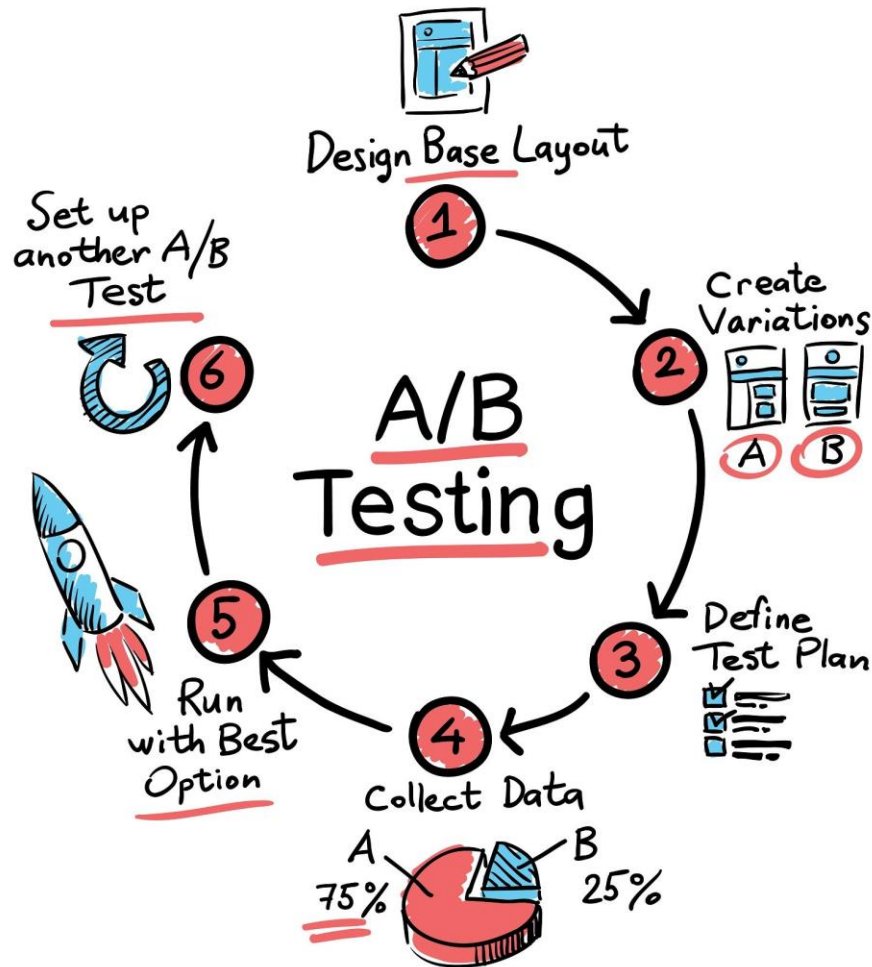
Public & Private Data Sources

- Publicly generated data
 - U.S. Patent Office
 - International Monetary Fund
 - The World Factbook
 - American Marketing Association
 - Wikipedia
- Privately generated data
 - [comScore](#)
 - [Forrester Research](#)
 - [Nielsen/NetRatings](#)
 - [Interactive Advertising Bureau](#)
 - Commercial online databases

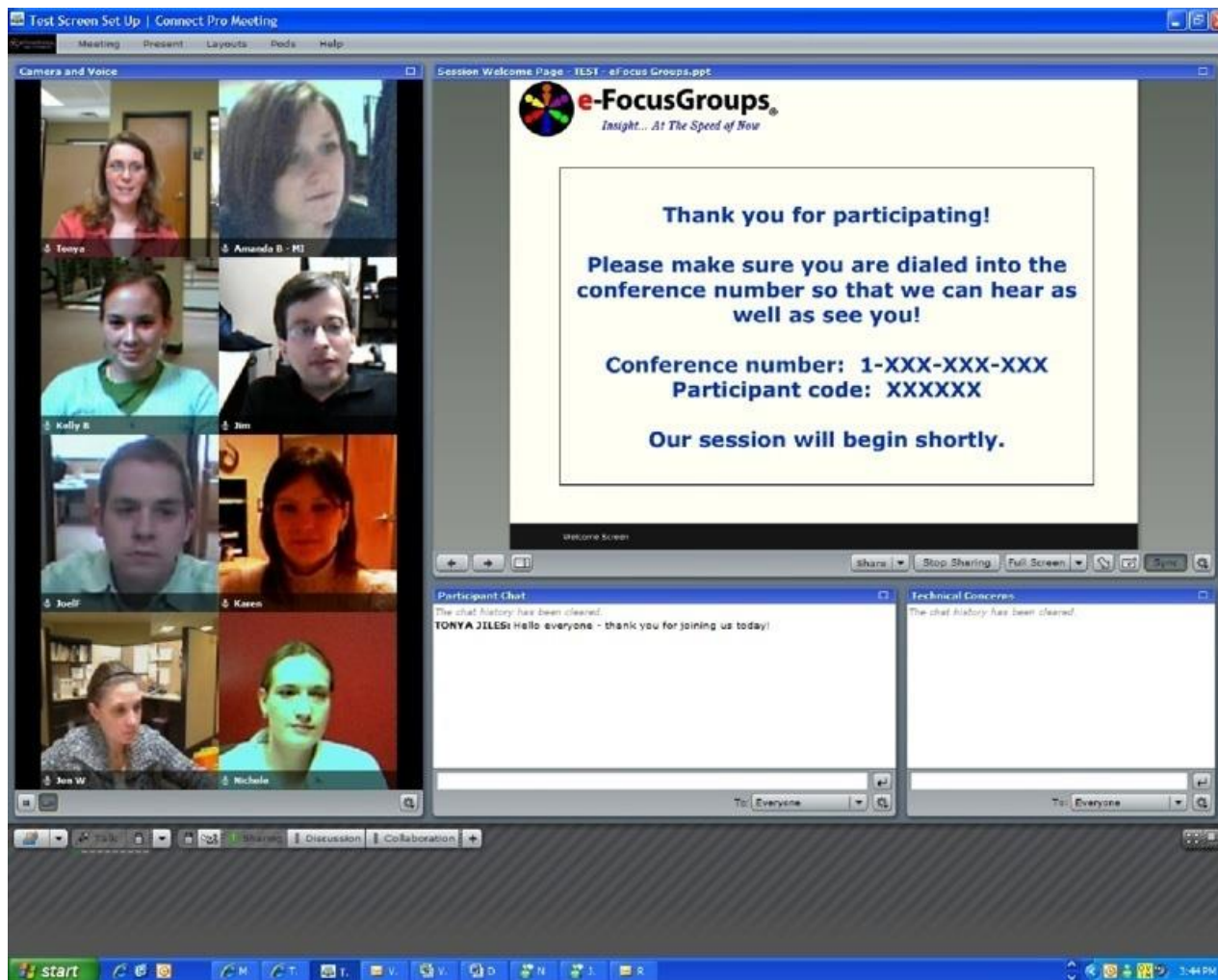
Source 3: Primary Data

- When secondary data are not available, marketers may collect their own information.
 - Primary data are information gathered for the first time to solve a particular problem.
- Primary data collection can be enhanced by the internet:
 - **Online experiments**
 - **Online focus groups**
 - **Online observation**
 - **Content analysis**
 - **Online survey research**

Online Experiments



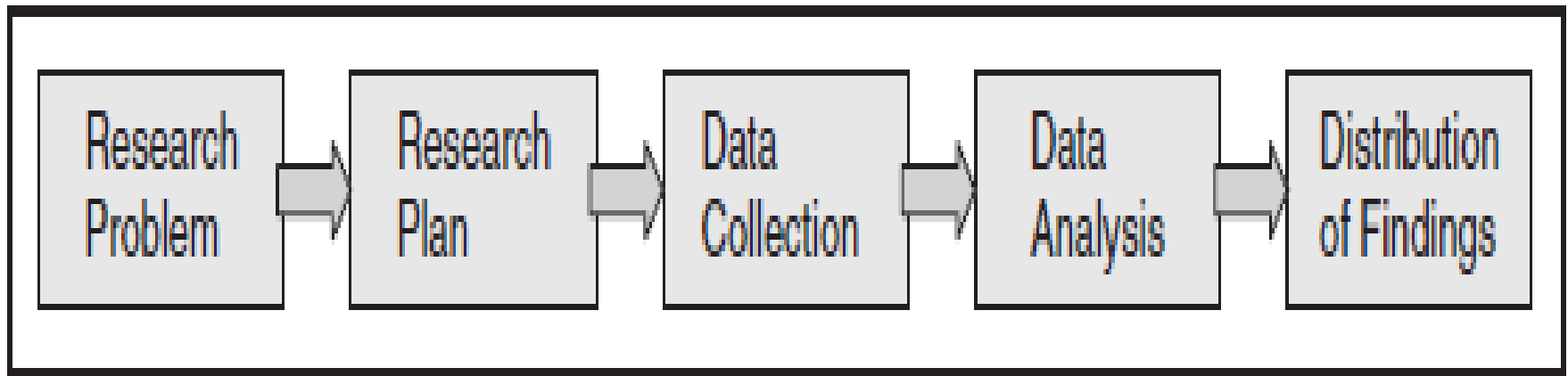
Online Focus Groups



Online Content Analysis



Primary Research Steps



Typical Research problems for E-Marketers

Online Retailers	Web and Social Media Sites
Improve online merchandising	Pages viewed most often
Forecast product demand	Increase customer engagement
Test new products	Increase number of comments posted to a blog
Test various price points	Path users take through the site
Test co-branding and partnership effectiveness	Site visit overall satisfaction efficient?
Measure affiliate program effectiveness	Social media conversation sentiment
Customers and Prospects	Marketing Communication
Identify new market segments	Test social network application
Measure loyalty among registered users	Test new promotions
Profile current customers	Optimize site usability and revenue
Test site-customization techniques	Measure display ad clickthrough

Disadvantages of Online Survey Research

Advantages	Disadvantages
Fast and inexpensive	Sample selection/generalizability
Diverse, large group of internet users worldwide to small specialized niche	Measurement validity/self-selection bias
Reduced researcher data entry errors because of respondent data entry	Respondent authenticity uncertain
Honest responses to sensitive questions	Frivolous or dishonest responses
Anyone-can-answer, invitation-only, or password protected	Duplicate submissions
Easy tabulation of electronic data	Declining response rates
Less interviewer bias	Perception that research solicitation is spam

Online Panels

- Online panels include **consumers who have agreed to be subjects of marketing research.**
- Participants are usually **paid and often receive free products.**
- Panels can help **combat sampling and response problems**, but can be **more expensive than traditional methods** of sample generation.

online research panels

questback

3

Pre-recruited group of people who have agreed to participate in market research studies in return for some sort of incentive or compensation.

Consumer Panels

B2B Panels



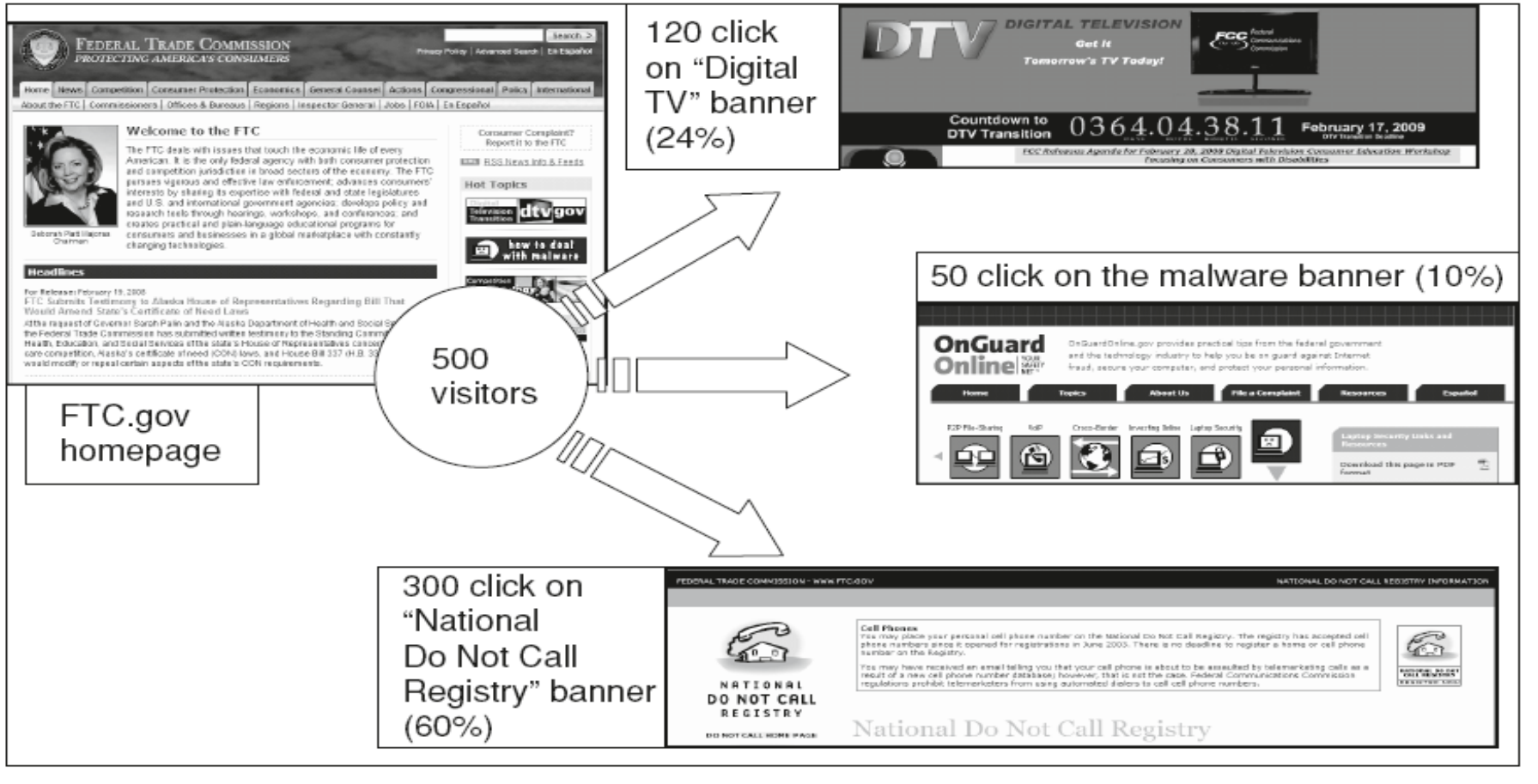
Ethics of Online Research

- Companies conducting research on the Web often **give respondents a gift or fee for participating.**
- Other ethical concerns include:
 - Respondents are increasingly upset at getting **unsolicited e-mail requests for survey participation.**
 - “**Harvesting**” of e-mail addresses from forums and groups without permission.
 - “**Surveys**” used to build a database.
 - **Privacy of user data.**

Other Technology-Enabled Approaches

- **Client-side Data Collection**
 - **Cookies.**
 - PC meter with panel of users to track the **user clickstream behavior.**
- **Server-side Data Collection**
 - **Site log software** can generate reports on number of *users who view each page, location of prior site visited, purchases, etc.*
 - **Real-time profiling** tracks users' movements through a Web site.

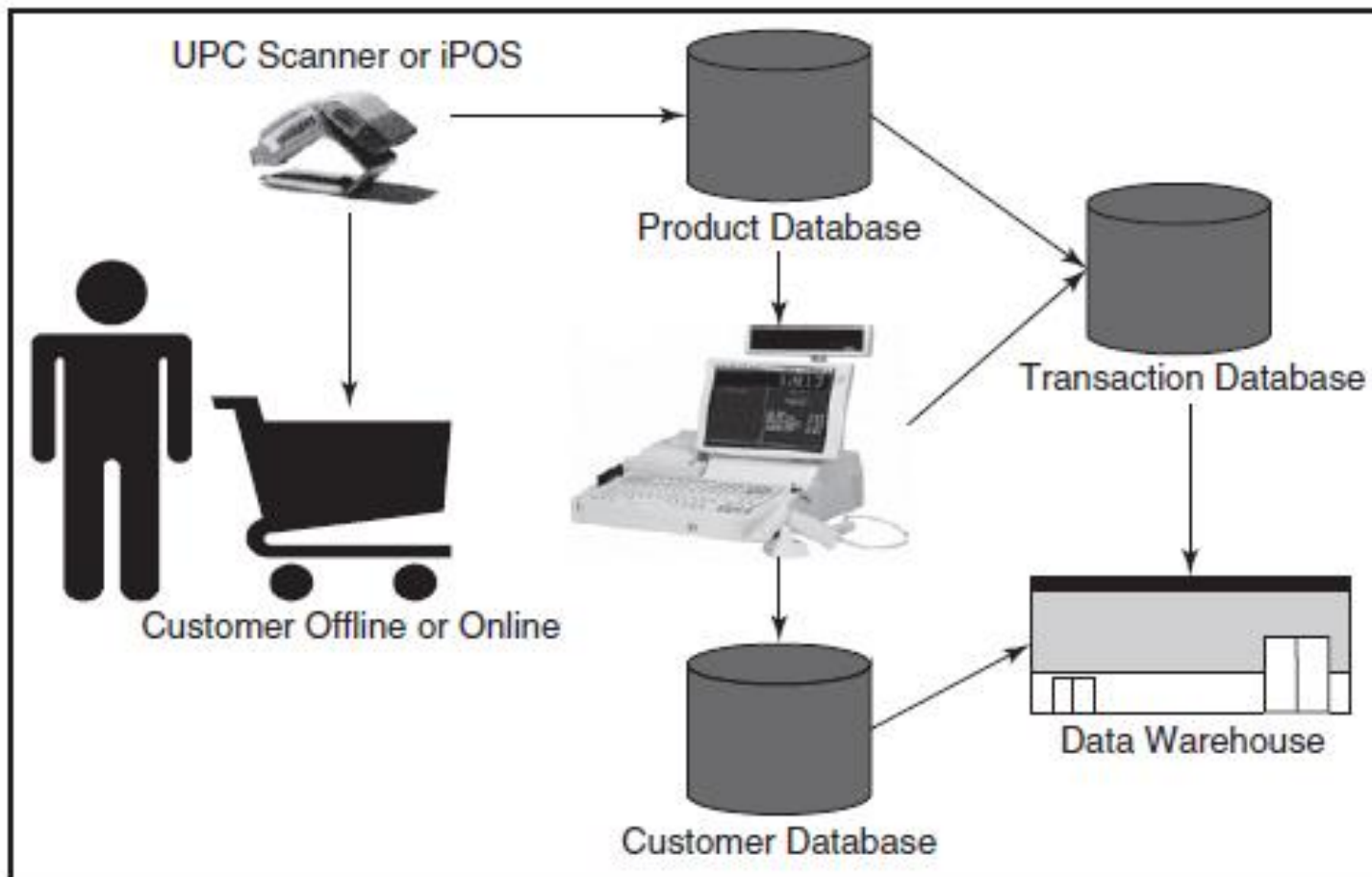
Following the Clickstream at FTC.gov



Real-Space Approaches

- Data collection occurs at **off-line points of purchase** and information is stored and used in marketing databases.
- Real-space techniques include **bar code scanners and credit card terminals**.
- [Catalina Marketing](#) uses the universal product code (UPC) for promotional purposes at grocery stores (video)

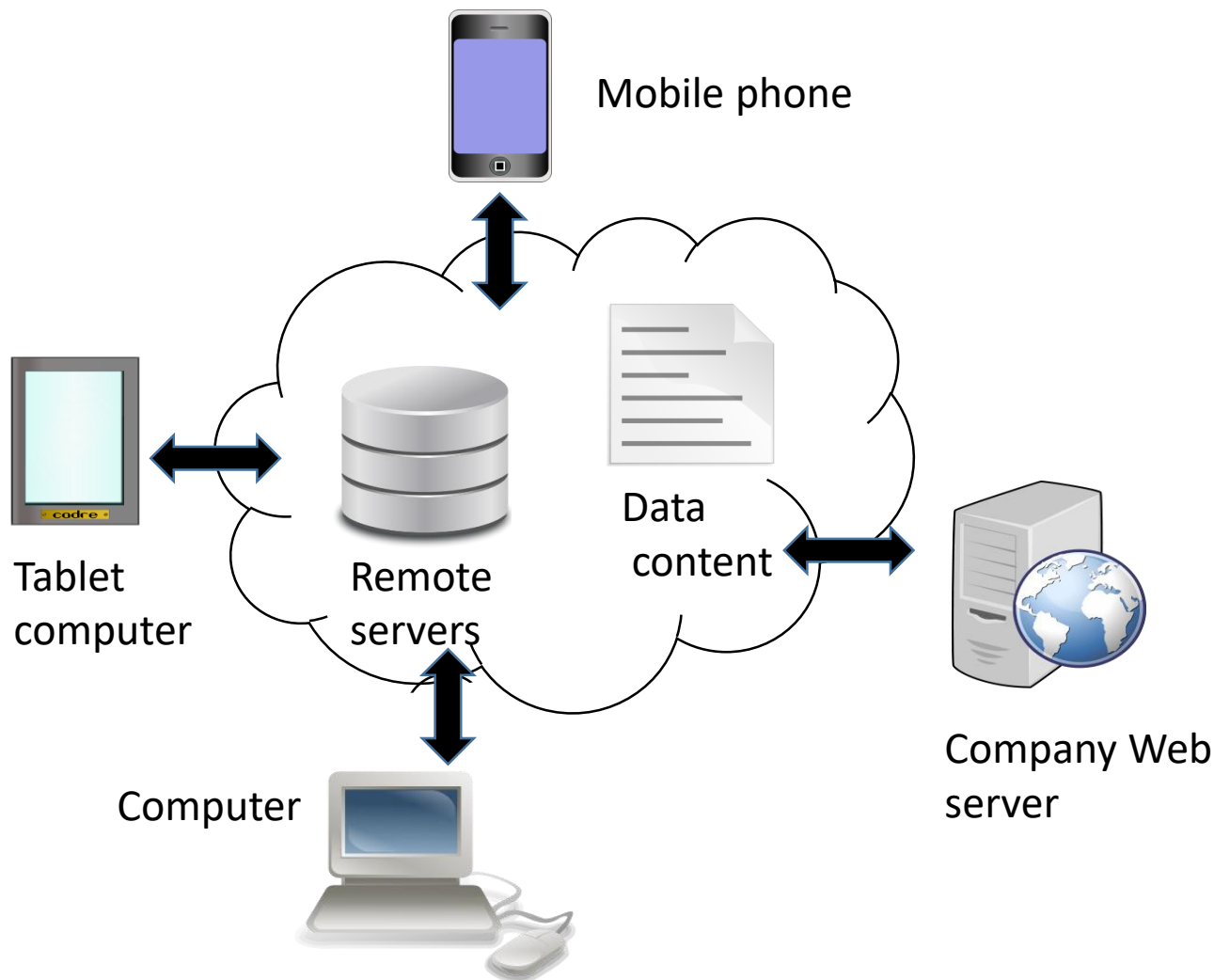
Real-space Data Collection & Storage Example



Marketing Databases & Data Warehouses

- **Product databases** hold information about *product features, prices, and inventory levels*; **customer databases** hold information about *customer characteristics and behaviors*.
- **Data warehouses** are repositories for the entire organization's historical data, not just for marketing data.
- The current trend in data storage is toward **cloud computing**: a network of online Web servers used to store and manage data.

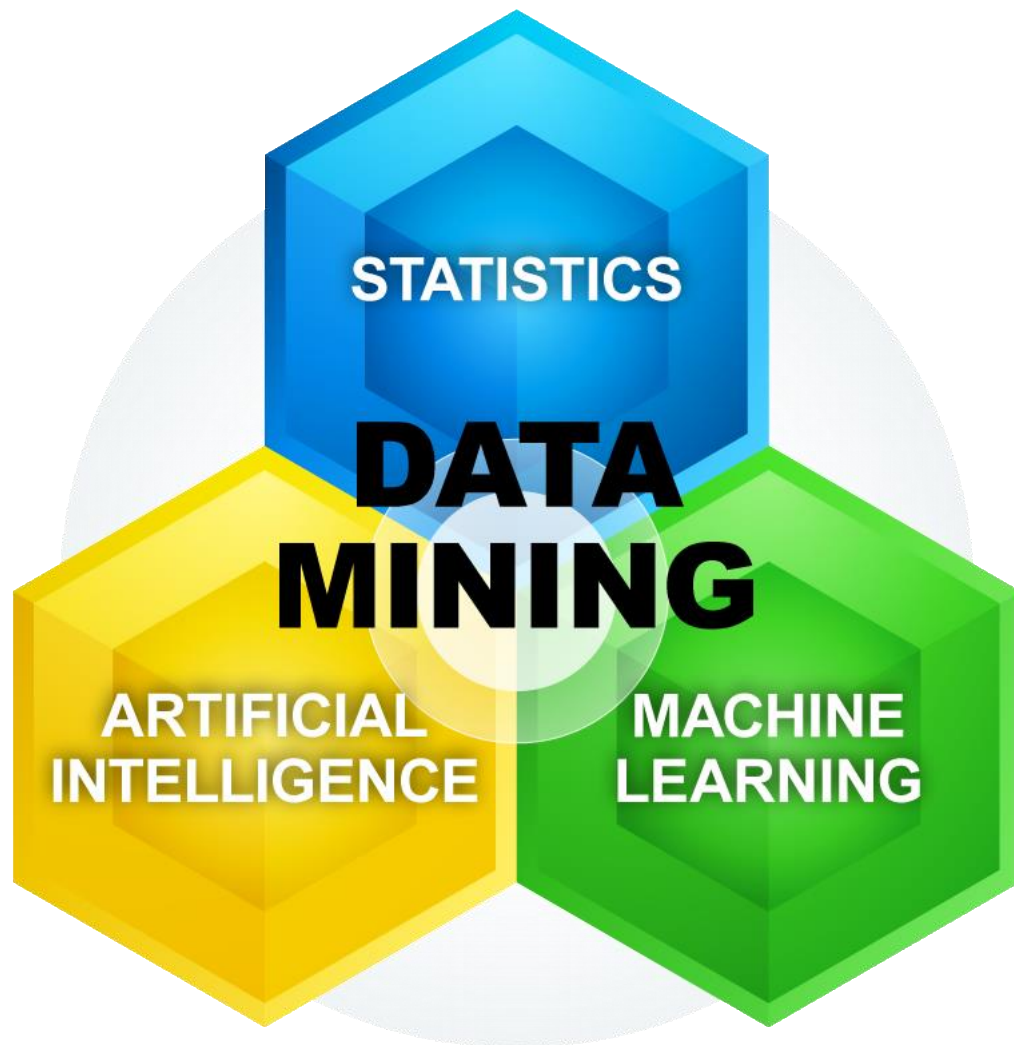
Cloud Computing



Data Analysis and Distribution

- Four important types of analysis for marketing decision making include:
 - **Data mining:** extraction of hidden predictive information in large databases through statistical analysis
 - **Customer profiling**
 - **RFM** (recency, frequency, monetary value) analysis
 - **Report generating**

Data Mining



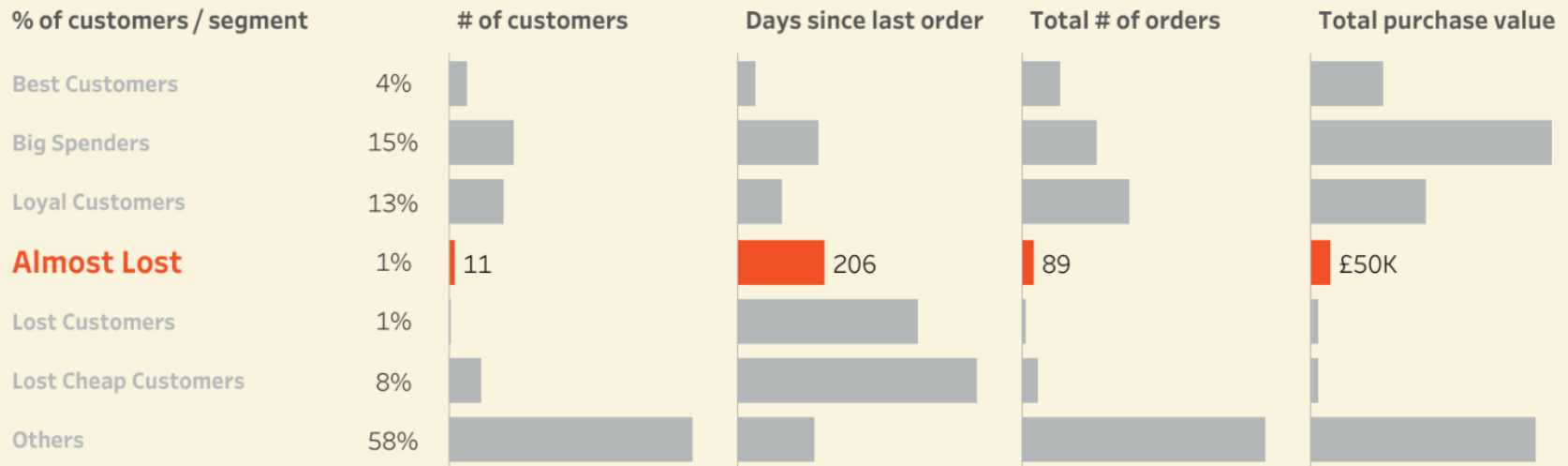
RFM

Customer Segmentation with RFM Analysis

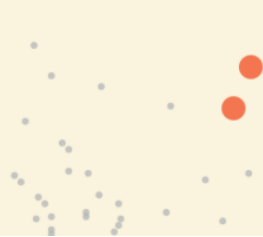


Segmenting Tableau Superstore 800 customers who placed 4k orders from Jan 2015 to May 2018. Select a segment

Almost Lost

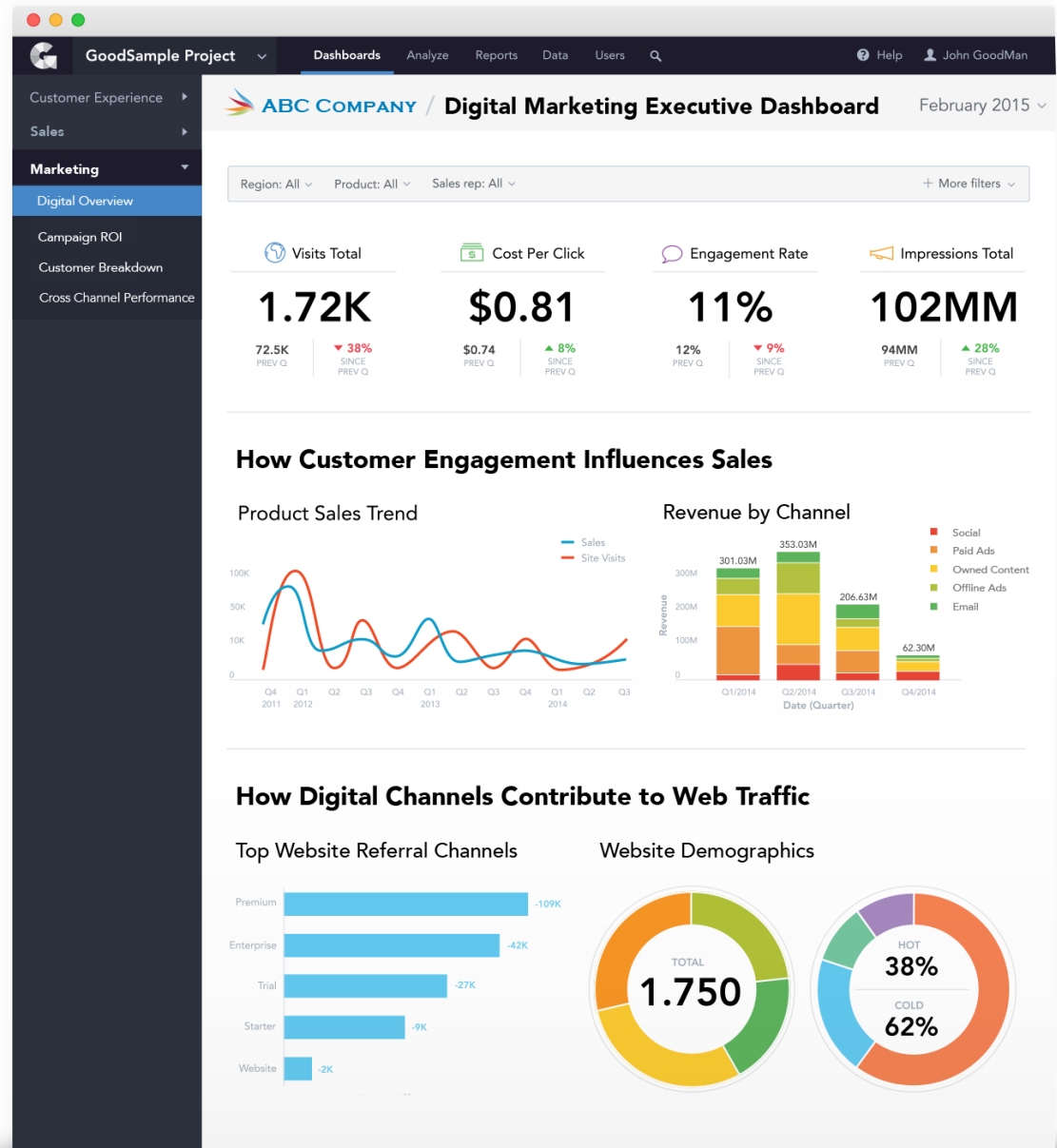


12



Each circle is a customer, hover for details

Dashboards



Knowledge Management Metrics

- Two metrics are currently in widespread use for online data storage:
 - **Return on Investment (ROI):** total cost savings divided by total cost of the installation.
 - **Total Cost of Ownership (TCO):** includes cost of hardware, software, labor, and cost savings.

Question 1

- Internal records _____.
- a) focus entirely on customer characteristics and behavior
- b) are generally under the control of the marketing department
- c) can provide marketers with information about sales and inventory movements
- d) are of little importance to marketers

Question 2

- Secondary data _____.
- a) are generally more costly to acquire or generate than primary data
- b) are always publicly generated and available
- c) are almost always derived from surveys and focus groups
- d) can be collected more quickly and less expensively than primary data

Question 3

- Primary data _____.
- a) are gathered for the first time to solve a specific problem
- b) can be collected online using focus groups, observation, interviews and survey research
- c) are more expensive and time consuming than secondary data collection
- d) all of the above

Question 4

- Data mining allows marketers to uncover data patterns that can help them _____.
- a) refine marketing mix strategies
- b) identify new product opportunities
- c) predict consumer behavior
- d) all of the above

Question 5

- Customer profiling can aid in all of the following except _____.

- a) increasing direct mailing costs by targeting high-response customers
- b) selecting target groups for promotional appeals
- c) understanding the important characteristics of heavy product users
- d) directing distinctive cross-selling activities to particular customer segments

Business Strategy

- Innovation
- Branding
- Solution
- Marketing
- Analysis
- Ideas
- Success
- Management



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23:35:60
Business Strategy
Innovation
Branding
Solution
Marketing
Analysis
Ideas
Success
Management

23:35:60



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