

A New Development in Online Marketing: Introducing Digital Inbound Marketing

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Particularly in online settings, marketing is undergoing a transformation. Online business can no longer rely on traditional marketing tactics and campaigns to attract, retain and expand consumers because there is a transformation in how people interact with brands and companies, how they shop and buy in online and offline settings. Traditional marketing is no longer a viable option because it focuses on pushing a message out. In online business framework, a new marketing development has arisen, namely digital inbound marketing. This new marketing type is focused on attracting valuable consumers (potential, existing, or aspirational) that choose to interact with a particular company that provides them with something useful. In this paper, we propose a definition for digital inbound marketing and examine the online strategies associated with this concept: brand-focused marketing communications, content marketing, social media marketing, and search engine optimization.

Keywords: *online marketing, digital inbound marketing, online brands, content marketing, social media marketing, and search engine optimization*

JEL Classification: *M31, M10*

1. Introduction

Traditional marketing is perceived as an intrusive manner in which people are interrupted in order to interact with a product. Similarly, traditional marketers have the job of pushing products onto potential targets, or customers. For marketers, the old way of doing business is unsustainable.

However, this major flaw of traditional marketing is currently corrected by online marketing. The ever-evolving internet has caused many changes in marketing. Now, there is search engine marketing, email marketing, blog marketing, viral marketing, content marketing, social media marketing and so many more. These, however, can be encompassed under one concept – digital inbound marketing.

This marketing development and evolution of this business area is mainly focused on attracting people in a manner that showcases understanding of people's problems and provision of timely solutions. In this sense, relationship marketing tactics are more easily implemented using technology. For instance, this new approach of marketing is prioritizing the attraction of potential customers with quality, search-friendly content,

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such as videos, still images or GIFs, and stories that get traction if they fulfill the usefulness or emotional criteria (or the utilitarian or hedonic dimension of consumer behavior). Moreover, this content is syndicated on various social media outlets that have to be relevant to the brand and its overall integrated communications.

2. Traditional Marketing vs. Digital Inbound Marketing

Traditional marketing implies pushing messages via intrusive media like TV, radio, magazines. Traditional marketing has lost its competitiveness because of the advertising clutter, consumer inattention, and the new methods people use to block unsolicited messages. Historically, marketers tried to find consumers or markets for products or services, via tools such as advertising. The internet definitely changed marketing.

Companies practicing traditional marketing tactics might choose to attract consumers by approaching sales funnel programs, trade shows, unsolicited email or mail campaigns, cold calling, telemarketing and various forms of advertising (in newspapers, radio, TV, magazines, outdoors, etc.). However, these techniques have lost their effectiveness in a world where consumers get to choose their object of interaction.

The obvious reason why these tactics do not work anymore is because any person, in any given day, is inundated with hundreds of marketing interruptions as the ones previously described. Moreover, the recent financial crisis and technological boom have added new pressures for organizations to increase their level of marketing creativity and reach potential, existing and aspirational consumers in a non-intrusive manner.

Particularly in times of crises and increased competition, organizations focus on how to maximize their available marketing budget. The easiest ways to reach consumers with a lower marketing budget is by implementing digital inbound marketing strategies, such as search engine optimization, social media, online brands, and content creation to get found in organic search results and draw interested prospects to websites. An internet marketing company observed this consumer trend early on, and started an online marketing platform based on the idea of inbound marketing (Hubspot.com, 2015).

In this paper we propose the term Digital Inbound Marketing (DIM) as a new academic concept in online marketing literature. As a result, we propose the following definition:

Digital Inbound Marketing represents the process of reaching and converting qualified consumers by creating and pursuing organic tactics in online settings.

The most prominent elements of digital inbound marketing are interactivity and engagement. These two constructs offer marketers the opportunity to foster valuable relationships that transcend the limitations of traditional media. Interactivity and engagement allows marketers to have continuous conversations with customers or consumers who are interested in their products or services. In table 1, we showcase the main feature and differences between these two types of marketing.

Table 1. Differences between traditional and digital inbound marketing

	Traditional Marketing	Digital Inbound Marketing
Basis	Interruption	Organic
Focus	Finding customers	Getting found by potential, existing and aspirational consumers
Aim	Increased sales	Creating long lasting relationships by reaching and converting qualified consumers
Target	Large audiences	Interested prospects
Tactics	Print advertisements TV advertisements Outdoors advertising Cold calling Trade shows Email lists	Blogs, Ebooks, White papers Videos on Youtube, vimeo, etc. Search engine optimization tactics Infographics Webinars Feeds, RSS Social media marketing tactics

Edelman (2010) focused on the main aspects of focus of digital marketers in creating and sustaining value through their marketing strategies. He identified four sources of value. Firstly, digital marketers focus on coordinating their activities to create consumer engagement throughout the digital purchase funnel. Secondly, they use brands in online settings to create consumer empowerment in the co-creation of products, services, and strategies and in supporting the brand as an ambassador or advocate. Thirdly, marketers act like publishers of different forms of content to support products, segments, channels, and promotions. Fourthly,

they gather, establish and use a plethora of digital data to learn more about consumers and the next directions of their marketing efforts.

Thus, digital inbound marketing is one of the most advanced fields today when it comes to big data. Major ad space sellers leverage highly sophisticated algorithms to process customer profiles and identify the most suitable type of banner advertising. In addition, automated ROI data is available for search engine keywords, making it possible to optimize marketing budget in real time.

3. Components of Digital Inbound Marketing

3.1. Content Marketing

Content marketing is a strategic marketing approach focused on creating and distributing valuable, relevant and consistent content to attract and maintain a clearly defined audience and, ultimately, to result in an profitable action of the client for the business (Content Marketing Institute, 2015).

Content is the corner stone of digital inbound marketing. Using content as an online marketing strategy, organizations can attract potential customers, retain existing ones, and transform aspirational consumers in advocates by developing various forms of content that prospects consider valuable and will use the created content in order to access a website to learn more or come into contact with a marketing offer.

The purpose of content marketing is to attract and retain customers by constantly creating relevant and valuable content with the intent to change or reinforce consumer behavior. This is an ongoing process that is best integrated into the overall marketing strategy and focuses on media ownership, not media lending (Flanagan, 2015).

There are various forms of content, from the basic ones, such as video, image, text, to the more specific ones, such as: blogs, ebooks, infographics, slideshow presentations, interactive content, etc.

3.2. Search Engine Optimization

Search Engine Optimization or SEO is a well-known online marketing tool that refers to building a website and inbound links to a particular website to optimize the position in search engine results' pages. This tool makes it easier for prospects to find an organization's content. Also, it represents a key element after content marketing that helps increase the visibility and discoverability of content on search engines.

Nowadays, customers begin their buying process in online settings, usually by using a search engine to find answers to specific questions. Therefore, a company should ensure that it appears and is visible when customers are searching for it. To achieve this, organizations need to choose keywords, optimize pages, create content and build links around the keywords that buyer are looking for. Search engines reward in the form of a better search result placement the companies that publish quality and consistent content.

3.3. Social Media Marketing

Indeed, online social networks have profoundly changed the propagation of information by making it incredibly easy to share and digest information on the internet. Social media amplifies the impact of an organization's content. A business can both distribute content across various social networks and consolidate its brand by creating its business page on such networks. Sharing content across social networks makes it appear authentic, while creating business pages offers a business more opportunities to make its content known.

Social interaction in the digital world in which consumers communicate and interact in real time, can be used to create connections with clients in order to provide and receive information from prospects (Tikkanen et al., 2009, p .1357). Communication on organizations' pages on various social networks occurs through a process of communication between customers (C2C), but also through a process that facilitates customers and company representatives (B2C or C2B) communication.

Peer communication through social media, a new form of consumer socialization, has profound impacts on consumer decision making and thus marketing strategies. Social media, especially social networking sites, provide a virtual space for people to communicate through the Internet, which also might be an important agent of consumer socialization.

Moreover, social media marketing represents such a major cost effective opportunity for marketers who wish to start a dialogue with their customers and get an insight into their likes and dislikes. Social network services such as Facebook, Instagram, Youtube, and Twitter, just to name a few, aggregate an abundance of information. This information has a great potential for marketers and online marketing campaigns.

Also, the most important aspect of social media and its impact on marketing is the possibility to collaborate and co-create products and campaigns with consumers. By reaching engaged consumers, online

marketers can significantly improve an organization's profitability, revenue streams, and increase the loyalty of customers who may become brand advocates in online settings.

3.4. Brand-Focused Marketing Communications

Brand-focused marketing communications in the online environment have a special impact on the capitalization of the company. Marketing communications are the means by which companies try to inform consumers, to convince them and remind them - directly or indirectly - about the products and brands they sell. In a sense, marketing communications represent the "voice" of the brand and represent tools that can start a dialogue and can build relationships with consumers (Kotler et al, 2012). Although marketing communications play several crucial roles for any brand in a business context, they must deal with increasingly more difficult situations. Technology and other factors have profoundly changed the way consumers process information and even if they reach the stage of information processing. Therefore, marketing communications should be integrated to deliver a consistent message and to achieve strategic positioning in all relevant communications mediums.

Online brands appear as a result of advances in information and communication technologies. In a sense, an online brand is just a brand that includes a name or a symbol, a set of products and service features that are associated with a certain name (Morgan-Thomas, Veloutsou 2011, p.21). Like its offline counterpart, an online brand, is an augmented and identifiable product so that customers or users perceive it as valuable and distinct from other competitive products. Subjective perceptions of an integrated package of information and experiences in the mind of a consumer evokes a certain presence of personality (Okazaki, 2006, 280.) and performance (Parasuraman et al., 2005, p.217). Most brands now interact with consumers both through their own branded online website and on multiple platforms.

In the context of DIM, marketers have to focus their branding efforts on developing an authentic and relevant brand to their main consumer segments or personas. The brands most likely to convert digitally jaded consumers into purchasers offer the strongest array of digital experiences. These successful players seem to be pulling away from less robust digital brands and gaining further momentum as they build up positive word of mouth on social media (Bughin, 2015). Online brands that have moved swiftly to master digital channels - gaining a deep understanding of customer preferences, crafting digital experiences, and improving offerings via social feedback - are establishing a competitive advantage that may be difficult to beat.

These experiences should make brands more relevant, distinctive, and credible to customers, and as a result marketers should develop strategies to differentiate brands through superior positioning relative to competitors. This frequently means repositioning established brands to better meet customer needs.

4. Measuring Digital Inbound Marketing

Measurement is what makes marketing a science, rather than a simple tool. To measure the effectiveness of a campaign of digital inbound marketing (DIM), an organization needs to monitor different types of web analytics. For a successful online marketing campaign, it is necessary to study which tactics work and which need adjustments in order to create relevant content that is syndicated on various outlets, including the organization's website. The main objective is to yield results of attracting more leads or converting leads into customers.

However, DIM tactics have a long term perspective and results may not always occur overnight. Nonetheless, any tactic needs to be measured to examine opportunities of improvement or establish the programs to drive business growth.

In relation to Digital Inbound Marketing, there are four elements that can be measured to assess the effectiveness and efficiency of an online marketing campaign:

1. *Website Activity*. This aspect is related to the website traffic (unique visitors + repeat visitors), such as page views and popularity, new or recurring visitors, etc.
2. *Source of Traffic*. This aspect presents which search terms or keywords, languages, regions or countries, mediums, email marketing, paid search, social media gather the most traffic for a website or marketing campaign. From this category the most important metric is the channel-specific traffic which can be direct traffic (how many people visit a site directly), referrals (external links from other sites), organic (visitors who found a website after performing a search query), and social (visitors who reached a website from a social platform).

3. *Nature of Website Activity*. In this category, the metrics that should be considered are entry pages, exit pages, browsers, platforms, click-throughs, inbound links, average time per page, bounce rate, etc.
4. *Responses and Outcomes*. In this area, digital marketers focus on lead generation (or users' opt-in), most requested pages, number of downloads, requests for more information, orders, incremental sales, return-on-investment (ROI), brand awareness, content downloads, consumer engagement, social media reach, subscribers (blog, email, newsletter, etc.).
5. *Integrated Marketing Metrics*. In this category, online companies with digital inbound marketing campaigns monitor metrics, such as cost of customer acquisition (COCA), customer lifetime value (CLV), retention rates, lead-to-sale conversion rates, Net Promoter Score (NPS), referrals, profitability, revenue growth.

5. Conclusion

5.1. Theoretical Contributions

One of the advantages of internet is that it enables businesses to reach a worldwide customer population, so that customers can survey, select, and purchase products and services from businesses around the world.

In this paper, we propose a new area of research in marketing literature that should focus on the four aspects associated with digital inbound marketing, namely content marketing, search engine optimization and social media marketing. Further, we have established a definition which should serve as a starting point for this concept. Moreover, by the metrics examined in this article, we contribute to the study of marketing accountability in online settings.

5.2. Managerial Implications

For online businesses, traditional marketing is both ineffective and expensive, and to achieve powerful business results new and effective internet marketing strategies have to be employed. The concept of digital inbound marketing might seem difficult and daunting. But by tackling each internet marketing tactic step by step, businesses can make internet marketing more manageable and start generating results.

In digital inbound marketing, measuring marketing's effectiveness and efficiency is both necessary and manageable. Online companies can obtain a holistic understanding of its online marketing performance by measuring every tactic, program, activity, and technique it implements at every step in their sales cycles. Further, using this information, organizations can make more informed decisions that can eventually drive growth and overall success.

The four components of Digital Inbound Marketing (content creation, search engine optimization, social media marketing, brand-focused marketing communications) incur low to no cost in addition to employees who develop and implement these strategies. Nonetheless, an online business's employees have to create text, video, and image types of content, promote this content on various social media outlets, and optimize the website for search engines. However, the time spent on these online marketing strategies is comparable to the time spent on developing and planning large-scale marketing campaigns. Considering the low cost of the tools it uses, digital inbound marketing implies lower budgets and costs than traditional marketing campaigns.

5.3. Future Research Directions

This theoretical article can be extended to encompass a thorough investigation of the metrics associated with digital inbound marketing. By extending digital inbound marketing from a practical perspective, future research should involve a study of an online company and its marketing activity to better understand the challenges in the digital business environment and propose applicative solutions.

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