



## KOLMACHEE COFFEE'S STORY

Coffee: It's the way many Americans start their day. Whether it's brewing a cup at home or stopping by their favorite local coffee shop, many consider coffee an essential part of their routine. According to a recent 2015 National Coffee Drinking Trends Study, more than half of Americans – 59% – drink at least one cup of coffee daily. I wonder how many of those coffee drinkers know what it really takes to make their cup of coffee? The process is one of the most complexes in the food industry. Once I took a take a trip to the Andes region of Colombia that forever changed the way I see coffee, and gave me even more respect for the farmers who grow it.

Colombia is well-known as producing the best coffee in the world, primarily due to its altitude and superior growing conditions. The farmers I visited there were extremely hard workers, and their yields served as the primary source of incomes for their families. They deal with rugged terrain and steep hills to seed, harvest and maintain their small farms. And, with only two significant harvest seasons, getting the most for what they grow is absolutely necessary.

One of the farmers I spent time with is Leonel Jaramillo. Leo has been a coffee farmer for decades, and continues to grow his farm, Tres Estrellas (Three Stars). Thanks to cooperative programs and the commitment of major coffee producers such as Colcafe, a leading company in Colombia, his farming legacy is much more likely to continue to thrive. His daughter will benefit from education provided through a co-op

program to learn the coffee growing trade. Also, the family will continue to benefit from being Fair Trade Certified, earning the most for their harvests.

Fair Trade is a powerful way for consumers to support farmers and artisans. Through certification from Fair Trade USA, small farmers across the globe have agreements aimed at ensuring better prices, safe working conditions and environmental responsibility. These agreements also provide investments in education and improvement projects.

Fair Trade makes it possible for many small farmers like Leo to receive fair compensation thanks to Fair Trade premiums. Maintaining fair trade agreements helps farmers and other skilled workers maintain a self-sufficient business, providing them with a stable source of income. And, in turn, their families and community benefit from this stability.

Today's consumers are becoming increasingly socially conscious about the items they buy. It goes beyond just quality and value – shoppers want products that support the workers, farmers, and communities that create them. In fact, recent Harvard research indicates that a majority of consumers surveyed said they preferred ethically certified products and would pay more for them when shopping.

As we celebrate Fair Trade Month this coming October, Kolmachee Coffee is working to raise awareness of Fair Trade Certified coffee. Our successful Daily Chef Fair Trade Coffee line offers customer delicious coffee at a great value and we recently expanded our Fair Trade offerings with the addition of two new options from Brazilian Roasters.

Kolmachee Coffee introduced its private brand line of Fair Trade coffee in 2009. Since then, they've purchased more than 43,000 pounds of Fair Trade Certified Coffee and delivered more than \$16 thousand in premiums back to farming communities. These premiums have been used on projects such as pest mitigation, promoting women's empowerment, health care services, housing improvements, and more. Fair Trade practices are important to us, and I hope you find them important as well.

## **BUSINESS OVERVIEW**

Understanding the Company, Its Customers and the Coffee Industry

## **1. Who are Kolmachee Coffee Customers?**

- i. B2B
  - 1. Small Coffee Shops
  - 2. Gas Station Convenience Stores
  - 3. Small Companies with 10+ employees

## **2. What Kolmachee Coffee Customers buy?**

High-end, fair-trade, organic coffee beans might seem to be the only kind of coffee shops are buying. But it turns out that the most popular coffee brands in America aren't really all that special. i. What do they buy when they visit your webpage? Maintain whatever it is they like to buy and tailor the products and pricing to meet their needs.

## **3. What do coffee shop owners buy when they visit the webpage?**

### i. Roast coffee

People tend to buy from their local or regional roaster.

There is no single site that is most popular. Each country has its superstars (UK: Square Mile, Canada: 49th Parallel, US: a few including Heart, Ritual, Intelligentsia, Stumptown, Counter Culture etc, Australia: Seven Seeds, Maling Room, Small Batch, Single Origin, Reuben Hills, Proud Mary etc.) but these (and many others) all are strong roasters with individual personalities, none of which is 'the most popular'.

### ii. Green coffee

Far and away the most popular site in the world is Sweet Marias (Sweet Maria's Home Coffee Roasting). They have been around since the 1990s, and have so much scale and buying power that you can get green beans through them that larger buyers cannot buy even in bulk. There are other green coffee sites, but Sweet Marias is the biggest.

#### **4. Does the purchase patterns changes over time?**

- i. A study shows convenience retailer owns almost 7% of market, 7-Eleven: Fourth-Largest Seller of Coffee in U.S.

Convenience retailer 7-Eleven Inc. has the fourth-largest share of hot-brewed coffee servings in the United States, trailing behind three other household names, according to 2012 yearend data from StudyLogic.

Dallas-based 7-Eleven owns 6.84% of the coffee market in the U.S. with 92.2 million servings reported in the fourth quarter of 2012, according to StudyLogic.

McDonald's is the leading coffee seller, according to the report, with 14.32% of the market and 193.0 servings sold in Q4 2012.

Second place goes to Dunkin' Donuts with 13.75% share and 185.3 million servings.

Starbucks follows with 11.80% share and 159.1 million servings. The order remains the same when viewed by coffee dollar sales, though 7-Eleven's \$156.7 million in sales in the fourth quarter earned it a slightly larger 7.90% share of the market.

#### Dollar sales totals

McDonald's: \$260.6 million, 13.13% share.

Dunkin' Donuts: \$248.4 million, 12.52% share.

Starbucks: \$237.0 million, 11.94% share.

7-Eleven: \$156.7 million, 7.90% share.

Seven-eleven coffee is sold in four sizes and a variety of flavors, from 100% Colombian to blueberry to butter toffee, according to its website. In January, the convenience store retailer introduced a Brazilian dark roast, the retailer's "richest, most full-bodied coffee to date," with a month-long \$1 Coffee Wednesdays promotion. Seven-eleven operates, franchises or licenses more than 9,700 stores in North America.

#### **5. How customers come to our website?**

Google Ad and Email Blasts

#### **6. Which activities and promotions might better meet the customer's needs?**

Earn volume discounts on products for our specialty coffee business! For every \$495+ order, the customer can receive discounted freight!

#### **7. Which events are popular in the community?**

LGBT parade or St. Patrick's Day, Kolmachee could promote half off "Emerald Lattes".

**8. What would be the best marketing effort for Kolmachee Coffee?**

Having one social media channel might be enough since resources are limited as it's better to have one exhaustive and high quality company page on Facebook than two half-way attempts on, say, Twitter.

**9. What are some creative ways to reach potential customers?**

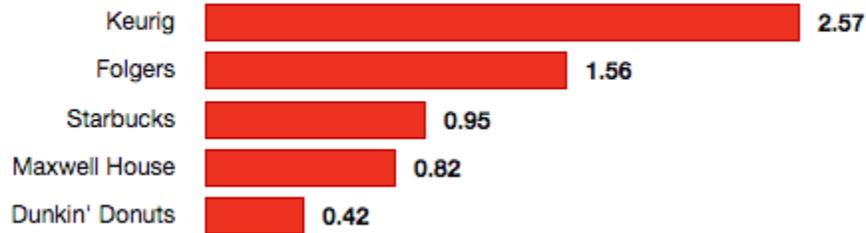
Mobile loyalty programs can be an effective strategy to drive repeat orders. Many smartphone users are interested in interacting with loyalty programs through their mobile devices.

### **The Coffee Market In The U.S.**

In the United States, 83% of the adults drink coffee. San Francisco is ranked the 8th city most obsessed with coffee in the U.S., Portland is the first. When it comes to brute sales dominance, its price and convenience that win out, according to the Washington Post. Keurig Green Mountain (GMCR) controls about 20% of the U.S. coffee retail market, thanks to its convenient coffee pods. Sales of coffee pods have grown tenfold since 2009. The runner-up, Folger's (SJM, +0.26%), is known for selling huge cartons of pre-ground coffee beans. And while Starbucks (SBUX, -0.09%) sells high-end coffee, the fourth and fifth most popular coffee brands aren't particularly fancy, either.

So while high-end brands such as Stumptown and Intelligentsia may be getting all the attention for revolutionizing coffee, it's cheaper brands that are making the most money. The 5 top-selling coffee brands in the chart below

## Sales in billions of dollars, by brand



Source: Euromonitor

FORTUNE

### Coffee Drinker Behavior

#### The 7 Most Popular Types of Coffee Drinks

Drinking coffee may be considered a habit, but to many it is almost like an addiction. We just can't seem to get our brains working in the morning without a good cup 'o joe! When that deep robust flavor hits our palettes, our juices begin to flow, our brains begin to wake and our bodies are ready to take on the day.

Over the years this marvelous beverage has grown in popularity and has been developed into a variety of flavors. The way coffee is prepared has grown and developed over the years, as well. The most popular types of coffee include the standard brewed coffee from a drip coffee maker, Espresso, Cappuccino, Americano, Caffe Latte, Turkish Coffee and Macchiato.

A true coffee aficionado may have tried all of the different types and may even be able to tell you exactly where the bean was grown and how it was roasted. But, most of us get used to a certain type and never try anything different.



### CUSTOMER EMPATHY MAP

### **Hear?**

Black Coffee: Efficiency / Abrupt and dismissive.  
Latte drinkers: Like to soften the bitterness of life.  
Frozen/blended drinkers: Fall for quick fixes.  
Decaf drinkers: Very aware of their health and bodies / Tend to be worriers.  
Instant Coffee drinkers: Don't get too lost in details / Neglects basic health issues.

### **Say & Do?**

Black Coffee: Keep things simple / Resistant to changes.  
Latte drinkers: People pleasers / Go out of their way to help others / Don't take great care of themselves..  
Frozen/blended drinkers: Try lots of new things/ spontaneous / Don't always make healthy choices.  
Decaf drinkers: Obsessive / Perfectionist / Tend to make healthy choices / Monitor their health.  
Instant Coffee drinkers: Procrastinate / Put things off.

### **Think & Feel?**

Black Coffee: Patient / Quiet / moody.  
Latte drinkers: Comfort seekers / Childlike.  
Frozen/blended drinkers: Imaginative  
Decaf drinkers: Over focus on rules, control and Order / Overly sensitive.  
Instant Coffee drinkers: Traditional in some ways.

### **See?**

Black Coffee: Old school / Purist/ Set in Their Ways.  
Latte drinkers: Open book / Generous with time /Can get over extended.  
Frozen/blended drinkers: Trendsetters / Can be Reckless.  
Decaf drinkers: Like being in control / May be labeled selfish.  
Instant Coffee drinkers: Too Laid back / Take life as it comes/ Poor planners.

## **CUSTOMER PERSONA**

### **Black Coffee Drinker**

Mr. Stonebreaker wastes no time daydreaming. He runs his working day like a bullet train. He is very focus on his projects and promptly dismisses anything that may disrupt his daily routine. Although he keeps to himself most of the time, Mr. Stonebreaker can be very moody whenever he feels threatened by his coworker's shortfalls. He seldom tries new things, and prefers tradition over innovation since he is very good in what he does and feels it is a waste of his time to do things differently.

## **Latte Drinkers**

Mrs. Chai surely appears to have a very light soul for she has no malice whatsoever. In fact she often behaves more like a child. Nothing seems to please her more than ending her workdays surrounded by her closest friends at the local coffee shop zipping on a warm cup of freshly brewed latte. Mrs. Chai is a very warming and friendly person. She is always eager to help no matter what it takes. In fact, she is known to take great pains to abide to other people's needs and wants. Once she got food poisoned for drinking spoiled milk served with her coffee by a friend. In spite of the funny taste, she just did not want to be ungrateful for the hospitality being offered to her. Mrs. Chai is never short of saying something kind and pursuing cheerful conversation at a great expense of the time clock!

## **Frozen/blended Drinkers**

Zac seldom seem to be able to get his own pair of socks to match. In fact, he is bound to always forget at least one of three things of whatever it is that he is doing at any given time. He never complains about anything and is quite content with whatever life handles down to him. It is quite amazing how his perception is able to change an otherwise bad situation into something far less dramatic. Zac embraces changes and is always willing to try new things being it good or bad, even when it can be detrimental to his health, like eating expired can foods. As a matter of fact, he is the one to defy his friends to set new standards. Crazy as it may sound, he seldom gets turned down by his devil-do endeavors.

## **Decaf drinkers**

A few grains of coffee that may have escaped from the coffee filter are enough reason for Mr. Bold to throw away a reasonably good pot of coffee. He is obsessed with germs and washes even clean dishes freshly taken off from the kitchen shelf. When exposed to a product that he is not familiar with, Mr. Bold takes the time to read the label for its entirety and even makes comparisons among different brands as if it was a pressing matter. Conversing with him can be exhausting for him does not budge from

his position with ease. In fact, for Mr. Bold the order of things in general always takes precedence over what is simpler and easy under any given circumstances.

### **Instant Coffee drinkers**

Beaver is a typical teenager, seldom looks both ways at a cross road, never checks the milks expiration date and neglects to use underwear if a fresh pair happens to be not readily available. Nothing seems to bother him. Being late for everything is a way of life for him. In fact, he honestly considers a 30 to 40 minutes tardiness to be within the boundaries of any civilized human being. As he often says: "Nobody is perfect!" Tradition for him means breakfast cereal in the morning, hotdogs in ball games and barbecue in the 4<sup>th</sup> of July. Aside from the main stream, pretty much anything goes. Beaver wants thing that don't matter, not to matter. His non-confrontational nature makes him happy with whatever may come his way.

### **Production Costs Considerations**

Basically it boils down to how green the green bean is bought. The more the company buys, the lower the price. Coffee is a commodity and the price is also based on the stock market.

If the roaster bought a Colombia Bucaramanga Excelso when the market was \$1.85 (pretty current market), after diffs and warehouse fees the green coffee cost \$2.45 per pound. That does not include freight. So depending on the quantity of freight it changes a lot. For example, if the company's buys 1000 pounds and the freight cost is \$.035 per pound. The green to their door is \$2.90.

Now that the company have the green, it is time to roast and bag (leaving out the equipment on purpose). Figure it takes 30 min to roast 20 pounds of coffee and 30 min to bag it (average). If the company pays a person \$12 per hour to work, the roasted coffee costs \$5.00 per pound. Add a bag, label and tie the coffee is costing about \$6 per pound to produce.

Not forgetting that the company have to pay off the equipment (\$2 per pound) plus additional \$2 per pound for electricity and gas /propane. The coffee cost \$9 per

pound to produce. If the company sell it for \$14 per pound retail and it haa made \$5 per pound. There is many ways to make the cost go down, but this is about average.

## **DIGITAL MARKETING OBJECTIVES**

### **Identifying and justifying the Kolmachee's Objective**

Kolmachee Coffee's objective is to build "customer Awareness" by distributing 1000 free coffee samples to coffee shops owners in the Bay Area by the end of 2017.

The objective aims at identifying the desired customer base. From there, we can more easily assess what needs to be done to increase customer awareness. For instance, a customer awareness campaign may focus on different coffee drinker's audiences based on their tastes. In each case, we will use different coffee advertising campaigns to increase their awareness.

Kolmachee Coffee then will overcome whatever challenges it will encounter so that the coffee shops owners will understand the benefits of working with them. The point is to attract likeminded businesses who agree on Kolmachee's "fair trade" values, "organic concept" direction, morals and businesses who see their problems solved by us.

By focusing on capturing the attention of their current patrons, we can more accurately map coffee shops that have shown an interest on Kolmachee Coffee either by visiting the company website, reading company emails, or otherwise indicated intent to purchase our coffee.

### **Matching the Tactics with the Company's Objective & Selected Channel**

**CHANNEL:** Email Blast

**TACTIC:** Purchase an email list that is accurate, and effective from National Data Group to target coffee shop owners in the Bay Area with an Email blast offering free coffee sample so that they will familiarize themselves with the exotic taste of Kolmachee Coffee.

# Kolmachee Coffee Roaster, Inc.

## Marketing Tactics

### Email Blast:

Free Coffee Samples in exchange for email



# Kolmachee Coffee Roaster, Inc.

## Email List Acquisition through:

- **NATIONAL DATA GROUP**  
(Accurate & Effective Lists)

A screenshot of a Microsoft Excel spreadsheet displaying a list of names and addresses. The spreadsheet has multiple columns and rows of data, with the first column containing names and the second column containing addresses. The data appears to be a list of contacts or customers.

## Free Coffee Samples (1 cup)



Email Marketing is an excellent channel to build and maintain brand awareness It will tell us how coffee shop owners are “engaging” or are interested in learning more about Kolmachee Coffee.

Free coffee samples will be used as the “carrot on the stick” to attract as many people as possible to our website. This is also good because it is related to what the company does. Email marketing is not a numbers game. If it is treated like one, we will fail in the long run. Coffee samples are something that our audience would like. For example, “Kolmachee would love to know your opinion about our coffee by providing you with a free coffee sample.” A freebie like this may not attract millions of people like a latest iphone could... but it will attract the right people.

As we entice the right people to read our emails, we will keep them engaged and interested by being consistent with our brand, vision, morals and whatever it is that we will promise. By Keeping a consistent schedule of emails our audience will create a sense of habit. We will send an email about every 10 days to keep your customers engaged. We will also be consistent with the format and colors of

## IDENTIFYING AND UNDERSTANDING THE KPI DATA

**KPI:** “Click through Rate” will be used to evaluate the campaign’s success by measuring how many people actually click through to the website to fill out their address on the email form so that the free sample can be mailed out to them.

In addition, we can use the “Open Rate” to optimize the “Subject Line,” and A/B testing to improve our Google Ads.



**EMAILS:**

Subject Line: **Coffee is a psychoactive. And at high doses it can make you see things... It can also kill you...**

**What will this tactic look like?**

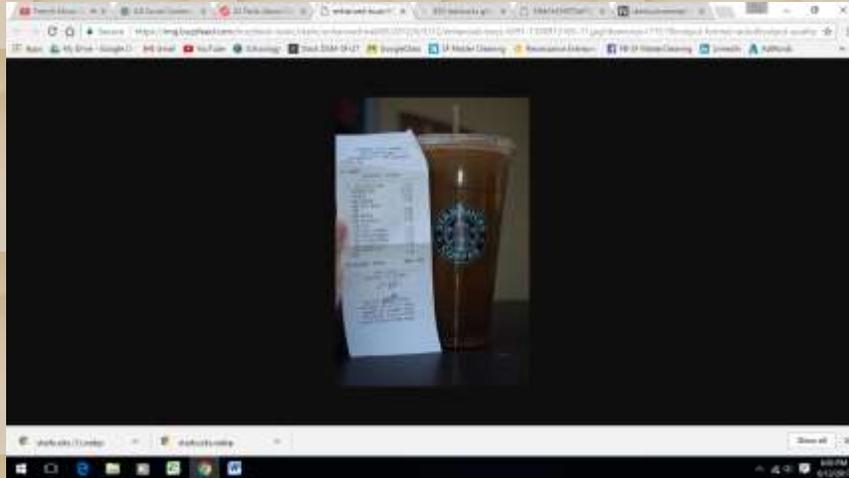
[https://img.buzzfeed.com/buzzfeed-static/static/enhanced/web05/2012/6/5/12/anigif\\_enhanced-buzz-6534-1338912379-2.gif](https://img.buzzfeed.com/buzzfeed-static/static/enhanced/web05/2012/6/5/12/anigif_enhanced-buzz-6534-1338912379-2.gif)



Subject Line: **This is the most expensive drink at Starbucks: \$23.50, with 16 shots of espresso or 1400mg of caffeine.**

**What will this look like?**

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Subject Line: **We're not going to tell you how, but there is a way to brew coffee with marijuana in it and it is described as producing a "dreamy" kind of coffee buzz.**

What will this look like?



## CUPONS:



## A/B TESTING YOUR PAGES

Landing Page: <http://bit.ly/2t2ASMF>



We want to use a A/B test to determine whether or not the word “Fair Trade” has a significant impact on the consumer’s decision to purchase organic coffee.

## Side-By-Side Visual:



### [Kolmachee Coffee | Fair Trade](https://bit.ly/2t2ASMF)

<https://bit.ly/2t2ASMF>

Your rich cup of **Fair Trade coffee** can help farmers escape poverty. Most small-scale family farmers live in remote locations and lack access to credit, so they are ...



### [Kolmachee | Organic Coffee](http://bit.ly/2sckGIJ)

<http://bit.ly/2sckGIJ>

1. **Kolmachee organic Coffee** is a coffee roaster dedicated to providing the very finest certified organic coffees available. Learn more now.

## Results from your A/B test:

Although I know for a fact that the whole “fair trade” concept does carry a bearing on the decision of coffee drinkers’ brand preference, I do not expect to have more than a 20% increase or decrease on sales to the fact that cost carries far more weight on the purchasing decision of the consumer.

## Recommendations:

Utilizing keywords “fair trade” on the ad may not be the most effective use of our resources, unless of course there is a low demand for these keywords that will make the pay per click feasible.

## Google Paid Ads:



**Kolmachee Coffee Roaster, Inc.**

**SEO**

**Google Ad: Geo (Bay Area) & Keyword Target**

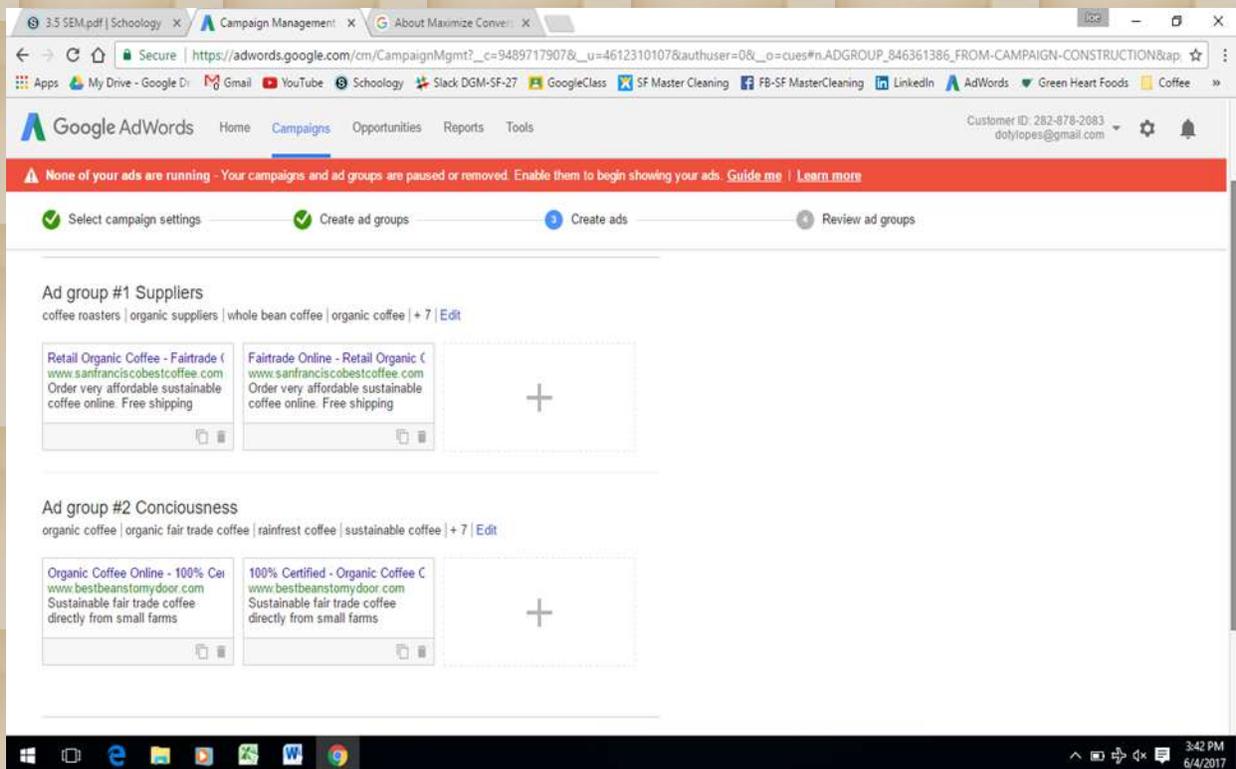
[Kolmachee | Free Organic Coffee Samples](#)  
<http://bit.ly/2sckG1J> (Pointing to the Website)

**Kolmachee organic Coffee** is a coffee roaster dedicated to providing the very finest certified organic coffees available. Learn more now.

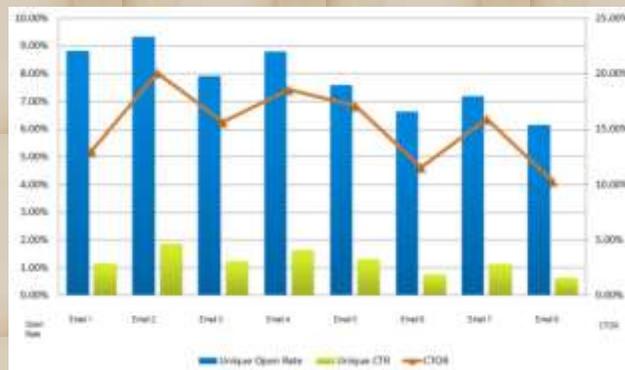
## 10 keywords we will :

KEYWORD	VOLUME	COMPETITIVENESS	LEVEL OF INTENT
Coffee Roasters	10M-100M	Medium	Low
Fairtrade Coffee	10M-100M	Medium	Medium
Gourmet Blend Coffee	10M-100M	High	Low
Gourmet-Coffee	1M-10M	High	Low
Organic Blend Coffee	1M-10M	Medium	Medium
Organic Supplier	1M-10M	Medium	Medium
Organic-Coffee	10M-100M	High	Low
Premium Coffee	10M-100M	High	Medium
Specialty Coffee	10M-100M	Low	Medium
Whole Bean Coffee	10M-100M	High	Low

\*Source: Google Adwords/Keyword Planner



## INTEGRATING DATA VISUALIZATIONS INTO THE PRESENTATION

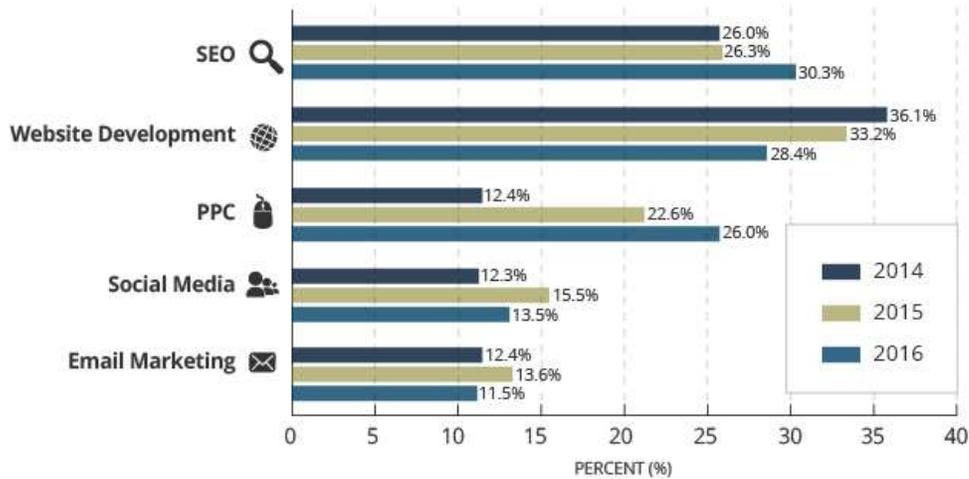


**CTOR** - measures the relevancy and context of an email by taking the number of unique clicks divided by the number of unique opens, and then multiplying by 100 to show it as a percentage. What it tells you is simply this: Of the subscribers who opened the email, how many clicked.

By measuring and constantly monitoring our email activities' performance, we can better understand their value and success.

## BUDGET ALLOCATION

**HOW DID YOUR CLIENTS ALLOCATE THEIR ONLINE MARKETING SPEND?  
(2014, 2015 & 2016)**



### Kolmachee Marketing Budget

**Total = \$1,000.00**

Pre-campaign strategic	\$75
Writing, copy editing and proofing of email message	\$150
Custom graphic design for email template	\$150
Testing for deliverability to all the major ISP's	\$150
Sending email using our optimized server/IP address (10,000 recipients max. See below for additional fees)	\$75
Post-launch analytics report that shows open and click through rates with future recommendations	\$150

## Digital Marketing Budget Allocation



## CAMPAIGN FAILURE REACTION

If the campaign fails it is because I may have misjudged something, but that's OK. The more I do this, the better I'll get at it." I am sure every marketer on every agency has fail a campaign at some point. It's part of it. Someone more experienced will help me figure out what went wrong before my next campaign. By placing the defeat in context I will try to identify the causes of it that may be attributed to:

- a) Not sending enough. The first failure for many companies is not recognizing the value of email, and not putting sufficient resources into email nurturing and marketing. 80% of marketers use email, and 42% of businesses say email is one of their most effective lead generation channels.
- b) Sending too many. Almost as bad as not sending any email is sending too many. While there is no magic number of emails, keeping them relevant and timely is best. Too many will cause recipients to ignore our emails or unsubscribe.
- c) Send the wrong email. Match your email to your audience. Be sure we are sending content in line with your audience's desires.
- d) No personalization. A lack of personalization reduces the likelihood of our email getting opened. We will use your data to personalize messages.

Personalized email subject lines increase open rates for consumer products and services companies by 41.8 percent.

- e) No call to action. Be sure our email requests an action by the reader. If we don't have a call to action (like visit our website for a special or download a coupon), then we won't send that email.

## **RUNAWAY CAMPAIGN SUCCESS**

Once we get our email marketing going, we'll be sure to keep consistently refining our messages, lists, and content. We will always lose some contacts, but how we engage the rest and bring in new contacts is the difference between failure and reward. Thus, we will:

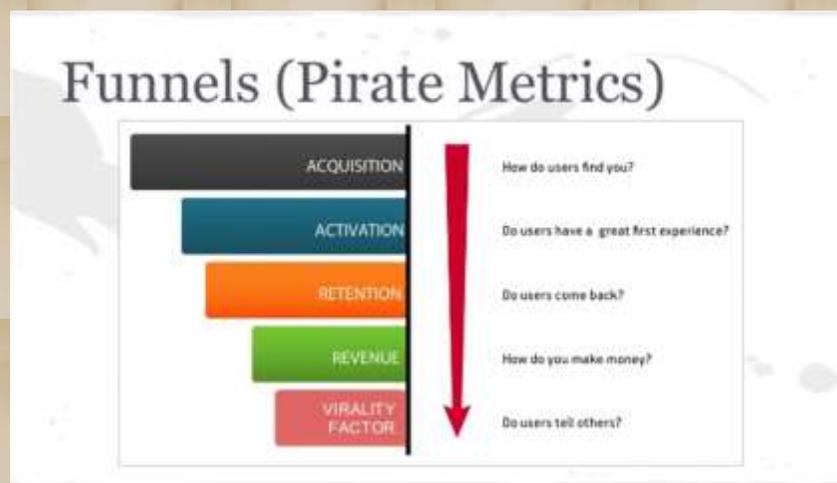
- a) Plan a schedule of nurturing emails. Whether it's a monthly schedule of updates or nurturing emails for new inquiries, we will plan a schedule to create and send emails. 55% of people prefer to communicate for business purposes via email.
- b) We will use automation software. Automation software will save us lots of time and headaches. It should also allow our contacts to manage their email preferences and meet Federal CAN-SPAM requirements for business
- c) We will optimize for mobile. 75% of people check their email accounts on mobile devices.
- d) We will segment our lists. Sending the appropriate message to the correct audience will improve conversion rates. We will not just send everyone everything. Email list segmentation increases click-through rates by 5 percent.
- e) We will try one last email to re-engage to keep our lists current. If a contact has not opened an email in a while (four or five emails), we will try sending them a re-engagement email with a simple action to keep receiving emails.

Example:

The screenshot shows an 'Email details' configuration window. It includes fields for 'From name and email address' with a 'Name' dropdown and 'yourname@company.com' email address, both with 'Add/Manage' buttons. The 'Subject line' field contains a merge tag '[[contact.firstname]] We hate to say goodbye' and has a 'Personalize' button. The 'Preview text' field shows a preview of the email content: 'We see you haven't opened any of our email lately. Maybe its time to say goodbye.' Below the preview is a note: 'Looks a bit short. Try to write a little bit more.' At the bottom are 'Done' and 'Cancel' buttons, and a small circular logo with three colored dots.

- f) We will clean our list by removing bad addresses and stop sending to people who haven't opened email in a while.
- g) We will deliver useful content or value by asking ourselves "What's in it for our customers?"

### Next Steps: AARRR metrics



## **DIGITAL MARKETING AND METRICS INDEX TERMS**

### **Affiliate marketing, network and software**

In affiliate marketing the ad information is transmitted through members of the network. The Google Display Network is an example of the partnership program. Google has an access to some Web site space, where the advertisement of partner member is placed.

### **Automation**

In marketing automation, small routine tasks are done by some automation software . The simplest example is a mass emailing to customers so that the message is still personalized. Marketing automation enables to sort prospects as well as build their commitment. Marketing automation creates new ways to for grow efficiency and measurement in campaign marketing.

### **Earned media**

Media is usually divided into own, paid and earned media. Earned media is media or communication about the subject, which is provided by someone, who is not in any direct relation to the owner of the subject in question. Earned media or “word-of-mouth” is a reward for worthwhile content and good SEO strategy. Your blog posts, infographic, video, press release, webinar are shared by third independent party. Shared links in Facebook, tweets and reposts are counted as earned media.

### **B2B marketing**

Marketing measures for promoting business-to-business companies services and products.

### **Banner**

Promotional image or short animation on a web-page.

### **Browser**

The browser (Internet Explorer, Firefox, Google Chrome) is special telescope from which the stars of the Internet is viewed through. Or television, that translates different programs in millions of TV-channels.

### **Contact**

Contacts have been used in traditional advertising analysis. When each of the ad may be exposed to the reader, viewer or listener are combined, the gross result is more people than the inhabitants of the realm is. The individual people are separated from net contacts. It should be noted that the contacts are always inaccurate estimates. The best part of digital marketing is a good measurability.

## **Conversion**

When random visitor becomes an active customer, we have just witnessed a conversion. There could be several different conversions for the same visitor at website. Frequently conversion means either rising online shop sales or a subscription for a company newsletter. Conversion is practical measurement of visitors' activity on a website.

## **Conversion percent**

The ratio of all site visitors to actual number of conversion.

## **Cookie**

The small note file stored in your browser's cache, that allows to remember and recognize a surfers repeated visits. For example, cookies are used by sites that requires a password. Unless the cookies are used, the password should be asked again after every click.

## **CPA – Cost Per Acquisition**

This is a Google AdWords pricing method, that is based on customized goals in AdWords. The advertiser pays only if and only when a user clicks on banner and completes a goal action, like subscribe for newsletter emails.

## **CPC or PPC – Cost Per Click or Pay Per Click**

This is a Google AdWords pricing method. Advertiser pays for click, which leads user onto his pages, but not for times the banner appears in browser.

## **CPM – Cost Per Mille(nia) or Cost per thousand impressions**

This is a Google AdWords pricing method. The advertiser pays for that thousands people see the ads. CPM is not in use on Google Search pages, but for example, in YouTube or other partners banner ads.

## **CPT**

It means sometimes the cost per thousand and sometimes cost per transaction. Neither of it is Google's official term. The actual terms are mentioned above.

## **CTR – Click Through Rate**

CTR is the ratio between how many times user clicks the ad vs. how many times the ad was shown. The ratio 1000 screens to 5 clicks equals CTR of 0.5% (which is quite valid example).

## **Digital Marketing**

Term is still forming. In the past, this meant only online banner advertising. Now, it refers to all marketing procedures that utilize digital potential, for example search engine optimization and marketing automation options.

## **Display Network – Google Display Network (GDN)**

The GDN is Google partner sites advertising network. The advertiser can choose a category of sites by the relevant topic. On these sites his ads will be placed. GDN does not include the search engines.

## **Google AdSense**

AdSense is a platform for cooperation Blogger and webmasters which want to sell ad space on its site in GDN program.

## **Google Adwords**

AdWords is a Google advertising service, for managing the advertising campaigns, as well as for advertising in Google search and in the Display Network.

## **Google Analytics**

GA is a service that allows you to track and analyze website visitors and their activities.

## **Hits**

Previously site traces calculated file downloads, but they have not been a reliable measure in years. When one page can bring one or twenty file downloads, it is clear that it was necessary to replace this with the superior analysis tools. Hits are no longer in active use.

## **Inscreen**

Inscreen measurement is used to check probability of seeing the ad by a site user. For example, an ad is displayed on the bottom of the first screen, or on the top of

second. Who could see it? Advertiser gets a lot better margins for money by using Inscreen.

### **Keyword Research Survey or Keyword**

Keyword research is a survey to find appropriate words to be used for digital advertising as well for content creation. These words are used these when searching for subject information.

### **KPI – Key Performance Indicator**

Key performance indicators show the status of the company. Key metrics usually include for example net profit and customer or employee satisfaction. KPI:s are generally important to a company's management, which is not involved in the daily operations.

Company future performance can be estimated by comparing history data to current state. KPI:s do not tell what should be done to change the direction or increase the speed. It requires more precise outcome and input indicators (leading and lagging).

It is important to select those KPI indicators that support the company's strategic goals. You get what you measure, and that is important to keep in mind.

### **Session**

The session begins when the user arrives on the website, and ends when he leaves the website (or after some time if the user does not do anything).

### **Owned Media**

Own media refers to own digital marketing channels used for digital marketing.

### **Page request, Page load**

Whenever the user clicks the link, there will a page request to the server. Based on that the page will be loaded. If the downloading is prevented or the other link is clicked before page is finished, page is requested without page load.

### **Paid media**

Paid media refers to digital marketing channels where the advertising space or the visibility is bought from someone, for example display advertising.

### **Personalization**

Personalization in digital marketing refers to the visitor targeted content based on visitor's previous digital behavior.

## **Quality score**

This is Google's scoring of the ad and the advertised landing page based on quality of page.

## **ROI – Return On Investments**

This is a way to evaluate the investment (capital) income as a percentage. This is the easiest way to determine whether a campaign or event was successful or not. In practice, things are much more complicated and ROI is used along with conversions.

## **RTB – Real Time Bidding**

Real-time bidding has been developed to an advertise term already in 2009. The ad space at web site goes to auctions, and is granted on the basis of the price and other matters. This is a nano-seconds moment between the user's click and page load, so it is in real time and without a human contact.

## **SEM – Search Engine Marketing**

**SEM** is a form of digital marketing, that increases the visibility in the paid sections of search engine results.

## **SEO – Search Engine Optimization**

SEO is a site refinement that makes it ranked as high as possible in search engine result pages. From the simplest point of view, it means good textual content and headings.

## **Social Media**

SoMe is the most hyped version of the Internet, but there is no simple definition of it. A distinctive feature is that one user might produce a content, and then discuss, comment, share and evaluate it. Facebook is one of the most famous SoMe service. Also blogs, discussion forums and chats are part of SoMe.

## **Tag Manager**

Google Tag Manager is a kind of tube, which allows to place a lot of extra relevant subroutines on site without changes in the actual code. GTM also helps to regulate subroutines and triggers.

## **Visitors and visits**

Visitors and visits are separated in the digital statistics, because these metrics draw different conclusions. Whenever someone arrives at the site it is a visit. Some of the visits might be made by the same visitor several times in a day. The unique visitor is separated from others by credentials (ID + password), or by stored a cookie file.

The distinction is obviously not waterproof. A person can use more than one browsers on the same computer (several visitors are actually only one person), or the same computer is used by several family members (one visitor is actually several different persons).

## **Web Analytics**

Website statistics and conclusions that come from analysis.

## **Website optimizer**

WO is Google's old optimization tool. Today, the features can be used with Google Analytics.