

## **MKTG 3825: Digital Marketing**

Fall 2011

Professor Laura Kornish

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KOBL 479 Office Hours Tuesday 1:30-3:30 and by appointment

### **Course Description**

What is digital marketing? In this course, we use a broad definition of it: digital marketing is all the things an organization does online to support its business. Those things can include displaying online advertising and participating in social media, but they can also include online listening and monitoring, search engine optimization, and email marketing. We will cover these approaches and other, nascent ones. Because this field is changing so fast, the course emphasizes underlying principles of the tools as well as habits and resources for identifying new trends. Two themes that cut across the course topics are 1) linking strategy and tactics and 2) measuring results.

### **Course Materials**

The course materials will primarily be posted on D2L. (D2L is the new learning platform that is replacing CULearn.)

In addition, there are several Harvard Business Publishing cases to purchase online. The link to those cases will be posted in D2L.

If you haven't read the book *Groundswell: Winning in a World Transformed by Social Technologies* (Josh Bernoff and Charlene Li, Harvard Business School Press), I suggest you do. It is not required for the course, but it contains widely used frameworks and lots of great examples.

### **Prerequisites**

The prerequisites for this class are the five BCOR 2000-level classes.

### **Evaluation Components (1000 points total)**

Assignments = 500 points total

- Listening Assignment, 75 points
- Driving Traffic Assignment, 150 points
- Ethical Code Assignment, 75 points
- Case Study, 200 points

Class participation and attendance = 100 points total

- Attendance, 50 points
- Class participation, 50 points

Exams = 400 points total

- Midterm exam 1, 100 points
- Midterm exam 2, 100 points
- Final exam, 200 points

### **Attendance and Class Participation/Contribution**

Attendance is worth 50 points in your grade. There are 30 class meetings; two of them are exams. For the remaining 28 class sessions, you receive 2 points for attending, up to a total of 50 points. That means you can miss three classes during the semester.

If you have to miss class, you do not need to let me know. Absences are not “excused” or “unexcused.” If you do miss, it is your responsibility to ask a *classmate* what you missed, to get all the relevant information from a classmate, and to make sure you complete any assignments. If you ask me, “I am going to miss class, is there anything I need to do?” I will know you have not read this section!

Class participation is worth an additional 50 points, determined at the end of the semester. Here are the questions I ask myself to evaluate class participation. Did this student

- Attend class?
- Come prepared for class?
- Actively participate in class discussions?
- Contribute to the classroom learning experience of his/her classmates?
- Interact in a pleasant and professional manner?
- Refrain from asking for exceptions to course policies?
- Adhere to the no electronics policy?

### **Major Course Learning Objectives**

1. Understand what activities comprise digital marketing and how to support marketing strategy with those activities.
2. Write actionable objectives for digital marketing initiatives.
3. Use lessons from the digital media industries to inform business model decisions in other industries.
4. Know what tools are available for listening and interacting online, use the most established ones, and establish habits for keeping up-to-date with the latest ones.
5. Learn how to use web site analytics tools and know how to interpret the data.
6. Know the major online advertising approaches and be able to make a case for how and why an approach should be used.
7. Recommend keywords (for websites and search ads) based on search behavior research and competitive analysis.
8. Know the fundamentals of establishing search ad campaigns and interpreting their results.
9. Integrate social media approaches into a digital marketing strategy.
10. Develop your own personal code of ethics surrounding digital marketing activities.

### **Electronics policy**

Unless otherwise stated, please do not use your computers, phones, or other portable electronic devices during class. I understand that computers can be useful for note taking, but I have found the use of electronics in class to detract from the classroom environment. I post the slides before most classes, and I encourage you to bring print-outs to class to take notes. There will be specific times when I will ask you to do something on a computer or device, but I will be very clear about the times that are “devices OK.”

### Late Assignments

Grades on late assignments will be reduced by 10% of the full assignment points for each day an assignment is late. Late days are counted starting from the due date and time (an assignment 2 hours late is one day late; an assignment 26 hours late is 2 days late, etc.). All days, including weekends and holidays, count.

### Missed Exams

I do not give make-up exams. If you miss one of the midterm exams due to a **documented emergency**, your final exam grade will count for the missed exam.

### Honor Code

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council ([honor@colorado.edu](mailto:honor@colorado.edu); 303-735-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-academic sanctions (including but not limited to university probation, suspension, or expulsion). Other information on the Honor Code can be found at <http://www.colorado.edu/policies/honor.html> and at <http://www.colorado.edu/academics/honorcode/>

### Disability Services

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Center for Community N200, and <http://www.colorado.edu/disabilityservices>.

### Planned Course Schedule

Please see D2L for the *actual* course schedule, along with detailed information about what to prepare for class.

Date	Topic(s)
	<b>Section 1: Course Introduction, Digital Media Industries</b>
Aug 23	Course Overview; What is digital marketing?
Aug 25	Digital Media Industries
Aug 30	Panel of recent grads working in digital marketing
Sep 1	Case: The News Industry's Painful Transition to the Digital Age
Sep 6	Trust, Privacy, and Ethics
	<b>Section 2: Digital Marketing Strategy</b>
Sep 8	Introduction to Digital Marketing Strategy
Sep 13	Case: eTown
Sep 15	Digital Marketing Strategy and Target Markets
Sep 20	Case: Suunto--Making Moves Count

<b>Section 3: Digital Listening and Learning</b>	
Sep 22	Intro to Section 3/Listening
Sep 27	Website Workshop
Sep 29	Web Analytics/ <b>Due date for Listening Assignment</b>
Oct 4	<b>Midterm exam 1</b>
<b>Section 4: Reaching Audiences through Digital Channels</b>	
Oct 6	Intro to Section 4/Online advertising
Oct 11	Case: eBay Partner Network (A), HBS 9-910-008 <b>Due date to submit your link for the Driving Traffic Assignment</b>
Oct 13	Email marketing
Oct 18	Case: Groupon, HBS 9-511-094
<b>Section 5: Having a Search-Friendly Digital Presence</b>	
Oct 20	Intro to Section 5/Search ads
Oct 25	Interpreting the results of search ads
Oct 27	Case: Air France Internet Marketing, KEL319
Nov 1	Search Engine Optimization
Nov 3	Guest Speaker: Chris Joel, Intermundo Media
Nov 8	SEO, continued
Nov 10	<b>Midterm exam 2</b>
<b>Section 6: Building Value through Digital Interaction</b>	
Nov 15	Intro to Section 6/Social Media <b>Due date for Case Study</b>
Nov 17	Guest Speaker: Joel Morrow, Mobile Fusion <b>Due date for posting Ethical Dilemma to D2L</b>
<i>Thanksgiving Break</i>	
Nov 29	Case: The Ford Fiesta, HBS 9-511-117
<b>Section 7: Course Wrap-Up</b>	
Dec 1	Discussion of student case studies
Dec 6	Discussion of student case studies <b>Due date for Driving Traffic Assignment</b>
Dec 8	Wrap-up <b>Due date for Ethical Code Assignment</b>
Exam	<b>Final exam</b> From the published schedule, it looks like our exam is <b>Wed Dec 14 7:30 p.m. -10:00 p.m.</b>

Last updated August 15, 2011  
PROVISIONAL. See D2L for current information.

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**Planned Detailed Schedule**

This is the *plan* for the class. The *official* schedule will be kept up to date on D2L, but this proposed schedule gives you a sense of what we will be doing in the class.

**Section 1: Course Introduction, Digital Media Industries**

**Class 1. (Aug 23)**

**Course Overview**

What does digital marketing mean? The answer to that question depends on “how digital” a business is. There are many ways that a business can be digital. The product or service may actually be delivered online (e.g., a web-based inventory application; NetFlix streaming), the product may be sold through online channels, or the company may use online venues for advertising and building community. We will use those distinctions to determine what digital marketing means for an organization.

Discussion of norms for use of electronic devices in class.

**Class 2. (Aug 25)**

**Digital Media Industries**

- Your media diets.
- Digital media industries.

The digital media industries, e.g., books, magazines, and music, play multiple roles in the marketing world: they serve as channels for delivery of marketing messages and they also face their own marketing challenges. Today we will discuss some of the major recent developments in these industries.

Prepare

1. Read “Chris Anderson: What I Read,” *The Atlantic Wire*, August 2010.
2. Fill out the media habits form and **bring a hard copy to class**.
3. Read this article from the *WSJ* that gives an overview of important trends in the major digital arenas for 2011: “Digital or Die --- New Businesses and Alliances Sprout Across a Quickly Evolving Industry,” January 2011.
4. Read this collection of *WSJ* articles that highlights important marketing challenges for digital media industries: newspapers, magazines, books, and music.
  - a. “Digital Media: New York Times Sets Pay Wall,” March 2011.
  - b. “Media: Time Inc. in iPad Deal With Apple,” May 2011.
  - c. “Corporate News: E-Book Fray's New Entries --- Barnes & Noble Shows Off Updated Nook Device; Amazon Answers Back,” May 2011.
  - d. “Lady Gaga Wars,” May 2011.

**Class 3. (Aug 30)**

**Panel of recent grads working in digital marketing**

#### **Class 4. (Sep 1)**

##### **Case: The News Industry's Painful Transition to the Digital Age**

The news industry is a prime example of an industry whose existence drastically changed by the development of digital technologies. Today we will discuss the case that describes issues in the industry as a whole and the business models of two local organizations.

Prepare

1. Come prepared to discuss the questions in the last section of the case.

#### **Class 5. (Sep 6)**

##### **Trust, Privacy, and Ethics**

Trust is an important issue in all of marketing, in all of business. In this class, we will discuss what the big "trust issues" are in digital marketing, look at some examples of how trust issues are related to strategic objectives, and look at a few general strategies to building trust. We will also look at the ethical issues in digital marketing that have cropped up over the course of the term. This conversation should prepare you for the assignment in which you prepare your personal digital marketing ethical code.

Prepare

1. Read "10 Best Practices for Success with Social Media," eMarketer, Ramsey, 2010, especially best practices 3-9.
2. Read the highlighted sections of "Online Display Advertising: Targeting and Obtrusiveness," *Marketing Science*, Goldfarb and Tucker, May-June 2011.
3. Read the FTC Endorsement Guides, 2009.  
<http://ftc.gov/os/2009/10/091005revisedendorsementguides.pdf>
4. Read the WOMMA ethical guidelines. <http://womma.org/ethics/code/>
5. Optional: The *Wall Street Journal* developed a series called "What They Know," about privacy concerns in online activity. The articles are posted here:  
<http://online.wsj.com/public/page/what-they-know-digital-privacy.html>

## Section 2: Digital Marketing Strategy

### Class 6. (Sep 8)

#### Introduction to Digital Marketing Strategy

Digital marketing strategy: hierarchies of objectives.

Prepare

1. Read the Green Garage caselet. Come prepared to discuss the questions at the end.

### Class 7. (Sep 13)

#### Case: eTown

eTown is a Boulder-based non-profit organization, dedicated to music and social causes. They put on a live show every week and produce a widely distributed radio show from it. In this case, we will look at the challenges and opportunities that they face due to the changing digital landscape.

Prepare

1. Come prepared to discuss the questions in the last section of the case.
2. Optional but recommended: listen to a podcast of eTown.

### Class 8. (Sep 15)

#### Digital Marketing Strategy and Target Markets

- Two technology-relevant lenses for target markets:
  - Technology adoption life cycle (TALC).
  - *Groundswell* technographics.

Prepare

1. Look at the slide deck that summarizes some of the main points from *Groundswell*, the hot book from 2008 about Web 2.0:  
[http://www.forrester.com/imagesV2/uplmisc/groundwell\\_web20.ppt](http://www.forrester.com/imagesV2/uplmisc/groundwell_web20.ppt)  
Slides 7, 8, and 9 hit their key ideas (with little explanation, but we will discuss in class). The second half of the deck shows examples from the book. (I encourage you to read the book, but I do not require it.)
2. Read the “Chasm Notes” (a synopsis of the main points of *Crossing the Chasm* by Geoffrey Moore, 2002).

### Class 9. (Sep 20)

#### Case: Suunto--Making Moves Count

Suunto is a Finnish company that makes precision instruments for outdoor activity. In this case, we will look at their digital initiatives. In the class discussion, you will articulate their strategy and propose how the strategy can be used to guide decisions about an online community, ecommerce, and business expansion.

Prepare

1. Come prepared to discuss the questions in the last section of the case.

### Section 3: Digital Listening and Learning

#### Class 10. (Sep 22)

##### Intro to Section 3/Listening

- Introduction to Section 2 of the course
- Market research on the web—listening to, analyzing, and presenting the information
  - Introduce Listening Assignment

##### Prepare

1. Read the Listening Assignment and come prepared to ask questions.
2. Read about Nielsen's BuzzMetrics Services at [http://www.nielsen-online.com/products\\_buzz.jsp?section=pro\\_buzz](http://www.nielsen-online.com/products_buzz.jsp?section=pro_buzz)
3. On information graphics:
  - a. Read *Things that Make Us SMART* (Norman), pp. 55-65, 93-100
  - b. Read about Tufte's concept of data-to-ink ratio at [http://www.infovis-wiki.net/index.php/Data-Ink\\_Ratio](http://www.infovis-wiki.net/index.php/Data-Ink_Ratio)
  - c. Read some of the recent posts at the Junk Charts blog <http://junkcharts.typepad.com/>
  - d. Check out some of the information graphics at <http://www.informationisbeautiful.net/visualizations/>  
What do you think of them? Do they have a good data-to-ink ratio?
  - e. Totally optional, but fun:  
Check out the OKCupid blog, which makes excellent use of infographics based on data from their online dating site. (Warning: PG-13.)  
<http://blog.okcupid.com/>
  - f. Optional but possibly helpful for the Listening Assignment:  
Chapter 2 of *Beautiful Visualization*.

#### Class 11. (Sep 27)

##### Website Workshop

##### Prepare

1. Bring a computer to class today.

## **Class 12. (Sep 29)**

### **Web Analytics**

Today we will be looking inside Google Analytics. Before class, you will need to have access to a Google Analytics account, either the leedsdigitalmarketing site or another site (by your own arrangement). We will look at what can be tracked—how and why, conversions and funnels, and ecommerce tracking.

#### Prepare

1. Before class, make sure you have access to the Google Analytics for the leedsdigitalmarketing site or another site.
2. Bring a computer to class today.
3. To familiarize yourself with Google Analytics (GA), watch this nine minute video: <http://www.youtube.com/watch?v=qfG2d9etvk>.
4. If you want to read more about GA, check out the resources at [http://www.google.com/analytics/discover\\_analytics.html](http://www.google.com/analytics/discover_analytics.html), especially the “Read the Getting Started Guide” link.
5. **Listening Assignment due: bring a printout.**

## **Class 13. (Oct 4)**

### **Midterm exam 1**

## Section 4: Reaching Audiences through Digital Channels

### Class 14. (Oct 6)

#### Intro to Section 4/Online advertising

Today we will dive into the first topic in Section 3: online advertising. We will cover display advertising, ad networks and exchanges, and retargeting. Later in the course, we will cover another type of online advertising, search ads.

Prepare

1. Read "The Online Advertising Industry: Economics, Evolution, and Privacy," *Journal of Economic Perspectives*, Evans, 2009.
2. Read these two blog posts from the Ad Ops Insider blog about the evolution of ad networks and exchanges.
  - a. History of the Ad Exchange Landscape Part I: Rise of the Ad Networks (April 28, 2011)  
<http://www.adopsinsider.com/ad-exchanges/history-of-the-ad-exchange-landscape-part-i-rise-of-the-ad-networks/>
  - b. History of the Ad Exchange Landscape Part IV: The Ad Network Is Dead, Long Live the Ad Exchange (May 3, 2011)  
<http://www.adopsinsider.com/ad-exchanges/history-of-the-ad-exchange-landscape-part-iii-the-ad-network-is-dead-long-live-the-ad-exchange/>
  - c. Optional: Parts II and III of the series. You can find them by following the links starting from Part I (above).

### Class 15. (Oct 11)

#### Case: eBay Partner Network (A), HBS 9-910-008

In this case, we look at eBay's use of an affiliate marketing program. At the time of the case, eBay was deciding whether to continue to use Commission Junction, the largest affiliate network, to manage its affiliate program, or to move the program in house.

Prepare

1. Come prepared to discuss the following questions:
  - What is an affiliate program?
  - Why would a site like eBay use one?
  - What are the major drawbacks of an affiliate program (to the website trying to market itself)?
  - What are the key reasons that eBay should bring its affiliate program in house? What are the key reasons that they should keep it outsourced?
2. **Due date to submit your link for the Driving Traffic Assignment**

**Class 16. (Oct 13)**

**Email marketing**

Email marketing can be an effective way to stay in touch with customers and stakeholders. In this class, we will talk about the key email marketing metrics and best practices.

Prepare

1. Read "10 Best Practices for Email Marketing," eMarketer, 2011.

**Class 17. (Oct 18)**

**Case: Groupon, HBS 9-511-094**

This case covers Groupon, which offers deeply discounted daily deals for merchants in geographic markets. The case describes the incredible growth trajectory Groupon has followed and presents some of the challenges to them in the future.

Prepare

1. Come prepared to discuss the following questions:
  - What is the value proposition that Groupon offers to merchants? What kind of merchant especially benefits from that value proposition?
  - What are Groupon's competitive advantages? Where are they competitively vulnerable?
  - In the last paragraphs of the case, Andrew Mason expresses his "innovate or die" sentiments. What types of innovative approaches for Groupon are suggested in the case? Which, if any, of these should they pursue?

## Section 5: Having a Search-Friendly Digital Presence

### Class 18. (Oct 20)

#### Intro to Section 5/Search ads

Today we will start Section 5 of the course, about having a search-friendly digital presence. We will start by talking about search ads, the sponsored links that show in search engines in response to search terms. Google's system is called AdWords, and we'll cover how to set up campaigns, how the bidding system works, and how to interpret the data.

Prepare

1. Read the following materials in the AdWords Learning Center at this URL:  
<http://adwords.google.com/support/aw/bin/static.py?hl=en&page=learningcenter.cs>  
This link takes you to "exam study materials." Read all of the materials in sections 1 (Introduction to AdWords), 2 (AdWords Account and Campaign Basics), and 3 (AdWords Ad Formats) and sections 4.1 (Overview of Targeting and Placements), 5.1 (Overview of Bidding), and 6.1 (AdWords Policies).

### Class 19. (Oct 25)

#### More on interpreting the results of search ads

### Class 20. (Oct 27)

#### Case: Air France Internet Marketing, KEL319

This case gives you a chance to examine data from four search ad channels that Air France was using circa 2007: Google, Yahoo, MSN and Kayak. (Note that the spreadsheet with the data is posted.) Your job is to recommend how each of these channels should be used.

Prepare

1. Come prepared to discuss the questions in the last section of the case.

### Class 21. (Nov 1)

#### Search Engine Optimization

- How to pick keywords, research tools for selecting them, what to do with them once you have picked them. Long tail vs. head words. Competitive analysis of keywords.
- Looking at the page source (HTML) for a web page.
- Getting links to your site.

Prepare

1. Read SEOMoz's "The Beginners Guide to SEO," Chs 1-6  
<http://guides.seomoz.org/beginners-guide-to-search-engine-optimization>
2. Read the results of the 2011 survey of SEO professionals about what matters in search. The link to the main page is below, but you need to click through the different sections of the site (e.g., Correlation & Survey Data, Predictions & Opinions) to get the full results.  
<http://www.seomoz.org/article/search-ranking-factors>
3. Read "Inside the Box: How Google's Algorithm Rules the Web," *Wired*, Levy, March 2010.  
[http://www.wired.com/magazine/2010/02/ff\\_google\\_algorithm/](http://www.wired.com/magazine/2010/02/ff_google_algorithm/)

**Class 22. (Nov 3)**

**Guest Speaker: Chris Joel, Intermundo Media**

**Class 23. (Nov 8)**

**SEO, continued**

Today in class we will critique the SEO of [negotiatebetterdeals.com](http://www.negotiatebetterdeals.com), a website of Deming Center board member Joyce Colson. In addition, if a class member would like to propose a site to analyze, please let me know before October 25 and I will announce it to the class.

Prepare

1. Read SEOMoz's "The Beginners Guide to SEO," Chs 7-10  
<http://guides.seomoz.org/beginners-guide-to-search-engine-optimization>
2. Read this post by Ken Barber: <http://digitalmarketingupperhand.com/2009/12/20/10-most-common-web-design-mistakes/>
3. Alone or with a partner, come prepared to give your critique of the SEO efforts of <http://www.negotiatebetterdeals.com>.

**Class 24. (Nov 10)**

**Midterm exam 2**

## Section 6: Building Value through Digital Interaction

### Class 25. (Nov 15)

#### Intro to Section 6/Social Media

We will discuss the range of activities that fall under social media, and how to keep up with the latest developments in this fast-changing field. First we will look at how social media can influence the strategic question of what the company or organization's value proposition is. For example, in the Suunto case, a social experience became part of the value of the product. Second, we will look at measurement of social media investments. Some firms have doubts that social media is a good investment, but everyone seems to be doing it. We will discuss challenges to developing convincing ROI measures and best practice approaches.

Prepare

1. Read "Where Does Social Media Fit Within an Organization?" eMarketer, Verna, 2010.
2. Read "Seven Guidelines for Achieving ROI from Social Media," eMarketer, Ramsey, 2010.
3. Read "What's Your Social Media Strategy?" *Harvard Business Review*, Wilson et al., July-August 2011.
4. **Case studies due.**

### Class 26. (Nov 17)

#### Guest Speaker: Joel Morrow, Mobile Fusion

Prepare

1. **Due date for posting Ethical Dilemma to D2L**

Week of Nov 21 is Thanksgiving

### Class 27. (Nov 29)

#### Case: The Ford Fiesta, HBS 9-511-117

This case covers The Fiesta Movement, a digital marketing campaign used to promote the U.S. launch of Ford's subcompact, the Fiesta.

Prepare

1. Come prepared to discuss the questions raised by Chantel Lenard on p. 2 of the case:
  - "What are we doing to control the messages and activities of the Movement, and is it enough, too, little, or too much?"
  - "What do we need to measure to decide whether it is performing?"

**Section 7: Course Wrap-Up**

**Class 28. (Dec 1)**

Discussion of student case studies

**Class 29. (Dec 6)**

Discussion of student case studies

Prepare

- 1. Reports for Driving Traffic Assignment due**

**Class 30. (Dec 8)**

**Wrap-up**

Prepare

- 1. Ethical code due**

**Final Exam**

**Date TBA.**