

**A**

**Project Report on IMPACT AND RETURN ON INVESTMENT OF  
ONLINE MARKETING STRATEGIES FOR SMALL AND MEDIUM  
ENTERPRISES BY MK SERVICES**

**SUBMITTED**

In the Partial Fulfilment of The Degree of  
Bachelor of Business Administration (Marketing)

Submitted to  
Tilak Maharashtra Vidyapeeth, Pune.

Submitted by  
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**SHATAYU COLLEGE OF PROFESSIONAL STUDIES, NAGPUR.**

Tilak Maharashtra Vidyapeeth

Gultekdi, Pune, 411037

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# Tilak Maharashtra Vidyapeeth, Pune

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**Vidyapeeth Bhavan, Gultekdi, Pune – 411 037**

## CERTIFICATE

*This is to Certify that the project titled In the Partial Fulfilment of The Degree of Bachelor of Business Administration (Marketing) is a bonafide work carried out Mr./Ms. Mukund Nareshrao Kadu a student of Bachelor of Business Administration Semester 6<sup>th</sup>, Specialization in Marketing PRN. \_\_\_\_\_ under Tilak Maharashtra Vidyapeeth, in the year 2020-21.*

**Head of the Department**

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**Date :**

**Place :**

**Vidyapeeth Seal**

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## **TO WHOMSOEVER IT MAY CONCERN**

**(To be taken on Company's Letter Head)**

This is to certify that Mr. / Ms Mukund Nareshrao Kadu BBA Student of **Tilak Maharashtra Vidyapeeth, Pune** has successfully completed their project work for award of **Bachelor Degree of Business Administration.**

He / She has done the project on "Impact & Return on investment of online marketing Strategies for Small & Medium enterprises"

**Company Name**

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**Designation**

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## **Certificate of Internal Guide**

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This is to certify that the project titled on **IMPACT AND RETURN ON INVESTMENT OF ONLINE MARKETING STRATEGIES FOR SMALL AND MEDIUM ENTERPRISES BY MK SERVICES** is a bonafide work carried out by Mukund Nareshrao Kadu a candidate for the award of Bachelor of Business Administration of Tilak Maharashtra Vidyapeeth, Pune under my guidance and direction.

Signature of guide

Name:

Designation:

Institute:

Date:

Place:

**Project On**

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**Bachelor of Business Administration (Specialization)**



**Submitted in partial fulfillment of the requirements for award of Bachelor of Business Administration of Tilak Maharashtra Vidyapeeth, Pune.**

**Submitted by**  
**Mukund Kadu**

**PRN:**  
**of**  
**(Centre Name & Place)**

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**Tilak Maharashtra Vidyapeeth**  
**Gultekdi , Pune 411037**

## Index

<b>Sr No</b>	<b>Chapter Number</b>	<b>Name of the Chapter</b>	<b>Page No.</b>
1	Chapter 1	General Introduction	7
2	Chapter 2	Introduction to the problem	9
		• Title of the project	10
		• Statement of the problem	11
		• Purpose of the study	12
		• Scope of study	13
3	Chapter 3	Profile of the company	14
4	Chapter 4	Theoretical perspective	16
5	Chapter 5	Research Methodology	25
		• Data collection Method	27
		• Sampling Form	27
6	Chapter 6	Data Analysis and Interpretation	28
7	Chapter 7	Findings	38
8	Chapter 8	Limitations	40
9	Chapter 9	Conclusion and recommendations	42
10	Chapter 10	Appendix	45
		• Questionnaire	
		• Bibliography	48

# CHAPTER 1

## General Introduction

The 20<sup>th</sup> century has been strongly marked by the explosion of the Internet. This phenomenon shattered the economy, the politics and the social behaviours (Castells, 1996). Concerning politics, Internet has been seen and used as an indicator of a country's level of democracy (Anderson, Bikson, Law & Mitchell et al., 1995) but also as a way to bring back participatory democracy (Anderson, Bikson, Law & Mitchell et al., 1995; Naisbitt, 1982; Deaken, 1981; Rheingold, 1993; Geser, 1996). In terms of social behaviors the web leads to the access to low-cost information. It acts as a moderator of inequality and discrimination as everybody is allowed and able to find it (Anderson Bikson, Law & Mitchell & al., 1995; Hauben & Hauben, 1997). Nevertheless, according to Novak and Hoffman (1998) and NTIA (1995, 1998, 1999) the Internet has also created and increased inequalities since it is not equally distributed all over the world. In addition, it has been shown that Internet has widened the information gap between people as the Internet users inform themselves not only by online sources but also with the traditional TV, radio and Newspaper (Robinson, Barth & Kohut, 1997; Robinson, Levin & Hak, 1998). It does not mean that Internet as a whole is negative. On the contrary its impact is huge and it incredibly participates to the globalization of the world. Therefore, it is not rare that a developed country in which Internet is everywhere occupies a high place in the global economy. Meanwhile the Internet arise, many companies have seen its potential. According to Internet world stats, the numbers of Internet users grew by 528,1 per cent between 2000 and 2011 (fig.1). Some of them understood that using the web for their commercial activities would make them really successful. Indeed, the Internet made the communication between businesses and customers much more effective, easier and faster (Rowley, 2001). Thanks to the elevation of the Internet and its technologies, companies are now able to reduce their costs significantly while they can extend their geographical boundaries. For small and medium enterprises,

Internet is also the tool that allows them to access and maintain their presence on certain markets ruled by giants' groups.

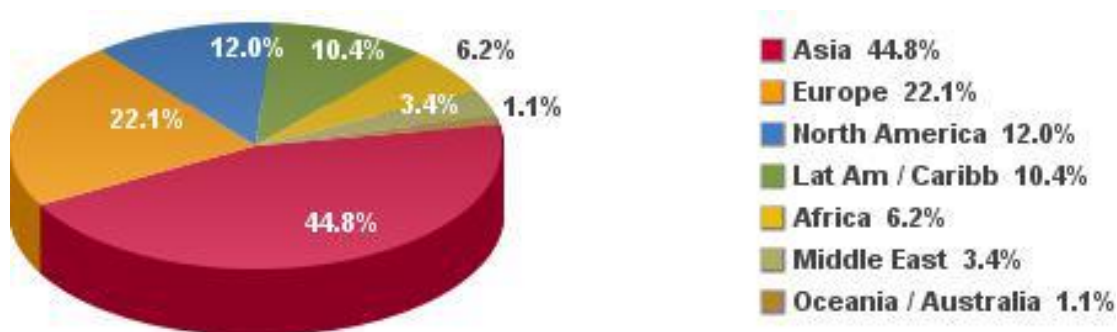


Figure 1: Numbers of Internet users over the world in 2011



## CHAPTER 2

### Introduction to the problem

**Title of the project**

**IMPACT AND RETURN ON INVESTMENT OF ONLINE MARKETING  
STRATEGIES FOR SMALL AND MEDIUM ENTERPRISES**

## **Statement of the problem**

There are a lot of questions that need to be answered in order to draw the conclusion of the thesis. But the research previously made before conduct to raise these main questions:

-Is online marketing effective for small and medium businesses?

-How to determinate the return on investment of online marketing for small and medium businesses?

-Is it relevant for small and medium enterprises to outsource such strategies?

## **Purpose of the Study**

This subject is largely discussed in our today's environment. Internet is widely used and marketing is following this trend. Traditional ways of marketing as TV 's or magazine 's advertisement is less powerful and often not adapted for SMEs because of huge costs and low return on investment. For instance, 78% of customers trust peer recommendations online while only 14% and only 18% of TV campaigns generate positive revenue (Box Hill statistics). Therefore, I think it is relevant to show how a small to medium business should deal with small revenues and stay competitive in their marketing strategies.

The most instinctive way to measure digital advertising ROI is to track metrics that tie directly to revenue and profit (think conversions, opportunities, etc.). While it sounds great on paper, in the real world, this oversimplified view can paint an inaccurate picture of your ROI, especially if your product is sold at a low price per unit. Big picture measurement often factors in soft metrics—things like brand impressions, impressions, website visitors, and downloads—which help tell a more complete story.

## **Scope of study**

**Small and medium enterprises (SME's):** According to the European Commission, 'the category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro, and/or an annual balance sheet total not exceeding 43 million euro.'

**Online Marketing:** For Susan Ward expert in e-marketing, 'it is the art and science of selling products and/or services over digital networks, such as the Internet and cellular phone networks. The art of online marketing involves finding the right online marketing mix of strategies that appeals to your target market and will actually translate into sales. The science of online marketing is the research and analysis that goes into both choosing the online marketing strategies to use and measuring the success of those online marketing strategies'.

**Return on Investment (ROI):** 'Return on Investment (ROI) analysis is one of several commonly used financial metrics for evaluating the financial consequences of business investments, decisions, or actions. ROI analysis compares the magnitude and timing of investment gains directly with the magnitude and timing of investment costs. A high ROI means that investment gains compare favourably to investment costs' (Encyclopedia of Business Terms and Methods, 2011 by Marty J.Schmidt).

## CHAPTER 3

### Profile of the Company

MK Services is a Digital Marketing agency in Nagpur giving to Ecommerce, inns, cafés, travel organizations, media houses, and the travel industry sheets offering online life, versatile advertising, Search engine marketing, SEO, Content Marketing, for more than 350 organizations. Our innovation and experienced digital managers assume control over your business income age stresses." MK Services assist in setting up a dependable balance on the Search Engines for Search Engines and Social Media. MK Services interface brands with alluring advanced crowds by method for key approach, brave imagination, and dazzling structure. A Google Cloud Partner and one of the professional Website & Cloud Email Management Company in India that help organizations to build and protect their online presence. MK Services provide specialized website maintenance and management solutions so that the website would not be an obstacle to achieve your marketing goals. MK Services are always available round the clock through our various communication channels. MK Services stand out as "India's First Systemized Website Management Company" by insisting on pushing the boundaries of the website, and by delivering work of the highest quality on-time and on-budget.

Since 2010, MK Services with its head office in Nagpur, has diligently worked to secure its reputation as a leading IT & Web Agency with services as per international standards.

Bing a Google Cloud Partner, we assist you in modernizing your IT infrastructure by deploying cloud solutions that brings organization effectiveness to meet your business goal and drive growth.

### **Vision of the Company**

Influence our profound skill and significant comprehension of customer's business space territories and prerequisites to make a customized fit answer for their individual business needs.

### **Mission of the Company**

To Create the Most Trusted Website and Cloud Email Management Company of India by providing fast and innovative solution at utmost convenience.

## CHAPTER 4

### Theoretical perspective



## 3.1 Online Marketing

As the term Online Marketing has already been defined in the Introduction, this part will be used to describe its most important components. The focus will be Search Engine Optimization, Social Media Optimization and Networking and Website Optimization. The aim of this part is to broaden the mind of any person who would like to know more about the fundamentals of Online Marketing.

### 3.1.1 Search Engine Optimization

A Search Engine is a website which aim to index and class other web sites according to its content. The ultimate goal for any web site is to being easily reachable on these Search Engines. The most famous and used all over the world is the well-known Google heading Yahoo and Bing (Ghose and Yang 2009). As Google is the uncontested leader of the market (Fig.2), most of the theory is based on it (definition, technics etc.). The impact of the Search Engines is huge for any website as in 2009, 81 per cent of the Internet users start their surf on search engine web pages. For instance, 80 per cent of people, who want to buy car, search for a car by using search engines (internet 2, 2009).

Search Engine	Total AVG	Oct ´11	Nov ´11	Dec ´11	Jan ´12
Google	80,40%	81,09%	79,21%	80,87%	81,10%
Bing	8,81%	8,49%	9,46%	8,55%	8,40%
Yahoo	7,96%	7,73%	8,54%	7,76%	7,43%
Ask	1,51%	1,27%	1,44%	1,57%	1,71%
AOL	1,32%	1,41%	1,34%	1,24%	1,36%
Other	0,01%	0,00%	0,01%	0,01%	0,00%

Figure 2: Search Engine Market Share

In order to determine the relevancy of a web site and its rank compare to others the Search Engine will go through different and complex steps by using software. They are commonly called crawlers, spiders or bots. These programs will navigate through the web pages of web sites by their hyperlink structure. Data about the web sites are collected to be indexed and stored on a database. Consequently when someone is looking for something on a Search Engine, the query is analyzed and the information is found contingent on the related database. Each Search Engine follows its own algorithm and it keeps evolving over the time to display the most relevant results for users (Iyiler, 2009).

The science of Search Engine Optimization is a continuous process of understanding and adaptability. Indeed, most of the Search Engine users only visit the first few results pages (Fig.3). Only the following of certain rules and principles allowed a web page to move to the top pages of the Search Engine and to an incredible number of potential clients.

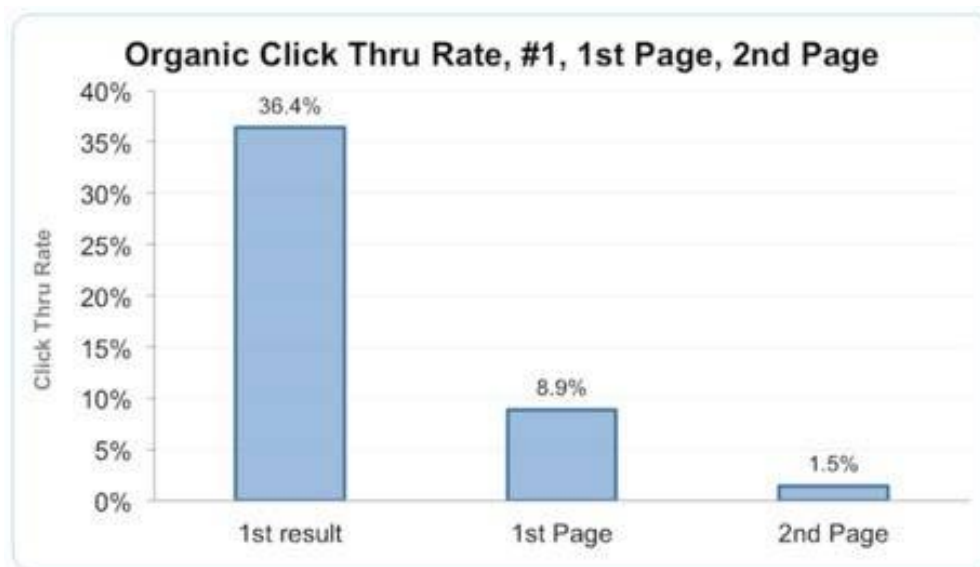


Figure 3: Importance of search engines page one

### 3.1.2 Keywords

According to Westbrook, optimizing Search Engine starts with the identification of the right keywords for each of the page of a website. A keyword is a word or a couple of

words that characterize a business and that potential customer will type on the Internet to find out what they are looking for.

Identifying keywords is a quite easy job when the target is clearly defined. If not, the first step is to brainstorm and think about the right person to advertise the products. Then a keywords analysis needs to be performed by writing down a large list of keywords and narrow it down afterwards. Some free tools can give a good help. For instance, the Google keywords tool is able to tell the local and global number of view per month of any Keywords. It will also propose related keywords to the ones you type which can always bring to mind forgotten ideas (Ledford, Jerri L., 2008)

In the keywords research, it is important to take in account not only single keywords but also what are called “long tails” keywords. This expression have been made famous by Anderson (2006) and reemployed through studies from Brynjolfsson et al. (2007) and Elberse and Obergolzer-Gee (2006). They have been explaining that “the phenomenon that the distribution of demand across products has shifted away from blockbuster products to niche products” meaning that there are an incredible numbers of keywords available and many internet users are likely to type two or three words to execute a search on a Search Engine. The other advantage is that the competition is lower compare to single keywords. This way of optimization is an easier way to reach the first pages of the search engines results with a low time and cost consuming which is great for small companies. Of course the numbers of searches per month are less important with long tails but in some cases they could be really interesting. Therefore, from these “long tails” keywords opportunities, it will be possible for small businesses to expand their visibility online.

As seen before the relation between keywords and Search Engines is crucial. Hence, the previously sectioned Keywords need to be present in the Uniform Resource Locator (URL) of the website, in all the Meta tags, in pictures URL or files and spread all over the pages of the website. Obviously, the goal is not to flood the web site with its keywords as it can easily be considered as spam by the Search Engine bots. In general, the keywords density is around 3 to 5 keywords for 100 words (Chris Genge, 2010).

### 3.1.4 Links

Being visible on Search Engines is also a matter of interaction between websites. It is compulsory for a website to include links to other content related web sites and the other way round to be linked on appropriate web sites. Graham and Pettijohn stated that “the primary means through which new web pages are discovered is when they are linked to from existing indexed pages”. There are various opinions about linking strategies but mixing up the different strategies will lead to the best results in order to generate better position in the search engines results pages (Shaun Anderson Hobo, 2012).

One of the first things to do is to get linked with pages which get a high Page Rank. Page Rank is a complicated algorithm invented by Google representing a numeric value (between 0 and 10) and which determine how important a page is on the web (10 being the highest PR). Google figures that when one page links to another page, it is effectively giving a vote for the other page. The more votes that are given for a page, the more important the page must be. Also, the importance of the page that is driving the vote determines how important the vote itself is. In general, a high page rank gives trust to the eye of search engines. And being linked with trust sources led to a better consideration towards search engines (Ledford, Jerri L., 2008).

Then it is important to include keywords in the anchor text which is simply the text in the link. In fact, writing click here in the anchor text will not bring anything to the search engines. On the contrary, including keywords there is more likely to be noticed and taken in account by the same search engines. It is therefore susceptible to make the page web increase its results (Ledford, Jerri L., 2008).

Good links are the links surrounded by text, the ones inside articles. In other words, a link to a website from another website is more valuable by search engines if it is displayed close around text that is relevant to the web site and not only thrown on a list of hundreds of links. There are difficult to obtain but are really worth it. In fact, they appear as more natural for the search engines bots (Fig.4).

Finally, it is better to link a website to another one according to their content. They should be about the same subject matters or related ones (Ledford, Jerri L., 2008).



Figure 4 Linking Pyramid

### 3.1.5 Directory Submission

Directories are online platforms that organize links in many categories and sub- categories. The two main existing directories are DMOZ and Yahoo. Indeed, directories are seen as potent referral systems by search engines and people who are searching for something through directories are targeted traffic as so far as they find trusted links through really detailed categories. The submission to such platforms has to be done manually and it consists most of the time on a questionnaire together with a short summary about the matters of the website that will be submitted. Secondly, the application and the links provided will be reviewed by a human who deliver a high trust level. Since a website is registered to these directories, the search engines will see it easily and give it more credits than another one which is not submitted to a directory.

The other advantage of submitting web sites to directories is the fact that they are crawled by the search engines first. In other words, the provided link will be indexed

in priority by the search engines and the time to be more visible online is therefore reduced (Ledford, Jerri L., 2008).

Even if the action of submitting a link to the directories is long and repetitive, the outcome is really worth it. Besides the previously mentioned advantages, directory submission also delivered one-way links (or inbound links) that are high valued by the search engines. What is more, while submitting links to these directories it is possible to write a different anchor text than the link provided. It means that once again it is possible to add keywords that will improve the search engine ranking. Last but not least asset of the directories is that there are mostly free.

## 3.2 Social Media Marketing

The phenomenon of social media is recent but important. Previously considered as a little part of search engines optimization, social media are now everywhere. They are defined as the technologies and the practices that are using to share various content, opinions, insights, experiences, perspectives, and multi-media (Ledford, Jerri L., 2008). Social Media are the results of social networks sites interaction. The aim of these sites is to allow people to create a profile and connect with other people (Danah m. Boyd, Nicole B. Wllison). Some of the most famous social networking sites are LinkedIn (2003), Facebook (2006) and Twitter (2006). For instance in 2011, Facebook counted around 750 million active users which spent 700 billion minutes connected on one single month (Facebook, 2011).

### 3.2.1 Web 2.0

While talking about social media, the concept of web 2.0 needs to be presented. In fact, it describes well how the use of internet changed. Before, people were using internet to inform themselves and their peers. But that was it. Now, opinions and information are shared with everybody and instantly. Consequently, the brand image of a company can face quick and strong changes either positives or negatives. The internet is now used as an application were people exchange and communicate about their common interests (Danah m. Boyd, Nicole B. Wllison).

From there on, any business should be aware of these new tools and use them as strengths. This is called social media optimization according to Rohit Bhargava is a “process of optimizing a site/blog to be more visible in social media searches and sites, more easily linked by other sites, and more frequently discussed online in blog posts and other social media. It is all about spreading news and information about the company and building a strong online presence in order to get more traffic”.

The first thing to know is that optimizing a business to social media is not a huge monetary investment. In fact, it will take time to get results and this implies human resources expenses but tools are in general all free. Understanding social media optimization is taking into consideration that people are not waiting for something. The social media journey starts with joining communities and creating relationships by providing useful contents and participating by sharing expertise to the existing members of these same communities (Danah m. Boyd, Nicole B. Wllison). At this point, people can eventually give credibility to the company and relayed it to other connections. It is the beginning of the brand image development and the expansion of the network.

Moreover social media optimization strategies imply complete different tasks compare to the search engines optimization but they have to be done in parallel. The term of social media optimization has been defined by Rohit Bhargava through five essential steps. Its first analyze has been made in 2006. But since the world of social media never stops to grow and change, he updated his findings in 2010.

Create shareable content is the first step to optimize social media according to Rohit Bhargava. Indeed, in his first work he focused more on getting a lot of links which was the only way to bring traffic to a web site. Today, with new platforms like tweeter the content is liked (Facebook) or tweeted (Twitter) by the users. The advantage is that it is really fast but also it automatically shares it on their social networks profile to all their connections. It could be explained as a virtuous circle. The more the content is liked, the more it is shared and the more people will see it.

In addition to a shareable content it is important to make it easy to share (Rohit Bhargava). That people has only to click on one button to make it available to their networks without thinking too much and in two seconds. This is really easy to create and to use. The person only has to click on the icon of network where he wishes to share it. A confirmation box will appear and he can also leave a comment. Then it is automatically published on his profile (figure 5).

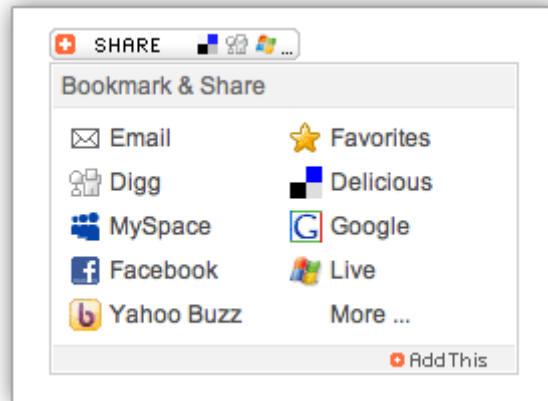


Figure 5: A social widget

The third step mentioned by Rohit Bhargava is to reward engagement. It is not new that recognition has always been a very important factor for everybody on earth as Abraham Maslow explained it in his famous research about the human's hierarchy of need (Maslow, 1943). Hence, findings ideas to thanks involved people/customers will encourage them to continue to be active around the business and very positive about the brand image.

Then another key of success in the social media optimization is to proactively share contents. It can be articles, free papers, videos or information related to the area of the business they are looking for. This content has to be published on different social networking platforms in order to touch as much persons as possible and on frequent bases. The followers have to stay fed by new contents but not to feel flooded by it.

The last basic step to be effective in the understanding of social media optimization is to encourage mash up. In social media optimization, it refers to fact that people will transform what is given to them by adding their own inputs and thoughts. For that matter, the social media expert Rohit Bhargava said that "allowing people to take an ownership over the social content you publish will continue to be a key way that you can optimize your content for the social web".



## CHAPTER 5

### Research Methodology

The research method which will be used in this thesis will be both qualitative and quantitative research.

On the one hand, qualitative research has been defined by many researchers (Patton, 1990; Denzin and Lincoln, 1994). It has been established that qualitative research is “multi-method in focus, involving an interpretive, naturalistic approach to its subject matter” (Jha, N.K, 2008). It means, that qualitative researchers “study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them” (Jha, N.K, 2008). Any qualitative research includes various empirical materials as “case study, personal experience, introspective, life story, interview, observational, historical, interactions, and visual texts -the described routine and problematic moments and meanings in individuals' lives” (Jha, N.K, 2008).

On the other hand, quantitative research is often referring to “hypothesis testing research” (Jha, N.K, 2008). The idea behind this statement is that the quantitative research is made to reduce errors and avoid bias. In general it takes the form of a questionnaire where the sample of subjects is aimed to reflect the population (Jha, N.K, 2008). When enough answers are gathered, a process of data analyzing starts in order to write the findings that will confirm or not the original hypothesis.

The purpose of this thesis is to raise awareness about online marketing for small and medium businesses and what can they get out of these strategies. For the first part, it was obvious to choose a qualitative approach which includes a presentation of the main characteristics of online marketing based on previous literature review. It also includes a presentation of a small online marketing company based in Australia where I made six months internship. This experience has changed my life and it is the main reason why I chose this topic; I really became passionate about these strategies. Using the description of this business was the opportunity to be a connection between the theory and a questionnaire which refers to quantitative data. The idea behind the case study was to present one of the solutions that a SME can choose to perform its online marketing efforts. Indeed, the final goal of this paper is to understand how it is possible to make profit from these strategies.

## **Data collection Method**

The data collection is the gathering of information. This information are categorized as primary, secondary and tertiary data. The primary data are the information collected by the researcher for its study as for example a personal experiment. The secondary data is the collection of information from other researchers and the tertiary data are less detailed information found for instance in dictionary (Sanders et al, 2006, 248). The theoretical part of this paper is based on qualitative research. The sources are mainly from articles and books found on Google Scholar, the Harvard Business Review, Science Direct and the online library of the Turku University of Applied Sciences called the Nelli Portal.

## **Sampling Form**

Validity can be defined as “the extent to which a study accurately reflects or assesses the specific concept that the researcher is attempting to measure in every research”. Reliability in every research is defined as “the extent to which an experiment, test, or any measuring procedure yields the same result on repeated trials”. The researcher would be unable to draw satisfactorily conclusion, formulate theories or make generalized claims without the agreement of independent observers’ ability to replicate research procedures, or the ability to use research tools and procedures that yield consistent commitments (<http://writing.colostate.edu>).

The topic of online marketing is recent but many researches have been performed. Hence, the relevance of the data gave a significant issue to this paper. It is less evident for what does concern the return on investment of online marketing strategies. Therefore the literature about return on investment in online marketing is scattered so electronic sources have been used. As online marketing is a very wide topic, the paper is presenting online marketing in general and everything is not covered intentionally. The case study is about a company in Australia, so it can hardly be generalized for international small and medium enterprises. Nevertheless, it gives an insight of a dynamic online marketing company. For the questionnaire, a sample of twenty two answers cannot reflect the population. Still, it remains an adequate support for the theory as it represents people who are expert in the field of online marketing.

## CHAPTER 6

### Data Analysis and Interpretation

#### 1. In which field lies your expertise?

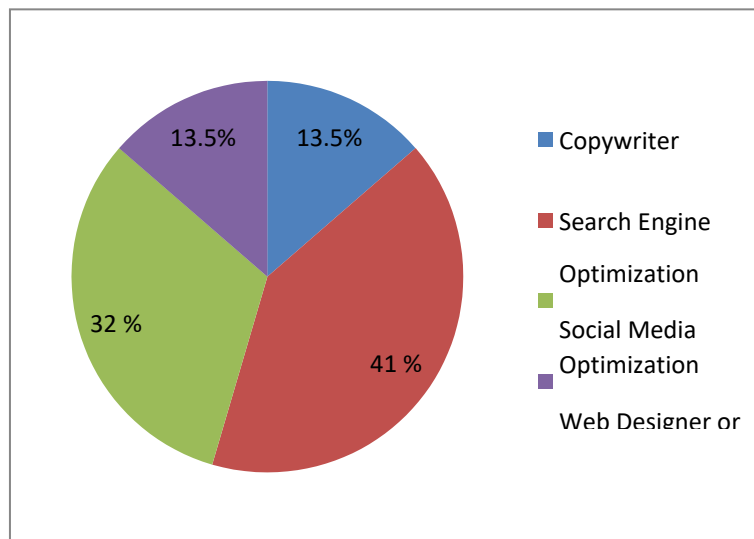


Figure 10: Proficiency of participants

While 41% of all the respondents are proficient in Search engine optimization, 32% are experts in Social Media Optimization. The remaining 26% of the answerers are divided in Web designer/developer and Copywriter in equal parts (both 13.5%).

## 2. Why online marketing is a cost effective strategy for SMEs? (Choose the most relevant answer for you)

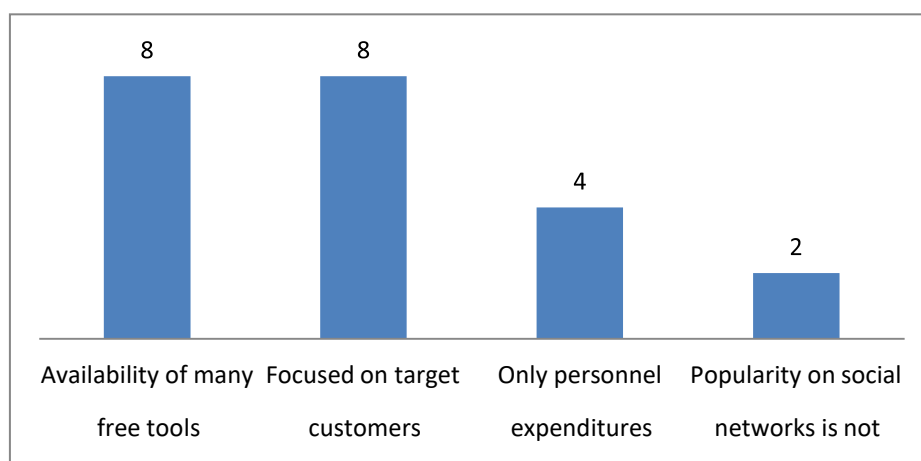


Figure 11: Perceived reasons for cost-effectiveness of Online Marketing

Eight experts share the opinion that online marketing provides many divers and free tools. Eight others see the advantage of online marketing in the clear focus on the targeted clients. Four respondents remark that online marketing is cost effective due to the relatively little expenditures just for the employed personnel. Only two participants see the opportunity of social networks being a key driver of a company's popularity without huge expenditures.

### 3. What is the first thing to consider while starting online marketing strategies? (Choose the most relevant answer for you)

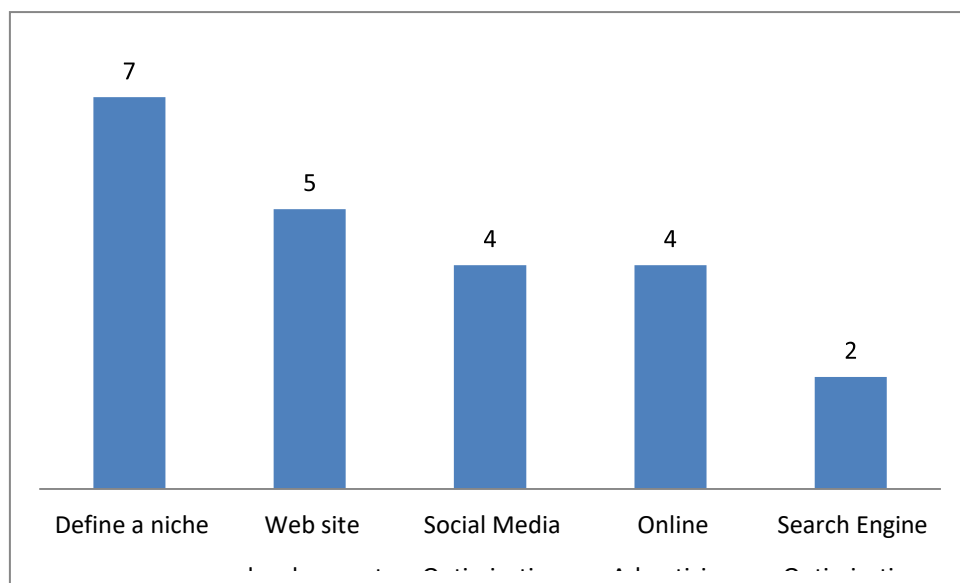
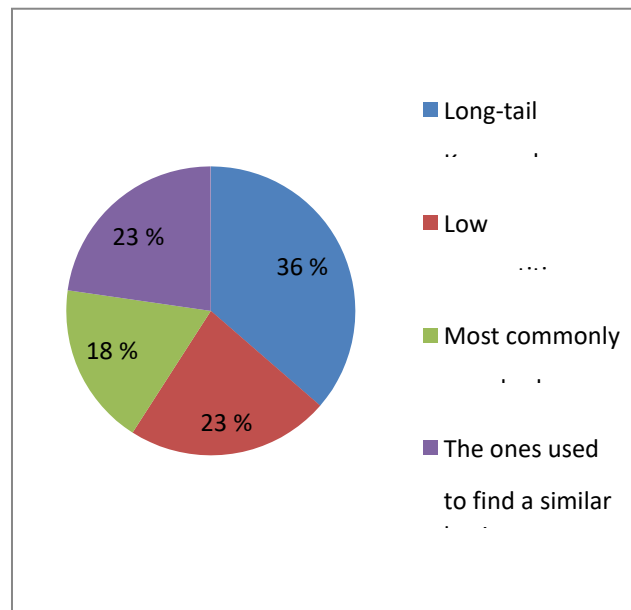


Figure 12: Prime strategy of online marketing

With seven answers, the majority of the experts is convinced that the first step of implementing an online marketing strategy is the definition of a niche. For five respondents, the website development has the biggest priority when starting the marketing strategy. Four in each case prefer Social Media Optimization or Online Advertising. A minority of two participants has the opinion that SEO is the most important strategy to start your online marketing activities.

**3. What are the most effective keywords? (Choose the most relevant answer for you)**



**Figure 13: Most effective Keywords**

Even though the majority of the respondents consider Search Engine Optimization not as the most important strategy to start online marketing, it is crucial to explain the relevance of different kind of key words. 36% of all the respondents consider long-tail keywords as the most relevant. The priority of 23% of the experts would use keywords that derive from searches for similar businesses. Another 23% share the opinion that keywords that face little competition are the most important. By contrast, 18% of the company respondents prefer to use the most commonly searched items.

**5 & 6 Would you advice to SMEs to use Google Ad-words to advertise their business? Explain your choice for the previous question: (Choose the most relevant answer for you)**

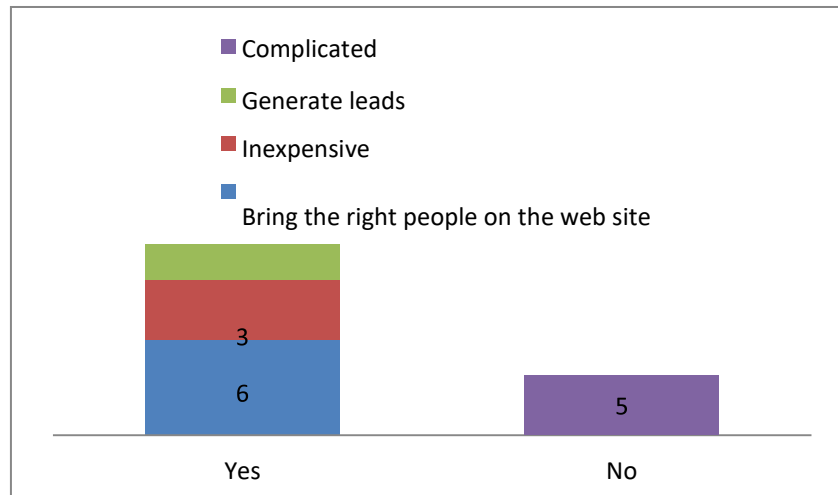


Figure 14: Relevance of Google Ad-words

The majority of the experts (16) recommend Google Ad-Words to advertise for their business. They justify this with the opportunities of enticing potential customers to the company website (eight answers), with the cheap application (six answers) and with the generation of leads (three answers).

## 7. How can SMEs benefit from social media platforms (LinkedIn, Facebook, and Twitter)? (Choose the most relevant answer for you)

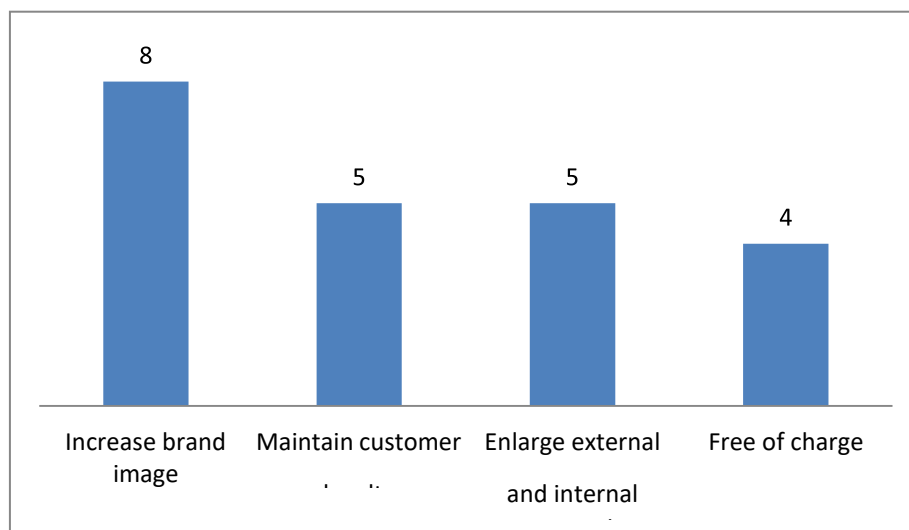


Figure 15: Benefits from Social Media



People and thus potential customers of companies around the world are present in Social media platforms. According to the majority of eight respondents of the questionnaire, SMEs profit the most from higher client acknowledgement of the brand. Five participants claim that enduring presence on social media platforms maintains customer loyalty on a long-term view. The same amount of experts has the opinion that social media enhances the enlargement of internal and external networks. The minority of four respondents admires social media for its cost-free character.

## 8. What is the best result of the optimization process?

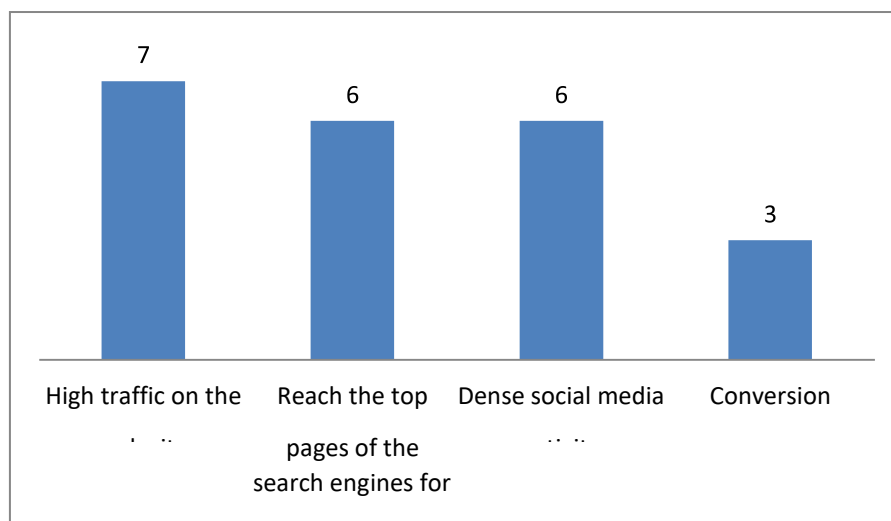
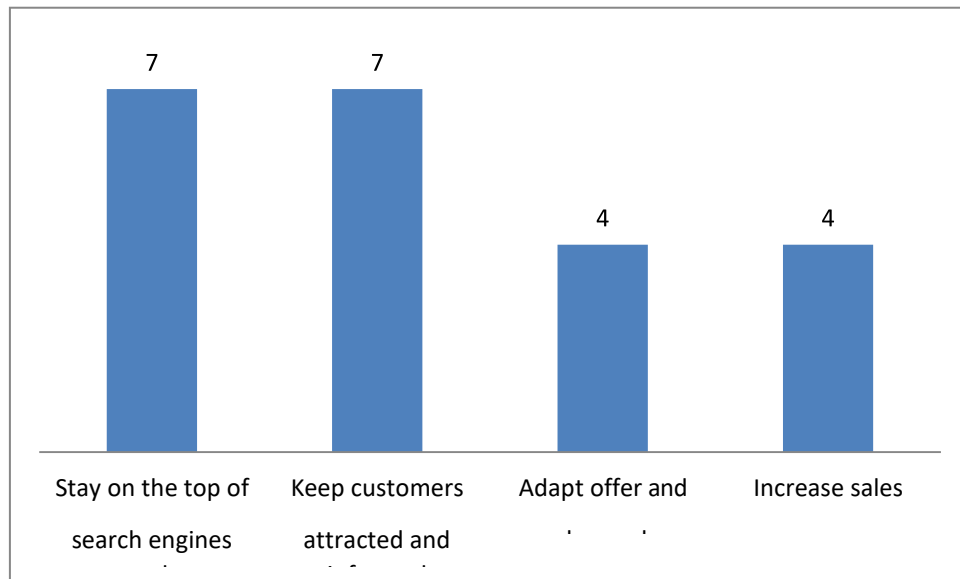


Figure 16: Results of Optimization

Optimization of online marketing tools – if it is applied appropriately - results in benefits for the company. According to seven experts this can be measured by a high traffic on the company's website. Six respondents see the success in the appearance of the company in the top pages of search engines due to certain keywords. Six others remark the successful optimization with high activity of social media followers, fans and supporters. The minority of three participants identify conversion as most crucial sign for adequate optimization work.

**9. Why do online marketing efforts need to be continuous? (Choose the most relevant answer for you)**



**Figure 17: Need for constancy of marketing efforts**

All kind of marketing strategies need to be constantly applied, monitored and evaluated. This is necessary to remain on the top of search engine results and to maintain customer attraction (each answer due to seven respondents). Other reasons are the adaption of offer and demand and the overall increase of sales (four supporting answers each).

**10. No figures. What tools do you use to measure the benefits of online marketing strategies?**

The online marketing experts contacted are using in majority Google Webmaster Tools and Google AdWords (27,12%) following by Google Analytics (22,03%), other free online tools (15,25%) and only 8,47% paid license software.

**11. How do you highlight the return on investment of online marketing strategies? (Choose the most relevant answer for you)**

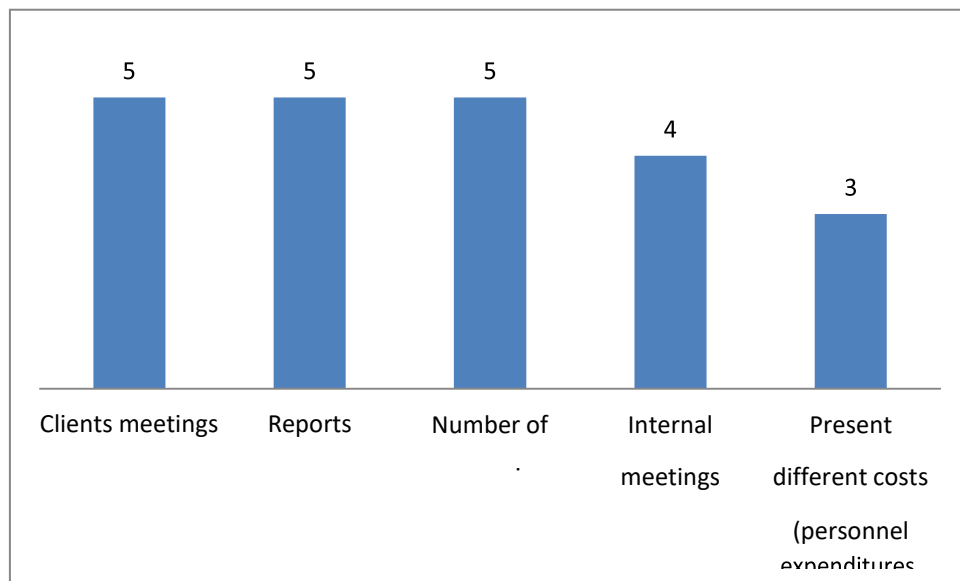


Figure 18: Highlighting of return on investment

While each fifteen of the participating experts prefer to use client meetings, reports or the number of conversions to highlight ROI successes, four respondents support internal meetings and three consider the presentation of expenditures as most relevant.

**12. How regularly do you let your clients informed about their performance? (Choose the most relevant answer for you)**

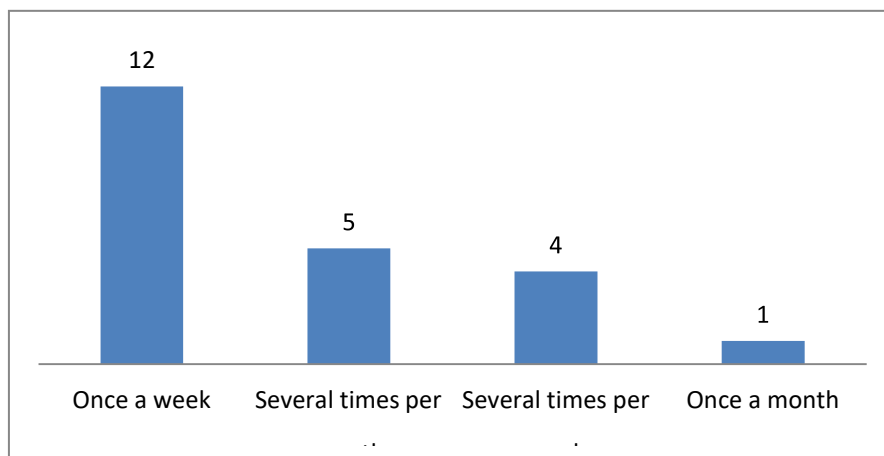
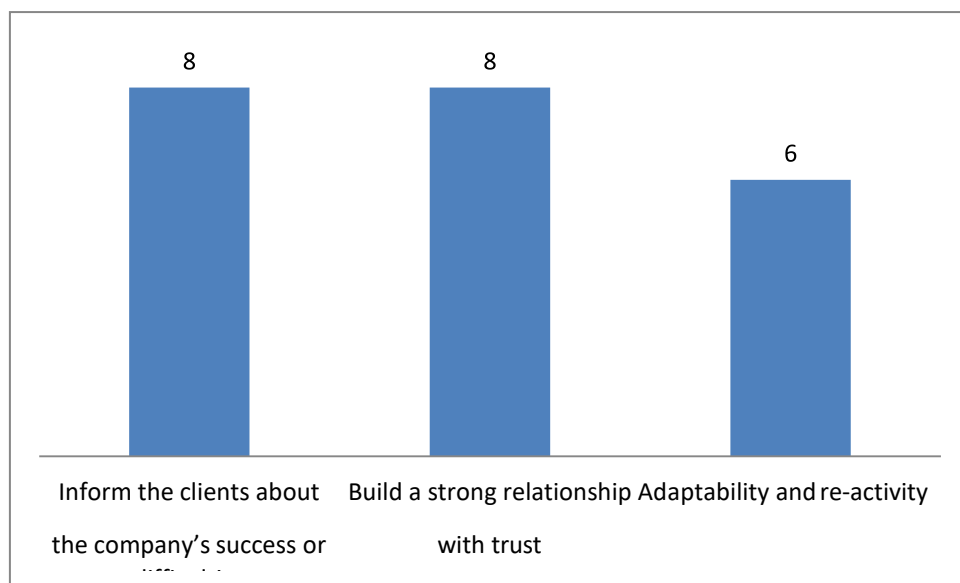


Figure 19: Frequency of providing clients with information

As a company with online marketing activities it is crucial to stay in contact with clients because of several reasons (next question). Most of the respondents (twelve) consider it necessary to inform the clients once a week, whereas five participants would contact their clients several times per month and four even several times per week. Only one respondent would just provide them once a month with information materials and update.

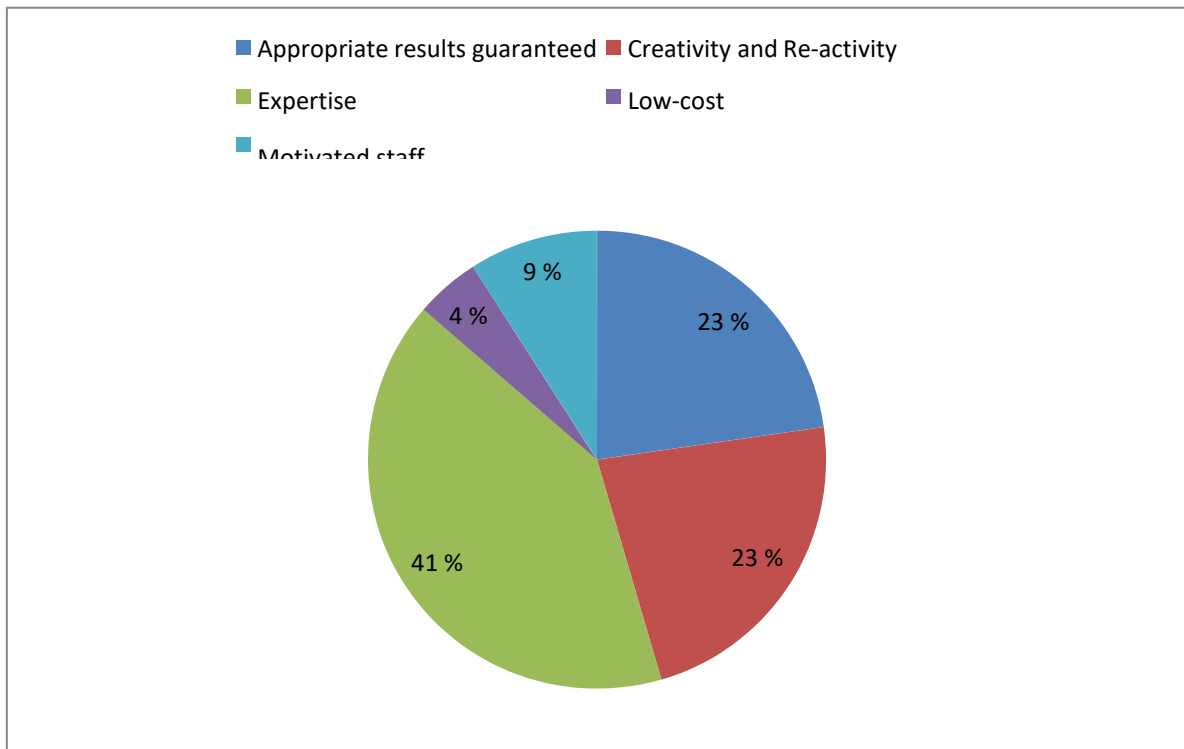
**13. Why is it important to keep in touch with clients? (Choose the most relevant answer for you)**



**Figure 20: Relevance of contacting clients**

Eight participants see the due need to inform the clients via online marketing because of topical success or drawbacks. Another eight of the asked employees intend to build a strong relation to the customers by informing them periodically about current ongoing. Six respondents inform clients due to adaptability and re-activity.

**14. Why should SMEs outsource their online marketing efforts to specialized companies? (Choose the most relevant answer for you)**



**Figure 21: Relevance of Outsourcing marketing efforts**

Many companies tend to outsource more and more business departments to external companies. This has several advantages. 41% of all respondents see the advantage in the high expertise level of external companies that are specialized on certain subjects. 23% explain it with the level of creativity and re-activity in comparison to the internal marketing department. Another 23% have the opinion that appropriate marketing strategy results are almost assured when functional departments are outsourced. A small group of 9% of the participants believes in the high motivation of the external staff, whereas 4 % of the respondents consider the low-cost characteristic of outsourcing a big advantage.

## CHAPTER 7

### Findings

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## CHAPTER 8

### Limitations



The materials used through this thesis are mainly articles from online marketing researcher. It was nevertheless, necessary to use credible online sources as well as the advice of online marketing experts. In fact, many topics are quite new and the literature was missing.

The topic of the thesis would have require the use of publication that are not yet available and the tools and technics presented are subject to evolve in the next months and years as the online environment change constantly.

The primary data was collected with a questionnaire in accordance with the studied sources. The collected data supported the theory and answered the research questions. However, only twenty two online marketing experts answered to the questionnaire, which limits the applicability of the results.

## CHAPTER 9

### Conclusion and recommendations

The primary goal of this paper was to show how online marketing strategies can profit to small and medium enterprises through appropriate literature, online sources and thoughts of experts on the field. Hence it has been possible to link both theoretical and practical approaches. The first parts are all about the component of online marketing and its possible return on investment. One possibility for a company to deal with such strategies is to outsource them. Consequently, I decided to present one of these companies: Lead Creation, where I used to work for six months. This part was the opportunity to see if the available literature on the subject was relevant compared to the reality that companies face every day. Indeed, there was no big fracture between theory and what is found in the case study. To lean on the case study, a questionnaire has been spread to online marketing experts who are more focused on the return on investment and outsourcing of online marketing.

Over the last years, online marketing has been growing more than any other form of marketing. Besides, more and more businesses whatever their sizes are going online in order to be successful. What is more, online marketing is always in development as there are new tools, web sites and social media platforms available. This means that the science of online marketing is not fixed and requires a strong understanding and adaptability to be handled.

The world of marketing has been altered by online marketing strategies as not only large groups can benefit from them. In fact, an online marketing campaign can be run with a small budget. The main expense is the time consuming or human resources meaning that anyone can technically build an effective online presence.

Online marketing is a tool that in addition to being cost effective, can permit to reach a target everywhere in the world. The consumers are invited to share their feedbacks, spread the information and participate to the brand image development of the

company. For this last reason, the success of online marketing strategies is also based on the fidelity and activity of the consumers on social networks.

In spite of the success of online marketing, the traditional ways such as radio and TV remain. It is inappropriate to say that online marketing is replacing any other form of marketing. There are many people who do not trust internet and who are not familiar with it.

There is no right way to perform online marketing strategies. There are so much tools available and possibilities to be successful that it is not possible to apply one process. For instance, the Google algorithm is always changing meaning that online marketing is a continuous work. In fact, it is possible to be first on the search engine results and loose everything two weeks later.

Online marketing has permitted the explosion of ideas and the discovery of ordinary people who started from scratch and are now multi-millionaires. That is how Mark Zuckerberg (Facebook) became a rich entrepreneur while he was still a student in Harvard. Besides, his idea is so successful that few days ago Facebook enter in the stock exchange.

## CHAPTER 10

### Appendix

## Questionnaire

The questionnaire addressed to online marketing experts

1) In which field are you expert in?

- a) Search Engine Optimization
- b) Social Media Optimization
- c) Copywriter
- d) Web Designer or Developer

2) Why online marketing is a cost-effective strategy for SMEs? (Choose the most relevant answer for you)

- a) Only personnel expenditures
- b) Availability of many free tools
- c) Focused on target customers
- d) Popularity on social networks is not about money

3) What is the first thing to consider while starting online marketing strategies? (Choose the most relevant answer for you) Define a niche

- a) Search Engine Optimization
- b) Social Media Optimization
- c) Online Advertising
- d) Copyrighting efforts
- e) Web site development

4) What are the most effective keywords? (Choose the most relevant answer for you)

- a) Most commonly searched
- b) Long-tail Keywords
- c) The ones used to find a similar business
- d) Low competition

5) Would you advice to SMEs to use Google AdWords to advertise their business?

- a) Yes
- b) No

6) Explain your choice for the previous question: (Choose the most relevant answer for you)

- a) Bring the right people on the web site
- b) Inexpensive
- c) Complicated
- d) Generate leads

7) How can SMEs from social media platforms (LinkedIn, Facebook, Twitter)? (Choose the most relevant answer for you)

- a) Increase brand image
- b) Enlarge external and internal Network
- c) Maintain customer loyalty
- d) Free of charge

8) What is the best result of the optimization process?

- a) Reach the top pages of the search engines for the best keywords
- b) Conversion
- c) Dense social media activity
- d) High traffic on the web site

9) Why do online marketing efforts need to be continuous? (Choose the most relevant answer for you)

- a) Stay on the top of search engines results
- b) Keep customers attracted and informed
- c) Increase sales
- d) Adapt offer and demand

10) What tools do you use to measure the benefits of online marketing strategies?

- a) Google Analytic
- b) Google Webmaster Tools
- c) Google Ad-words
- d) Free online tools
- e) Paid software

11) How do you highlight the return on investment of online marketing strategies? (Choose the most relevant answer for you)

- a) Reports
- b) Internal meetings
- c) Clients meetings
- d) Number of conversion
- e) Present different costs (personnel expenditures, Adwords...)

12) How regularly do you let your clients informed about their performance? (Choose the most relevant answer for you)

- a) Several times per week
- b) Once a week
- c) Several times per month
- d) Once a month

13) Why is it important to keep in touch with clients? (Choose the most relevant answer for you)

- a) Adaptability and re-activity
- b) Build a strong relationship with trust
- c) Inform the clients about the company's success or difficulties

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