STRATEGY FORMULATION AND PLAN

Study Notes
# Strategy Formulation and Plan

## LESSON 1: ANALYZING A DIGITAL STRATEGY

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Planning</td>
<td>5</td>
</tr>
<tr>
<td>Defining strategic planning</td>
<td>6</td>
</tr>
<tr>
<td>Deriving Value from a Digital Strategy</td>
<td>6</td>
</tr>
<tr>
<td>Championing strategy</td>
<td>6</td>
</tr>
<tr>
<td>Value-outcomes</td>
<td>6</td>
</tr>
<tr>
<td>Benefits of implementing a digital strategy</td>
<td>7</td>
</tr>
<tr>
<td>Strategy Implementation</td>
<td>7</td>
</tr>
<tr>
<td>SOSTAC process</td>
<td>7</td>
</tr>
<tr>
<td>Assessing Internal Capabilities</td>
<td>8</td>
</tr>
<tr>
<td>Assessing internal digital skills and knowledge</td>
<td>8</td>
</tr>
<tr>
<td>Augmenting skills gaps</td>
<td>8</td>
</tr>
<tr>
<td>Benchmarking Against Competitors</td>
<td>9</td>
</tr>
<tr>
<td>Competitor analysis</td>
<td>9</td>
</tr>
<tr>
<td>Benchmarking against digital leaders</td>
<td>9</td>
</tr>
<tr>
<td>Advantages of benchmarking</td>
<td>10</td>
</tr>
<tr>
<td>Importance of a competitive advantage</td>
<td>10</td>
</tr>
<tr>
<td>Information Gathering</td>
<td>11</td>
</tr>
<tr>
<td>Factors to consider</td>
<td>11</td>
</tr>
<tr>
<td>Using past activity to inform strategy</td>
<td>11</td>
</tr>
<tr>
<td>Understanding the benefits of current digital activities</td>
<td>12</td>
</tr>
<tr>
<td>Social listening tools</td>
<td>12</td>
</tr>
<tr>
<td>Benefits of social listening</td>
<td>12</td>
</tr>
<tr>
<td>Industry insight</td>
<td>13</td>
</tr>
<tr>
<td>SWOT Analysis</td>
<td>14</td>
</tr>
<tr>
<td>Importance of performing a SWOT analysis</td>
<td>14</td>
</tr>
</tbody>
</table>
LESSON 2: DOCUMENTING A DIGITAL STRATEGY ......................................................... 18

SMART CRITERIA ........................................................................................................ 19
Achieving business goals .......................................................................................... 19
Gaining organizational support .............................................................................. 19
Specific objectives ..................................................................................................... 20
Measurable objectives .............................................................................................. 20
Achievable and realistic objectives ......................................................................... 20
Timely objectives ...................................................................................................... 20

DOCUMENTING A DIGITAL STRATEGY .................................................................... 21
Benefits .................................................................................................................... 21
Documentation types ............................................................................................... 21
Components ............................................................................................................ 21

LESSON 3: IMPLEMENTING A DIGITAL STRATEGY .................................................... 24

EVALUATING TACTICS .............................................................................................. 25
Factors to consider ................................................................................................... 25
Calculating value and effort .................................................................................... 25

IMPLEMENTING TACTICS ......................................................................................... 26
Actions ...................................................................................................................... 26
Tactic ‘roll-out’ plan ................................................................................................. 26

STRATEGIC OUTSOURCING ..................................................................................... 27
Commonly outsourced skills ................................................................................... 27
In-house versus third-party capabilities ................................................................. 27
Assessing third-parties ......................................................................................... 28
Questions to ask agencies .................................................................................... 28

LESSON 4: REVIEWING THE EFFECTIVENESS OF A DIGITAL STRATEGY ............. 30

KPIS AND TARGETS .............................................................................................. 31
Definitions .............................................................................................................. 31
Baked-in measurement ......................................................................................... 31

USING ANALYTICS ............................................................................................. 32
Channels ................................................................................................................. 32
Goals ....................................................................................................................... 32
Website analytics ................................................................................................. 33
Reviewing analytics .............................................................................................. 33

KPI REVIEWING .................................................................................................. 34
Relevant metrics ................................................................................................. 34
Frequency .............................................................................................................. 34
Long-term decision-making ............................................................................... 34
LESSON 1: ANALYZING A DIGITAL STRATEGY
Defining strategic planning

Strategic planning is the process by which an organization chooses the most appropriate courses of action to achieve its defined goals. It involves making decisions on allocating resources to pursue this strategy.

All strategic planning deals with at least one of three key questions:

- What do we do?
- How do we do it?
- How do we excel?

The steps involved in strategic planning are:

1. Clarifying what the organization is about (i.e. compiling and disseminating the organization’s vision and mission statement)
2. Deciding what is and what is not a priority for the use of resources
3. Analyzing the internal and external environment
4. Considering how best to deal with upcoming changes and transitions
5. Setting out a clear direction
6. Setting concrete goals for the future

DERIVING VALUE FROM A DIGITAL STRATEGY

Championing strategy

To ensure your strategy is a success, it’s important to:

- Gain C-level endorsement and adopt a unified approach. Digital strategy must be endorsed and championed from the very top level in order for it to be embraced by the whole organization.
- Champion digital strategy across all departments. This will reduce resistance and prevent silos forming, ensuring that the digital strategy is disseminated across the entire organization and implemented both quickly and effectively for immediate impact.
- Implement in accordance with change management strategy. It’s important to first define what kind of value you want from your digital strategy in order to identify the tactics and channels which will deliver the value.

Value-outcomes

Commonly desired value-outcomes from digital strategy are:

- Increase your reach: Ensure your brand message is communicated to a wider audience across the right channels at the right time with content that is relevant to them.
- Increase profit: Drive sales by increasing brand awareness, website traffic, and online deliveries for product-based organizations.
- Automate systems to save time: Program processes in advance to save both time and money, whilst ensuring that you are reaching your customers 24/7.


acağız Obtain data about your customers and their habits: Gather data to generate powerful insights which can be used to iterate processes and innovate.

Benefits of implementing a digital strategy

The benefits of implementing a digital strategy include:

atitis Less resource wastage: Prevent idle time, duplication or overlapping of work, and learn from successes/failures so that iterations are made to prevent resource wastage in future.

atitis Prioritization of most valuable objectives: Prioritize the most valuable objectives which have been set and lead from the top of the organization, so that departments are working towards common objectives.

atitis Increased ability to obtain resourcing: A compelling digital strategy properly conceived and communicated will make it much easier to gain C-level buy-in and receive the required resourcing needs.

atitis Prediction of future problems and opportunities: When preparing a digital strategy, it’s important to analyze both your internal and external environments, which will enable you to better predict future problems and opportunities.

atitis Destroys silos due to increased cooperation: The implementation of a digital strategy will require cross-departmental teams which are aligned to achieving common goals, a key way of promoting cooperation and preventing silos.

atitis Combats action duplication due to process transparency: It’s important to clearly articulate the roles and responsibilities of everyone involved in implementing the strategy. Keep all stakeholders updated via weekly calls or monthly meetings. Take everybody involved on the journey with you.

STRATEGY IMPLEMENTATION

SOSTAC process

The steps in the SOSTAC® system of digital marketing strategy implementation are:

atitis Situation analysis. This involves an analysis of both the internal and external environments that the organization is operating in. So think about your internal capabilities. Are you ready? Are you technically and equipped to deliver the strategy? Do you have the right resources, skills, and capabilities to work on this campaign, and deliver the desired outcomes? Then think about the external factors. What are your competitors doing? Is it the right time to implement your digital strategy?

atitis Objectives. This part of the process aligns the different objectives of the company. Think about the objectives of your digital strategy. Do they marry with your organization’s overall objectives? If your overall purpose is to deliver a hassle-free service to your customers, your digital strategy should complement that, not work in different directions from it.

atitis Strategy. This is the long-term strategy that will be implemented to achieve the organization’s objectives; segmentation, targeting, and positioning are commonly used tools for devising a strategy.

atitis Tactics. This looks at exactly how the business will deliver the marketing strategy that it has devised, by translating it into specific actions. The foundation of this is known as the ‘marketing mix’.

atitis So how would you go about implementing the strategy, and what are the different steps you would take?
Action. Actions help assign responsibility and deadlines for the performance of certain tasks detailed in the marketing mix.

Control. This is primarily the task of keeping track of progress – action performance measurements should relate to objectives and be assessed at the end of the SOSTAC process.

To implement your digital strategy, follow these steps:

To implement your digital strategy, follow these steps:

- **Step 1: Determine where you are.** This is harder than it looks. Some people see themselves how they WANT to see themselves, not how they actually appear to others. Many small businesses get snared in this same trap.

- **Step 2: Identify what’s important.** Focus on where you want to take your organization over time. This sets the direction of the enterprise over the long term and clearly defines the mission (markets, customers, products, and so on) and vision (conceptualization of what your organization’s future should or could be).

- **Step 3: Define what you must achieve.** Define the expected objectives that clearly state what your organization must achieve to address the priority issues.

- **Step 4: Determine who is accountable.** This is how you’re going to get to where you want to go. The strategies, action plans, and budgets are all steps in the process that effectively communicates how you will allocate time, human capital, and money to address the priority issues and achieve the defined objectives.

- **Step 5: Review. Review. Review.** It’s not over. It’s never over. To ensure the plan performs as designed, you must hold regularly scheduled formal reviews of the process and refine as necessary. Do this at least once a quarter.

**ASSESSING INTERNAL CAPABILITIES**

Assessing internal digital skills and knowledge

Before you begin implementing a digital strategy, it’s important to assess internal digital skills and knowledge. You can do this using:

- Diploma and certificate completion rates
- In-house training
- Mentor feedback
- Employee surveys
- Employee content quizzes

Augmenting skills gaps

The next step is to identify what specific skills your team needs. This can be done by answering the following questions:

- What skills do you need and want?
- What skills do you already have?
- How serious are the differences between those two levels?
- What exactly do you need to do to close the gap or gaps?

When you have identified the skills you need, you can augment skills gaps in the following ways:
Investment in learning and development of current staff: Training is essential for knowledge transfer - it’s very important to share knowledge among your staff. If only one person has special skills, you’ll have a tough time recouping their knowledge if they suddenly leave the company.

Recruitment of new staff: Recruiting appropriate staff that fill skills gaps can be a great way of ensuring that you have all of the necessary capabilities in-house.

Use of third-party service providers: Bring in outside expertise who have a wider understanding of the industry and skill base to provide the necessary skills.

Use of agencies: Quite often they provide consultancy services as well as practically filling skills gaps.

**BENCHMARKING AGAINST COMPETITORS**

**Competitor analysis**

Before coming up with a digital marketing plan, you need to know who your competitors are. Whatever industry you are in, whatever product or service you’re offering, it’s very important to have a dynamic view of your competitors. Every month, every week, and every quarter there are new entrants coming into the market. If you only focus on your top three competitors, you will miss the new entrants. So think about your key competitors AND new people who are entering the market. Know what they’re doing, benchmark them, and then gear up to stay ahead of the game.

**Competitors’ objectives**

Try to understand what your competitors’ objectives are. Do they seek to gain market share? Do they attempt to capture premium clients? See your industry through their eyes. What are they trying to achieve?

**Competitors’ strategies**

Next, look at your competitors’ marketing strategies. What marketing strategies do they use? Look at their advertising, public relations, and so on.

**Competitors’ capabilities**

It’s also important to analyze your competitors’ capabilities. What are their strengths? Price, service, convenience, extensive inventory are all areas where they may be vulnerable. What are their weaknesses? Weaknesses are opportunities you should plan to take advantage of.

**Competitors’ assumptions**

Think about your competitors’ assumptions. What advantages do competitors have over you? Maybe a competitor is providing a particular service to customers really well. You might ask, “How can I provide that service? What exactly is my competitor doing? And how are they doing it?”

**Benchmarking against digital leaders**

How do you benchmark against your digital leaders?

- **Compare yourself to competitors** – do you compare favorably?
- **Identify gaps** – what services don’t you offer and what channels are you not serving?
Identify improvements – what will enable you to leapfrog ahead of your competitors?

Certification – what kind of certification would give you authority in your industry?

Enhance value – how can you offer customers enhanced value?

Tools

Tools that are used to identify digital leaders to benchmark against include:

- Google Search.
- Social Networks.
- PeerIndex
- Kred
- Webby Awards
- Socialbakers

Advantages of benchmarking

The advantages of benchmarking are:

- **It helps you set meaningful targets:** Allows you to set targets that are appropriate to your business and the industry that you are operating within.

- **You gain insight into trends occurring across your industry:** Analyze trends in order to keep up with competitors and even spy opportunities to occupy a space that your competitors don’t, providing you with first-mover advantage.

- **You find out how you are doing compared to your competitors:** Establish your position compared to your competitors, which can in turn provoke action to assess what you are doing wrong and how you should improve.

Importance of a competitive advantage

As Jack Welch said, “An organization’s ability to learn, and translate the learning into action rapidly, is the ultimate competitive advantage.”

A competitive advantage is how your company differentiates itself from the competition and makes it more likely that customers will buy from you rather than from your competitors.

It is important to adopt a competitive advantage which is sustainable and repeatable over a defined number of years, in order to retain customers and maintain growth.

- **Positioning is better than prospecting:** Everybody is looking for prospects, clients, and customers. This never-ending process will eventually burn you out, and is tough to scale. An easier way to approach your business is to position yourself as the leading authority, expert, specialist, or trusted advisor on your subject. This takes strategic and intentional action, but the rewards are exponential. When you’re perceived as the expert, people will start coming to you, instead of you chasing them. Be more elite and exclusive, and make it an honor to work with you.

- **Plans fail, movements don’t:** Reposition your business and make it ‘about something.’ Think about Disney. It’s not about movies, amusement parks or cruises. The company is where ‘Dreams come true.’ The entrepreneurs on a mission bigger than themselves are always attracting top-tier talent. Life becomes much more fulfilling when you become involved in a movement or a cause greater than yourself.
Stand on the shoulders of giants: You don’t need to reinvent the wheel, and you sure as hell don’t need to figure everything out yourself. Find something that is already working and make it better.

Become a people developer: You can’t do it all by yourself. You not only need a solid team around you, but you need to know how to develop and lead that team. When you watch sports, you’ll find the most successful teams play well together, complement each other, and have one single focus: winning. The same goes for business and life. The people you have in your inner circle, and those you associate with the most, are your team. Who needs to be on your team to make sure you have a ‘dream team’? All successful people have mastered building teams, and have supportive people around them that complement their strengths and make up for their weaknesses.

Create raving fans and advocates: The likelihood of the marketplace responding because you want something is non-existent! Business is the management of promises and if you can consistently deliver and exceed promises for all your customers, you’re ahead of the game. It’s much more expensive to get a new customer than it is to take care of the ones you have. The purpose of business is to create raving fans and advocates, who will go out of their way to promote what you do. Not because you asked them, but because they want to. Outstanding client support and service are affected by every person in your organization – from reception to the CEO. You must create a culture where people are passionate about meeting the clients’ needs.

INFORMATION GATHERING

Factors to consider

The factors to consider when assessing current digital marketing activity performance are:

- Tactics used
- How they integrate with other tactics
- How they integrate with offline marketing channels
- Expected outcome of tactics
- General performance effectiveness
- Tactic ROI

Using past activity to inform strategy

It’s important to analyze your past digital activities, and use their effectiveness to inform future planning and investment decisions. Think about your activity from the last 12 months. If you were to run exactly the same campaigns in the next 12 months, what factors should you consider?

- Analyze past changes in demand due to factors such as seasonality, economic downturns, increased competition, price of substitutes, and so on.
- Gather all of the activities which worked well in the past and analyze what made them effective.
- All of this information can be utilized to help you model more accurate predictions so that your supply chain, marketing, and sales promotions are managed as effectively as possible.
Understanding the benefits of current digital activities

Instead of focusing on departments or accounting cost types, Porter’s Value Chain focuses on systems – how inputs are converted into the outputs purchased by customers. These different functions are common to all businesses and can be used as ‘building blocks’ to create a valuable product or service:

- **Primary activities.** These relate directly to the physical creation, sale, maintenance, and support of a product or service.
- **Support activities.** These support the primary functions of the business.

To analyze how current digital activities are contributing to the overall value chain, you should look to do the following:

- Assess current digital activities by comparing past audience personas with Google Analytics audience data.
- Re-assign, avoid, or define other target audiences if current digital activities reach them instead of the defined target audience.
- Detail what channels you are active on as a company, and what accounts are running, and also note any dormant accounts which may be damaging your brand image.

Social listening tools

Social listening is the process of identifying and assessing what is being said about a company, individual, product, or brand on the Internet. Social listening is the process of tracking conversations around specific phrases, words, or brands, and then leveraging them to discover opportunities or create content for those audiences. It’s more than watching @mentions and comments pour in via your social profiles, mobile apps, or blogs. If you’re only paying attention to notifications, you’re missing a huge group of people that are talking about you, your brand, and your product.

Social listening is extremely powerful and there are different social media listening tools available, including:

- Socialbakers
- Social Mention
- Sprout Social
- Google Alerts
- Addictomatic
- Hootsuite

Benefits of social listening

What are the benefits of social listening?

- **Strengthens your market knowledge.** It helps you to understand, whether you’re launching a campaign, making some changes to your website, or coming up with a new TV ad, how your audience or the market responding. In social, as you as soon as you come up with a new campaign, you see people sharing it, liking it, leaving a big footprint on the social world. And that helps you understand the impact of your campaign.
- **Improves your overall strategy.** If customers say that a particular service or campaign of yours is not working, you can immediately change it. You can also react quickly to customer
pain points and complaints on social media – before news of the bad experience spreads across the network and becomes a full-blown crisis that damages the brand.

**Enhances your customer service.** Organizations that use their social channels to listen to what their customers are saying tend to offer better customer service as a result. If a customer says: “When I call you up there’s a long wait, and people don’t answer the calls. When they do finally answer, they don’t understand my requirements.” Hearing this should make you think, “How do I improve my service? What do I need to do differently?” Maybe the logistics side of it is not working. It gives you different insights you can use to improve your customer service.

**Ensures you know who your advocates are.** When your brand is really powerful and customers like it, they talk about it constantly, they hashtag it, they spread your brand – they are brand advocates. That word of mouth is extremely powerful. Conversely, it also helps you know when customers are not happy with your product or service, and you can get back to them with a timely response.

**Industry insight**

It’s important to be aware of the direction in which your industry is moving and what your competitors are doing, so that you’re constantly progressing with them.

Tools to analyze and report on current digital activity include:

- Google Analytics
- Google Trends
- Facebook Insights
- MailChimp
- Sendible
- Sprout Social
- HubSpot
- Survey Monkey

For instance, Google Trends helps you to anticipate industry trends before they happen, with real-time insights into consumer search behavior.

Social media channels are a powerful tool for gaining real-time insights on consumers’ digital activity. Furthermore, adding to the conversation in a meaningful way at the right time can be a fantastic way to increase your reach. Tools such as Facebook Insights, Sprout Social, and Sendible are all designed to help companies manage their social media presence more effectively.

However, it’s also important to consider the community from whom you are drawing these insights. For instance, Facebook’s user base is very different to Twitter’s or Snapchat’s user base. Ensure that you consider which social media channels are most relevant to your industry and brand.

Other popular sources of industry insight are:

- Think with Google
- Forrester
- Gartner
- Kissmetrics
Ensure you stay informed of current trends, whilst also anticipating and preparing for emerging trends, technologies, and innovations.

**SWOT ANALYSIS**

**Importance of performing a SWOT analysis**

Before deciding on any new strategy, every organization should conduct a SWOT analysis. A SWOT analysis focuses on four key areas:

- **Strengths**: Identify the strengths of the organization that give you an advantage over competitors.
- **Weaknesses**: Identify the weaknesses that result in disadvantages compared to your competitors.
- **Opportunities**: Identify the opportunities that you can exploit to your advantage.
- **Threats**: Identify the threats that can cause trouble to the business or the brand.

**Ensure your SWOT is customer-facing**

It is important to ask your customer-facing departments (Sales, Marketing, Customer Service) to review your SWOT analysis to ensure that you have not missed anything.

- Start with a **customer list**. It's always a good idea to create a list of customer respondents to start with.
- Supplement the list with **demographic profile information** that you specify as a custom field, such as industry, customer type, products purchased, and so on.
- Conduct some **qualitative research** to uncover what's important to your customers when they are buying what you are selling. You can ask open-ended questions and then tighten those up with some specific attributes that play a critical role in how customers choose to purchase your products or services. You need to be specific. Don't simply say “price” — this is useless. Use criteria such as “walking distance from my home” as an example.
- Do several short **surveys** to gauge what your customers see as your strengths. This could be as simple as creating a list of strengths and asking if they describe your company, with the answer options being Yes or No. Also, be sure to list elements that you think are your weaknesses or that you aren't sure you do well and see if your customers agree.
- Ask customers about **external influences**. Remember that opportunities and threats are also a component of your SWOT and you can survey your customers to find out how the opportunities and threats that you perceive impact them. Do they have similar opportunities and threats or widely different ones?
- Match your **strengths** with suitable **opportunities** which can support them. An example: if the company has low costs and can therefore maintain low prices, and the market demands low-priced products, make the most of this situation: penetrate the market.

**Periodical reviews**

Review your SWOT analysis periodically – maybe quarterly or on a half-yearly basis – and ensure that it is current and fit for purpose. Reviewing your SWOT for chances to convert weaknesses and threats into opportunities or strengths is also an important way to leverage the SWOT and inform strategic decisions. It is particularly important to review it when:
Your market changes. The way that people buy a retail product, like food, is changing. Now many people don’t buy food by going to a store. Maybe they buy it online, or maybe their refrigerator orders it for them. That’s a buying pattern changing, which means the market is changing. You need to be aware when such changes happen.

Your company targets new audiences. You also need to be aware when there’s a change in target audience. People are now constantly switching between channels, and moving from one device to another. They are consuming content differently. So you might want to serve ads differently to different audience segments, to meet their changing needs and preferences.

You make significant changes to your website. When you make changes to your website, it’s important to ensure your SWOT is still relevant.

Identifying priority audiences

It is important to prioritize audiences to maximize the effectiveness of your marketing and sales efforts. It’s a good idea to identify your top three priority audiences. You can identify these based on measures like profitability, the value they bring, the length of time they have been customers, and so on. Basically, they are your most profitable, most valuable customers, and you want them to stay with you, not to churn, so that you don’t spend more money acquiring them again. Create customer personas and map out the customer journeys of these top priority audiences.

Be aware that digital marketing priority audiences will likely differ to traditional audiences.

Ranking priority audiences

In order to discover their true return, rank priority audiences based on the following two criteria: value and accessibility.

Value – How much value does this particular audience present? How much effort should we put into acquiring them?

Accessibility – How easy is it to reach different audiences? Should we alter our approach depending on the audience?

Audience personas

An audience persona is a description of a specific person who might want to buy your services or products.

The components of an audience persona are:

- Demographic information
- A day in the life of
- Needs
- Motivations
- Preferences
- Biographical information
- A photo/image

Buyer personas help you understand your customers (and prospective customers) better. This makes it easier for you to tailor your content, messaging, product development, and services to the specific needs, behaviors, and concerns of different groups.
Appropriate channels

It's important to identify the most appropriate channels to employ, based on the demographic profile of your target audience. You need to ask yourself, which channels are your audience personas using? How are they consuming content? What are their preferences? What is their day-to-day pattern on the internet? The most appropriate channels for different age groups are:

- **Users 18-25**: Instagram, Facebook, Snapchat
- **Users 26-40**: Facebook, LinkedIn, Twitter, SEO, and PPC
- **Users over 40**: Facebook, Email Marketing, Digital Advertising
LESSON 2: DOCUMENTING A DIGITAL STRATEGY
SMART CRITERIA

Achieving business goals

You should establish digital objectives to help you achieve your overall business goals. Digital objectives need to be SMART:

† **Specific:** Should be clear to people with a basic knowledge of the issue, program or initiative and clearly articulated, well defined, and focused.

† **Measurable:** Should be able to determine the degree to which there is completion or attainment. Using the same (ideally quantifiable) methodology and information, findings should be able to be replicated.

† **Achievable:** Should be realistic, practical, and attainable within operational constraints dependent upon availability of resources, knowledge, and timeframe.

† **Relevant:** Should be closely tied to the organization and the customer in order to achieve the desired outcome.

† **Timely:** Should have clear timelines or deadlines expressed.

An example of a SMART objective is: “I will improve my retention rate by 1% over a period of six months.” So if your retention rate now is, say, 70%, you can aim to increase that by 1%. You have to be quite clear about where you stand now - your baseline, before you define your objective and set SMART criteria for it.

Gaining organizational support

Be aware of the need to communicate and share information, messages, and the objectives of your plan to all relevant parties across the organization and secure support. This can be achieved if you follow these steps:

† **Lay out the vision:** Clearly state what is changing and why. Show employees where you are today and where you intend to be tomorrow. Make sure you show them why this matters to the organization, how it will positively impact their careers, and how you plan to measure success.

† **Personalize tasks:** Make sure the tasks you assign to each person play to their strengths. When people are set up for success, they are more motivated to achieve. Like trying to fit a square peg into a round hole, nothing will get done if you have a big-picture person working on detail-rich tasks. Be clear with each person about how their work is vital to the outcome. Then set measurable goals and let them know how they will be held accountable. If appropriate, let the individuals take part in defining the work they will be undertaking.

† **Follow up:** Stay connected to ensure that everyone is clear about the mission that they are working toward. Keep an open-door policy as much as possible. If that’s not feasible, consider making yourself available via email or during certain hours of the day. It’s important that employees let you know when challenges arise. That’s not to say you should listen to every gripe and complaint, but you can let everyone know you are empathetic to their concerns and are willing to work with them to find solutions. Further, encourage employees to bring a solution with them when making you aware of a problem.

† **Nip resistance in the bud:** Be aggressive in addressing instances where you see resistance. This is important for two reasons. First, small problems have a nasty habit of ballooning into bigger ones. Second, you don’t want unhappy employees poisoning the minds of other employees who have already bought in.
Be prepared to change the change: Just as employees resist change, sometimes we fail to realize that our own changes aren’t working the way we want them to. Assuming you have the right workers on the right task, solicit their feedback. You have to be prepared to take the advice they give and adjust your own game plan. Sometimes that means midcourse corrections. Other times, it means scrapping the plan and starting from scratch. That’s not defeat – it’s the ultimate sign that you value the buy-in your employees have for your ideas.

Specific objectives

Ask the following questions to ensure objectives are specific and aligned to a goal:

- Who am I targeting?
- Where am I operating?
- When am I active?
- What am I offering?
- Why am I doing all of the above?

Measurable objectives

You need to ensure that your objectives are measurable. So include numeric or descriptive measures within them that define quantity, quality, and cost. This will allow you to establish whether or not the objective has been met clearly, whilst also providing more of a focus to the goal.

- **Quantity**: How many or how much of something should be achieved
- **Quality**: The standard of the output that is desired
- **Cost**: How much it costs to achieve the goal

Achievable and realistic objectives

Ensure that objectives are achievable by reviewing:

- **Available resources**: What resources do you have to help you to achieve the objective?
- **Original timeline**: Can you meet the goal within the time constraints that have been set?
- **Team skills**: Does the team have the skills to be able to meet the goals?

Compare the objective to how it will support the current business proposition in order to assess how realistic it is. Does the goal align with the broader goals of the company or department?

Timely objectives

In order to ensure the objective is timely, businesses should assign a definite target date for completion and for frequencies of steps which are important to achieve the objective.

It is important to integrate milestones and dates from other projects which may affect your objectives, to ensure they are timely.

A goal should have a timeframe – a deadline or date for completion. Setting a deadline reinforces the seriousness of the goal in your mind. It motivates you to take action. When you don’t set a timeline, there is no internal pressure to accomplish the goal, so it gets put on the back burner.
Within your established timeframe, ask yourself:

- What can I do today to reach my goal?
- What can I do 3 weeks from now to reach my goal?
- What can I do 3 months from now to reach my goal?

**DOCUMENTING A DIGITAL STRATEGY**

**Benefits**

It is necessary to document all aspects of your digital strategy.

The benefits of documenting your digital strategy are:

- **Easy handover during personnel change**: Allows for ease and consistency in communicating strategy during handover.
- **Available for third-party services who may be employed**: Provides a base for any third-party services, agencies, or consultants to develop an understanding of the strategy.
- **Available for investor reporting**: Provides a base within which to report the successes or progress of strategy to investors.
- **Executive reporting**: Provides a base within which to report the successes or progress of strategy to executives.
- **Training of new staff**: Enables new staff to develop a deep understanding of the intended strategy before commencing work.

**Documentation types**

The documentation types required for a digital marketing strategy include:

- **Overall strategy document**: A holistic document that describes the end-to-end strategy and approach
- **Value proposition**: A combination of the service and product offering
- **Audience personas**: Target audience identification and description
- **SMART criteria analysis**: Objective settings
- **SWOT analysis**: External and internal analysis tool
- **Roll-out plan**: Go to market approach
- **Team member reports**: Individual reports
- **C-level reports**: Senior level progress reports

**Components**

The components of your overall strategy document are:

- **Target audience**: This should include all the information gathered on the target audience of the campaign, including demographic profiles and buyer personas.
- **Competitor analysis**: Outline your main competitors – document their website performance, keyword focus, social media engagement, and paid advertising approach.
- **Strategic goals**: List the goals of the digital marketing strategy. They should be clear, measurable, and achievable.
- **Techniques and channels**: Outline which specific strategies, techniques, and channels will be used.
Organization situational analysis: This should outline an honest evaluation of the current status of the company's online presence.

Content development plan: Document the specific content approach to be taken, what it will include, resources to carry it out, and an implementation plan.

Project management: Establish responsibilities and ownership for each aspect of the project and timescales within which each element is to be completed.
LESSON 3: IMPLEMENTING A DIGITAL STRATEGY
EVALUATING TACTICS

Factors to consider

You need to consider the following factors when selecting your tactics for implementing your digital strategy:

- **Channel value**: How much value are you likely to attain from the channels you are choosing to select?
- **Effort required**: How much effort is required to implement the strategy or specific components? Is this worthwhile?
- **Relation to overall digital goals and objectives**: Does it link in to your overall digital goals and the purpose of your digital activities?
- **Audience habits**: What channels does your audience use? How often does your audience frequent these channels?
- **Audience demographics**: What is the typical age of your audience? What is their gender? Where are they from?
- **Audience context**: What does your audience use digital for? How do they speak? What are they responsive to?

The tactics you eventually select to engage each of your priority audiences may differ depending upon the audience characteristics.

Calculating value and effort

Calculate the current **value** of each digital channel to your organization using analytics, in terms of:

- **Existing referrals**: Determine the level of recommendations the organization receives.
- **Percentage of new visitors**: Determine the level of new visitors.
- **Number of new leads**: Creation of potential new customers.
- **Conversion rate**: Prospects to customer ratio.

Calculate the **effort** required to implement your plan across each digital marketing channel, considering:

- Budget
- Personnel
- Available content

It is important to compare the value of each channel to the effort required to judge which channels represent ‘quick wins’.
IMPLEMENTING TACTICS

Actions

How do you implement your tactics for achieving the objectives of your digital marketing plan?

Being able to list actions for each tactic will ensure the tactics meet your objectives and are comprehensively implemented.

For example, for a tactic like search engine optimization, there are several actions you should take to achieve the objective.

Tactic: SEO

Actions:

- Keyword analysis
- On-page optimization
- Content
- Link building

Tactic ‘roll-out’ plan

A tactic ‘roll-out plan’ is a high-level summary activity table and detailed month-by-month plan.

The details to be specified in a ‘roll-out plan’ are:

- Tasks to be completed
- Timing for implementation
- Person who will complete each one
- The key metrics for measuring effectiveness of each component

Furthermore, the three C’s of strategy implementation should be followed in order to execute the plan successfully:

- **Clarify your strategy**: All too often, strategies are expressed as high-level statements that resonate with board and executive levels, but fall flat with mid-level and frontline personnel. Unfortunately, if people don’t understand the strategy, they are unable to connect with it. So the first step is to clarify your strategy in a way that people in your organization can rally to support its implementation.

- **Communicate your strategy**: Communication is the second C. Powerfully communicating the essence of your strategy at every level of the organization using multiple mediums is the key here. Use internal blogs and message boards, brown-bag lunches, podcasts, and department meetings to communicate what the strategy is and how everybody’s work is informed by that strategy. Discussions need to occur at each level, translating the organization’s strategy to understandable and contextualized sound bites, which connect to the work of individuals. In short, communicating the strategy provides the ‘connective tissue’ throughout the organization that helps people understand the big picture.

- **Cascade your strategy**: If strategy is ‘what’ you do, then tactics are ‘how’ you do it. And if you want your strategy to be implemented well, you need to cascade it throughout the organization and get to the practical and tactical components of people’s jobs every day.
STRATEGIC OUTSOURCING

Commonly outsourced skills

In terms of digital marketing outsourcing, the most commonly outsourced skills include:

- Website management
- Social media management
- SEO
- PPC advertising
- Content marketing
- Brand management and PR
- Digital design

There are a number of reasons why companies outsource. Outsourcing can offer you:

- Expertise
- Flexibility
- Savings
- Accountability
- Cross-industry knowledge
- Objectivity
- Speed to market

In-house versus third-party capabilities

The benefits of nurturing capabilities in-house are:

- **Faster communication:** It is much easier to communicate changes to strategy with people positioned internally within the organization.
- **Closer control:** Can review progress at any time.
- **Savings:** Don’t have the expense of outsourcing to an agency.
- **Company knowledge:** Have a great understanding of the company and business goals.
- **Marketing synergy:** Aligns activities with marketing strategy as a whole.

The benefits of using third-party expertise are:

- **Save time:** Can use third-parties to provide expertise quickly as opposed to extensive research.
- **Professional expertise:** Have a technical understanding of the task at hand.
- **Outside perspective:** Can provide a broader and often more objective view point of strategy.
- **Access to specialized technology:** Third-parties will often have access to expensive software that it isn’t feasible for the company to have access to.
Assessing third-parties

You should use benchmarks to assess the suitability of third-party providers. Typical benchmarks include:

- **Conversion Rate Optimization (CRO):** System for increasing the percentage of visitors to a website that convert into customers, or more generally, take any desired action on a webpage
- **Brand character:** A set of human characteristics that are attributed to a brand name
- **Processes:** A series of actions or steps taken in order to achieve a particular end
- **Team personalities:** Overarching personality of a group of individuals working together
- **Sense of urgency:** Clear desire and motivation to move with speed
- **Commitment:** The state or quality of being dedicated to a cause
- **Technology:** Machinery and devices developed from scientific knowledge

Questions to ask agencies

Ask any agency you consider using the following questions, to assess their suitability:

- Which methods do you use to communicate reports?
- Do you have evidence of past successes?
- What is your billing structure in terms of recurring fees?
- What will you do to get to know our business, industry, market, and customers?
- How do you plan to execute digital marketing differently to our current approach?
- What is your digital marketing process?
- How do you plan to do things differently, given our industry?
LESSON 4: REVIEWING THE EFFECTIVENESS OF A DIGITAL STRATEGY
KPIs and Targets

Definitions

KPI

A KPI is a metric that helps you understand how you are doing against your overall strategic objectives. KPIs are used by an organization to assess progress toward predefined goals.

Organizational KPIs include:

- ROI
- Profitability
- Number of customers

Customer KPIs include:

- Net promoter score
- Customer satisfaction level

Digital marketing campaign KPIs include:

- Conversion rate
- Click-through rate
- Cost per lead

You can have different objectives, but ensure they are SMART and measurable.

Target

Targets are numerical values you've predetermined as indicators of success or failure. Targets are basically goals that you set before you start a digital strategy. Your target could be that you want to improve your click-through rate to 30%, when the current benchmark is 10%. That's very specific. Also, you attach a timeline to it. So you aim to increase your click-through rate by 20% over a three-month period - that could be your target.

Baked-in measurement

It is important to set realistic, measurable targets for KPIs and to set a specific timeframe for each.

“Baked-in” measurement is measurement that is decided upon ahead of any activity, so that at every step campaigns and activities are built with measurement in mind.

Identifying how you will measure an activity before it goes live, as with ‘baked-in measurement’, will allow you to include measurement throughout the process of development and asset creation.

Create your own scale of measurement for the KPI, ahead of the activity or campaign.

Set the time period for measuring the KPI:

- Repeating time period: Takes place at intervals over a one-year period (e.g. the KPI may be measured on a daily, weekly, or monthly time interval over the course of the one-year period)
Rolling time period: Measures over any continuous amount of time (e.g. a snapshot of any 30-day period)

Fixed time period: Measurements conducted at specific dates in the year (e.g. November 24th)

Ensure that campaigns are measured at every step, so that they remain on track and deliver on the strategic objectives.

**USING ANALYTICS**

Channels

It is important to use analytics to establish the current situation and use that information to establish a clear set of KPIs and targets for those KPIs.

There are several tools available that can help you to understand the analytics of your channels. Organizations are really struggling these days to understand the analytics, as customers move from one channel to the other - from watching an ad on TV to surfing the internet on a tablet, to clicking on an email to moving to social on their mobiles. Channels that you can access analytics on are:

- **Website activity.** Where are people dropping off from your website? What’s the dwell time? How are people moving from article to article?
- **Email marketing.** What’s your open rate, click rate, unsubscribe rate? How many people have marked you as spam?
- **Social media.** How many people have shared your content on social media? How many impressions have you got?
- **Third-party advertising.** How are people reacting to your ads?
- **Google Ads.** What level of ad ranking have you got?

To reap the greatest rewards from marketing analytics, follow these three steps:

- Use a balanced assortment of analytic techniques.
- Assess your analytic capabilities, and fill in the gaps.
- Act on what you learn.

Goals

Goals, which can be used to measure KPI targets, are configured at the view level in Google Analytics. With Google Analytics you can track:

- **Specific pages.** You want to see which pages of your website customers are visiting. How are they moving between pages? Are they moving from page one to page two? Maybe they’re not able to find the product information. Maybe they can’t find the phone number. You want to see how they’re navigating between pages.
- **Screens your user visits.** Which screens are they going to and how are they navigating to them? Are they going back to the home page and then accessing the content? Maybe you don’t have a back button. This kind of information helps you see the customer journey and how customers are accessing your content through the funnel.
- **How many pages/screens they view in a session.** You have sent customers an email. They’ve opened the email. Are they reading it? Are they moving from the email to the main website to buy your product? How many pages or offers are they looking at? This
information can help you devise a journey that's appropriate to your customer. You don’t devise a journey working in isolation. You tailor and optimize it, based on customers’ behavior and the patterns in which they're consuming content.

» **How long they stay on your site or app.** What’s the dwell-time on your content or on your app? If people are dwelling on a piece of content for two minutes, you know the content is popular. If they click on an offer, it means they are interested in it. But are they actually redeeming the offer? And what offers work best?

» **Events they trigger while they are there.** You might also want to know what events people are triggering. So when they go to your website or your Facebook channel, are they having conversations with their friends in a social network? Are they sharing your content? Are they clicking a call-back button? What are they doing? Suppose you have a group of customers you’ve identified who have added products to their trolley and then abandoned the basket. You could target them with an email, reminding them that they have one item in their trolleys and they haven’t purchased it.

**Website analytics**

Website analytics can be used to track user journeys and identify any blocks or barriers in these journeys, so you can make the necessary improvements.

The most important segments to focus on for each goal are as follows:

» **Sources of traffic:** How have people navigated to your website?

» **Desired customers:** Are these people likely to buy from us? Have they bought from us previously? Do they fall within a ‘priority audience’ which we are actively targeting?

» **Their attributes:** What distinguishing attributes do they possess?

» **Their behavior:** How do users behave when visiting our website? Which pages are most frequently visited?

As well as helping you to eliminate any barriers within the user journey, website analytics also act as a valuable tool for refining your digital spend. For instance, if your website analytics is showing that a high percentage of your customers are arriving from Facebook and cashback websites, then you could further prioritize spending on these channels to increase website traffic.

**Reviewing analytics**

It is important to review performance regularly, focusing on KPIs and their targets. This will ensure that individual activities stay on track, which is important so that the overall campaign doesn't de-rail. If one activity, or a number of activities, vital to the success of the campaign aren’t achieved, then it can cause the rest of the campaign to be put on hold and delay the whole implementation strategy.

Indeed, regularly reviewing performance is important both for real-time adjustments, as well as being a crucial means of informing realistic timelines so that SMART objectives can be set for future activities.

Reviewing analytics outside the KPIs can deliver additional opportunities for insight, but do not need to be reviewed with the same frequency as KPIs.
KPI REVIEWING

Relevant metrics

Relevant metrics to ask your team to track daily include:

- Blog post views
- CTA click-through rates
- Social media reach
- Email click-through rates
- Landing page conversion rates
- Traffic sources

Frequency

The frequency you should review your KPIs depends on the type of review you are conducting:

- The ‘Check-Up’ review type should occur daily and involve the employee with responsibility for the channel and the particular activities. Any urgent issues should be reported to their manager. Depending on your business, you may want to consider incorporating aspects of agile methodology. For instance, in scrum, a daily ‘scrum meeting’ is held at the same time each morning in order to discuss the priorities for the coming day’s work and check if any issues arose in the previous day’s work.
- The ‘Lookup and Discovery’ review type should occur bi-weekly and involves the entire digital marketing team, working with the analytics experts.
- The ‘Monitoring’ review type should occur every month and involves the digital marketing managers reporting to one another. This is necessary to ensure that monthly targets are being met and that all parts of the digital marketing team are working together as a cohesive unit towards achieving the objectives set out by the overarching digital strategy.
- The ‘Deep Dive’ review should occur every three months and involves the senior digital marketing managers and the in-house analytics experts, or possibly outsourced analytics experts. As well as providing a much more in-depth analysis of progress, this is also a key opportunity to inform the future direction of the digital strategy. In such a fast-moving digital landscape, it’s important that objectives and KPIs are continually reviewed and incrementally updated to reflect emerging customer trends, industry insights, and changing business priorities.

Long-term decision-making

Performance should be monitored quarterly, bi-annually, and annually for insights for longer-term decisions. This ongoing monitoring helps you to come up with insights and valuable feedback that can inform your long-term strategy.

The fundamental building blocks of an effective performance monitoring strategy are:

- Collect
- Baseline
- Alert
- Report
- Analyze
- Share