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**WSI WORLD** 



## Introduction

A great many things occur on the Internet. Cat videos, memes and gifs, oh my! But seriously, we (society as a whole) spend a lot of time in the digital world. There are five general areas that make up a very large portion of human activity: work, eat, play, shop and communicate. With the exception of eating, we do all of these things via the Internet, and the percentages of which we do them online vs. offline are increasing every single day. We don't physically eat in the digital world, but food content is a huge component of the online realm (restaurants, recipes, videos, blogs). Just about the only human activity not associated with the Internet is sleep (although we probably sleep fewer hours because the Internet never turns off!).

When we take a closer look at each of the five human activities listed, one of them stands above the rest as a common denominator: shopping. Within the business world, we buy and sell online (work). We search for restaurants, read reviews and order food on the Internet (eat). Countless forms of entertainment are now researched, bought, sold and even played on the Internet (play). And of course, we interact with each other, both personally and for business, in an online setting with digital tools (communicate).

The point of running through all of this? To show you that the Internet is the biggest, most lucrative marketplace in the world.

Google has been in tune with the digital revolution since the very beginning; that's one of the main reasons they are where they are today. Three years ago, Google coined the term 'Zero Moment of Truth' (ZMOT) to describe the new way people search for information and make decisions about the products and services they buy online. These days, Google says they answer over 100 billion searches per month. That's an unimaginable number of people looking for information, and whether they're searching for a new breakfast cereal or a pair of basketball shoes, each search provides a business with an opportunity to engage with a potential customer.

So what does this zero stuff have to do with display ads? Again according to the all-knowing Google, it's about being present in the moments that matter most (read: the zero moments of truth). Along the new-age journey to an online purchase, customers will encounter marketing from different channels. From both perspectives, there's a lot to consider. Customers need quick and accurate answers to the questions they're asking; marketers need to know which tactics are best at providing these answers at the right moments. Our job with this whitepaper is to examine all the ways that display advertising is one of the most engaging forms of marketing for marketers and consumers.



# The Psychology of Display Ads

By our very nature, we are emotional beings. Whether you choose to admit it, humans of any age, sex or intellect tend to respond, react and make decisions based on feelings (yes, this applies to even our most resigned and stone-faced readers too!). And while this vulnerability to emotional decision-making may be an uncomfortable topic to some, the most talented marketers recognize this as a golden opportunity.

Greek rhetoricians referred to this as PATHOS. Don't worry; we're not about to deep dive into a lengthy discussion on Greek philosophy. We promise!

Pathos, simply put, is a communication technique that works to persuade an audience by feelings and emotions rather than rational discussion. Often, it's the proverbial *hook* that holds the audience's attention.

Believe it or not, this is present in countless instances and decisions you make on a daily basis. Think about it:

- Didn't that politician's eloquent and commanding speech make you want to support him or her?
- Didn't that commercial with a slow-motion photo reel of mistreated animals make you want to donate to the cause?
- Didn't that close-up of the new double-bacon-cheeseburger make you salivate even though you just ate a salad?

Admit it: emotions run high and the imagery, the messages and the ads we see – provided they strike precisely the right emotional chords – can persuade us to do just about anything.

# Emotional persuasion + impulse = purchase

Now you might want to call us biased, but we're just going to go ahead and say that digital marketers are the frontrunners when it comes to seizing the power of emotional persuasion.

How can we make such a brazen statement, you ask? Well, as digital marketers we have something that traditional advertisers lack: multi-layered insights into our audience. With a little thing called web analytics, digital marketers understand who, when, where, why and with what device any given customer or prospect is engaging with a brand's product or service.

And with that knowledge comes great power. It's through that one-of-a-kind insight that enables digital marketers to leverage tactics like display ads to their maximum potential. Consider the effect of traditional advertising (say, a TV spot) on consumers vs. a display ad they see while surfing the Internet.



The scene: you're watching TV when your favourite show cuts to a commercial, which features a studly bearded man with a razor. 30 seconds later, the now clean-shaven man is urging you to buy new razor blades. Okay, you're slightly intrigued. No matter how persuasive the commercial is though, there's one big problem: you still have to interrupt what you're doing, turn off your TV, and potentially leave your house to purchase razors. But since *Game of Thrones* is on, it's not happening! The key is that there's no smooth, immediate path to buy since you're not in a purchase setting. Here's another thing: you might also be a woman, in which case the razor commercial is completely useless.

Now think about a display ad, with which we can target males between the age of 20 and 65 (already an improvement). Better yet, we can specify that we want our ads shown to our target group when they're browsing sports websites (let's assume we have data that suggests this). So you're a man reading fantasy football articles on ESPN, when all of a sudden you see the head of a clean-shaven Casanova winking at you with a caption that reads, "SAVE ON RAZOR BLADES!" That's interesting, you think, as you rub your scruffy face. You click the ad and instantly you're seconds away from ordering new, cheap razor blades right to your doorstep. You don't have to move from your seat and you can immediately return to whatever you were doing. The persuasion, the impulse trigger and the streamline to purchase will directly convert more sales. Period.

# Focus On Interested Customers With Retargeting

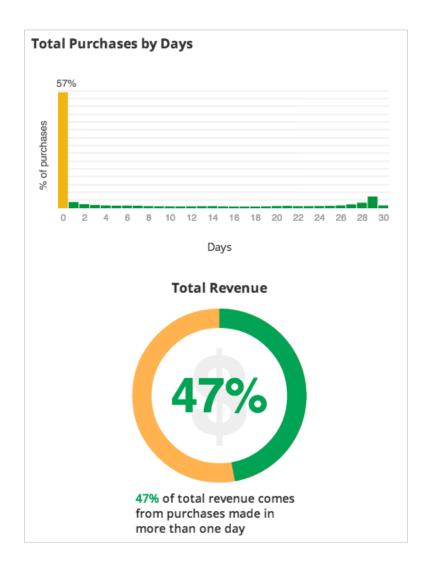
If you've done any sort of digital marketing, chances are you've at least dabbled with AdWords (even if it was only with some free credits). There's no doubting the effectiveness of pay-per-click advertising; what's not to love about a relatively stable amount of expected traffic for a fixed cost? But if you're spending money on AdWords, you should absolutely add display retargeting to your marketing mix.

For starters, display retargeting is the process of advertising to users based on their previous online behaviour. As an example, let's say <u>a consumer is looking for a new pair of shoes</u>. Bob (the shoesearching consumer) finds shoes that he likes on your website (in this example, you are the shoe company). But after a while he decides he's not quite ready to purchase. So he leaves. This is what happens the majority of the time on your website. OH MY GOODNESS, you're thinking. This is a DISASTER! We must STOP CUSTOMERS FROM LEAVING OUR SITE!

Not so fast. It's natural: customers come, they look around a bit, and they leave. Google found that 47% of revenue generated in the US comes from purchases made in more than one day, and Expedia discovered that consumers will conduct as many as 38 visits to travel sites before buying.



We're just getting to the good part - the motto of this whitepaper, which should really be on a t-shirt or something. Are you ready? **Keep calm and retarget**.



The simple fact is it's easier to bring back a previous visitor than it is to attract a new visitor. It just makes logical sense. Think about it: a new visitor is searching for products and services that you have, but a returning visitor has already shown a proven and specific interest in your brand. Science says that returning visitors are more likely to purchase than new visitors, so it must be true.

Now back to Bob. Last we checked he had just left your site – without making a purchase. But never fear: display retargeting is here. When Bob visited your website, a cookie was dropped in his browser. This cookie (no, it's not an Oreo) will track Bob's movement after he leaves your site, and then it will serve him ads when he visits sites that are part of the display ad networks of your choosing.



The goal of display retargeting is to be present at, or if you're lucky, *inspire* Bob's ZMOT. Just think: there's Bob, reading up on the latest new-release movies when all of the sudden your beautiful shoes (at least, that's how they should appear to Bob if you do a good job designing your ad) are staring him in the face. If Bob ever had any intention of buying shoes from you, it's probably safe to assume it'll happen after he sees one of your retargeting ads.

# **Experience The Value Of Social Ads**

The great thing about this title is that social ads actually have dual 'value.' In a general sense, social ads have value because they are effective. If you want more traffic, increased social exposure and a boost in brand awareness, social ads will deliver. Other tactics like content marketing, pay-per-click ads and search engine optimization are effective and therefore also have value. So what sets social ads apart by another kind of value?

Some things in life are expensive. A designer dress or suit that you might only wear to one party could run you thousands of dollars, but if you love it, it'll still be worth it to you. A \$5000 bottle of bourbon isn't cheap, but if good bourbon is what makes you happy, nobody will convince you it's too much money. By the same token, though, you'll never be able to claim that an extravagant dress or a fancy bottle of bourbon is good value in terms of cost-per-wear or cost-per-drink.

Social ads, however, are extremely inexpensive, no matter how you slice it. In a recent <u>study we</u> <u>conducted with our own data</u>, we found that social ad cost-per-click numbers ranged from 4.5 to 57 cents across various platforms. That's absolutely miniscule! There are flashier, more expensive digital marketing tactics out there, along with great reasons to invest in those tactics. Maybe your audience is better suited to a more expensive channel or perhaps your tailor-made strategy requires a longer-term investment. There's no right or wrong answer here, except if you're going to blatantly ignore social ads without even giving them a try!

We've talked about this before, but there's a great post over on the Moz blog called "Why Every Business Should Spend at Least \$1 per Day on Facebook Ads." The article does a great job of highlighting the kind of dual value social ads have, culminating in the claim that, "If you can't spare \$30 a month, you shouldn't be in business." Although it might sound a little harsh, we wholeheartedly agree. You won't truly know what we mean about the value of social ads until you experience it for yourself.

Another aspect of social ads we haven't talked about is how they support and improve the existing components of your digital marketing strategy. For example, you're heavily invested in content marketing and social media but are looking for something to really push your results to the next level. This is the perfect situation for social ads. For a very small investment, you can send daily traffic to your content while simultaneously increasing your social engagement numbers. No, it's not too good to be true – but you still have to experience it to believe it!



## Conclusion

Display, social ads and retargeting are extremely effective marketing tactics (and in some cases, very cheap). Many businesses realize this and are taking full advantage, but the market is still so young, which means tons of other businesses are still standing on the sidelines. We understand that sometimes, everybody needs a little bit of tough love or a push in the right direction, so here's a rundown of all the ways and reasons display ads can provide a big boost to your business' bottom line:

# Display ads use the psychology of emotional persuasion that marketers love, but tailor it for the modern, digital age:

- ❖ Target ads to specific groups (superior to limited targeting of TV or billboard ads)
- Immediate, streamline to purchase makes display ads more effective than interruption marketing
- Pathos can be just as strong, if not stronger, in the digital images of display ads

# Retargeting brings back customers who have visited you before, which is easier than attracting new visitors:

- ❖ A previous visitor has proven their interest in your product or service
- New visitors are in a much earlier phase of their buying cycle and less likely to purchase
- Choosing when and where to serve ads enables maximum effectiveness

## Social ads bring the value – in more ways than one:

- Value drive #1 social ads work, and they work well
- Value driver #2 social ads generate very low cost-per-click rates
- Everybody wins with social ads!

We say it all the time, but the marketing game truly has changed. All of Google's content on the Zero Moment of Truth and the Customer Journey to Online Purchase is proof of that. Seriously, there's a ton of great articles on the ZMOT that go well beyond what we've discussed here. You should definitely head over there and try to digest as much as you can handle, we promise it'll be worth it. The goal of this whitepaper is to whet your appetite for display ads and retargeting in hopes that you and your business will begin to experiment with these great digital marketing tactics.



# **About WSI (We Simplify the Internet)**

WSI is a digital marketing company with a strong international presence. Our Digital Marketing Consultants use their knowledge and expertise to make a difference for businesses all around the world. Headquartered in Toronto, Canada, we also have offices in over 80 countries. We're a powerful network of marketers who strive to discover, analyze, build and implement digital solutions that win digital marketing awards and help businesses succeed online.

Over the last 20 years, WSI has won multiple digital marketing awards for our solutions by adapting to the constantly shifting landscape of the Internet. We take pride in helping businesses make the most of the dollars they spend on digital marketing.

Ready to move ahead and discuss a project with a local Digital Marketing Consultant? Get in touch with one of our experts now by visiting www.wsiworld.com/get-in-touch-with-an-expert.