The marketing environment continues to develop at a meteoric pace, largely driven by customers who demand always-on, superfast, intuitive, and more exciting brand experiences.

Market disruption is becoming the new normal, with the likes of M-Pesa, 4Afrika and The Nomanini enterprise platform changing the shape of many markets to make customers’ lives simpler, easier and cheaper.

New mobile app technologies are enabling customers to experience reality without leaving their screens. Pokémon Go, Google Cardboard and Samsung Gear have brought new and exciting capabilities in virtual reality.

The ‘internet of things’ is fast becoming the mainstream method of managing the home, with smart technology built-in so that people no longer need to worry about stocking the fridge with their favourite products or finding the remote TV control to programme Netflix.

The implication of this technology sea change for brands is that they now need to accelerate digital innovation and seek dramatically new marketing strategies capable of keeping pace with the competition, whilst creating authentic customer value. They must understand the new digital media landscape and how audiences like to consume content so that they can harness the power of new channels, platforms and technologies.

In this unit, you will explore the principles of strategic digital marketing set in the context of the changing behaviours of the contemporary customer. By the end of the module you will be able to critically evaluate digital marketing strategies and understand how they can be created to drive innovation and ensure the business survives and thrives in a digital world.

You will additionally assess how organisations of all types and in all markets, need to adopt an entrepreneurial mindset and understand the imperative of digital transformation, and how organisations need to become digital by default.
# What you’ll learn

The table below shows the learning outcomes of this unit (what you will be able to do or what you will know), along with the assessment criteria (what you will be able to do to demonstrate achievement of the learning outcome).

<table>
<thead>
<tr>
<th>Learning Outcomes</th>
<th>Assessment Criteria</th>
<th>Weighting</th>
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<tbody>
<tr>
<td>The learner will:</td>
<td>1. Critically assess the significance of digital marketing and innovation for an organisation</td>
<td>20%</td>
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<td></td>
<td>1.1 Critically evaluate the digital environment and the opportunities it provides in driving innovation</td>
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<td></td>
<td>1.2 Assess how digital has changed marketing thinking</td>
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<td>2. Analyse the changing nature of the digital customer</td>
<td>20%</td>
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<td></td>
<td>2.1 Determine the characteristics of digital customer buying behaviour in different markets, sectors and cultures</td>
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<td></td>
<td>2.2 Analyse the different stages of customer digital adoption</td>
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<td></td>
<td>2.3 Apply the principles of the digital customer decision journey modelling</td>
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<td></td>
<td>2.4 Justify an appropriate methodology for gathering customer insights to inform the digital marketing strategy</td>
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<td></td>
<td>3. Critically evaluate opportunities for digital innovation by critically evaluating the marketing strategy for a chosen organisation</td>
<td>30%</td>
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<td>3.1 Develop a structured approach to examining the digital marketing and innovation strategy</td>
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<td></td>
<td>3.2 Assess the elements of the digital marketing mix</td>
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<td></td>
<td>3.3 Evaluate the internal capabilities and resources of an organisation</td>
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<td>3.4 Identify opportunities for a chosen organisation to innovate for competitive advantage</td>
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<td>3.5 Discuss methods for monitoring, measuring and managing the digital marketing strategy</td>
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<td></td>
<td>4. Critically assess how big data and contemporary developments can be used to drive digital marketing strategy</td>
<td>20%</td>
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<tr>
<td></td>
<td>4.1 Critically evaluate the emergence of big data, its scope and power to inform marketing strategies</td>
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<td></td>
<td>4.2 Critically assess how big data is used to centralise and synthesise consumer insights, forecast outcomes and evaluate the effectiveness of the marketing strategy</td>
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<td>4.3 Critically analyse the methods by which different organisations capture and use data to justify the marketing strategy decisions</td>
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<td></td>
<td>5. Justify the application of tools and techniques needed to successfully implement the digital marketing strategy</td>
<td>10%</td>
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<td></td>
<td>5.1 Critically assess the principles of agile marketing as an approach to delivering innovative digital marketing</td>
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<td>5.2 Critically evaluate the benefits of setting minimum variable marketing (MVM) standards</td>
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Capabilities

Alongside academic learning and development, ABE qualifications have been designed to develop your practical skills and capabilities. These capabilities are highlighted as certain values, knowledge, skills and behaviours that will help you in your professional development.

Below is an overview of the behaviours, skills and attitudes that you will develop through this unit:

<table>
<thead>
<tr>
<th>Element of learning</th>
<th>Key capabilities developed</th>
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</table>
| Element 1 - Trends and changes in digital marketing | Ability to assess the digital marketing environment and identify opportunities for driving innovation  
Analytical skills, analysis of models, critical reflection, ethical appreciation |
| Element 2 - Digital consumer buying behaviour  | Ability to recognise the changing behaviour of digital customer buying behaviour and identify the stages of customer digital adoption  
Ability to gather data for customer insights  
Synthesis, planning, reflection, evaluation, analysis of models, critical reflection, evaluation |
| Element 3 - Planning the digital marketing strategy | Ability to identify and evaluate opportunities for digital innovation in relation to a marketing strategy and gaining competitive advantage  
Ability to monitor, manage and measure the effectiveness of the digital marketing strategy  
Critical thinking, problem solving, analytical skills, synthesis, planning, analysis of models, information retrieval |
| Element 4 - The use of data in developing digital marketing strategies | Awareness of the impact of data on digital marketing strategy and the ability to identify how innovation can be driven by new developments  
Knowledge of how big data can be used to increase the effectiveness of a digital marketing strategy  
Analytical, problem solving, planning, evaluation, reporting skills, mapping, analysis of models, numeracy |
| Element 5 - New methods of planning digital marketing strategy | Ability to justify the use of different tools and techniques for the successful implementation of a digital marketing strategy  
Critical thinking, analytical, problem solving, problem posing, evaluation, decision-making, planning and implementing, reporting skills |
Localisation

It is very important when studying for your ABE qualification that you consider your local business environment and try to apply what you are learning to relevant scenarios in your local business context. Doing this will help you to put your learning into practice and use it in your professional day-to-day activities.

You should take into account the following when preparing for your assessment:

- National, regional and local media channels available
- Your country’s demographic structure
- Your country’s cultural characteristics affecting attitudes to brands and marketing
- The digital maturity of nations, regions and territories
- Specific retail channels and routes to market
- Specific legislation, codes of practice and regulations relating to marketing
- The structure of commerce and industry in the particular market
- Individual government attitudes to innovation and support for digital development
Indicative Content

1. Critically assess the significance of digital marketing and innovation for an organisation

1.1 Critically evaluate the digital environment and the opportunities it provides in driving innovation

- The fast pace of change in digital marketing and technology development
- Key digital developments available to an organisation including new channels in retail, communication and media
- Key consumer trends that are influencing digital marketing strategies and innovation including social media, mobile and personalisation (SoLoMo)

1.2 Assess how digital has changed marketing thinking

- Opportunities for competitive advantage created by digital transformation, innovation and market disruption
- Digital impacts on the way that brands interact and engage with customers on an individual level
- Digital impacts on consumer media consumption and the affect this has on advertisers’ media buying

2. Analyse the changing nature of the digital customer

2.1 Determine the characteristics of digital customer buying behaviour in different markets, sectors and cultures

- The differences between online and offline customer buying behaviour and the implications for marketing strategies
- The digital needs, wants and expectations of digital natives differ from those of digital immigrants
- Different digital buying behaviours of customers in B2B and B2C markets
- The impact of cultural background on customer buying behaviour
- Key trends and changes in customer buying behaviour and suggest how these will develop in the future

2.2 Describe and assess the different stages of customer digital adoption

- The process of adopting new innovations using the principles of Roger’s Adoption Curve (2003)
- Targeting marketing communications to reach customers depending the diffusion of innovations
- The influence of opinion leaders and change agents in the context of digital marketing strategy

2.3 Apply the principles of the digital customer decision journey modelling

- New models of the customer decision journey including Google’s Moments of Truth (Lecinsky 2011), McKinsey’s Dynamic Consumer Journey (Court et al 2009) and Kaushik’s ‘See, Think, Do’ framework (Kaushik 2016)

2.4 Justify an appropriate methodology for gathering customer insights to inform the digital marketing strategy.

- Popular methods used to generate qualitative and quantitative customer insights including Google analytics, focus groups and empathy interviews
- The value of customer insights in making marketing strategy decisions involving understanding consumer motivations, preferences, needs, wants and fears
3. Critically evaluate opportunities for digital innovation by critically evaluating the marketing strategy for a chosen organisation

3.1 Develop a structured approach to examining the digital marketing and innovation strategy
   • The principles of PR Smith’s SOSTAC (2011) marketing planning model

3.2 Assess the elements of the digital marketing mix
   • The scope, role and purpose of each component in the strategic marketing mix using PR Smith’s 8P framework (2013)

3.3 Evaluate the internal capabilities and resources of an organisation
   • Factors that influence an organisation’s ability to innovate based on McKinsey’s 7S model (1980)
   • The importance of digital transformation in driving innovation
   • The causes of barriers and resistance that can prevent change within an organisation including corporate culture, company structure, attitude to risk and the level of resources available

3.4 Identify opportunities for a chosen organisation to innovate for competitive advantage
   • The benefits to the organisation of being able to use digital innovation to create new value for customers
   • The principles of the consumer value including popular models such as the consumer value proposition canvas (Osterwalder and Pigneur, 2004)
   • Creating competitive advantage through new digital marketing methods, innovation and digital transformation
   • Innovative thinking and a different approach to the creative execution of digital marketing campaigns including experiential marketing, virtual/augmented reality, interactive techniques and personalisation at scale

3.5 Discuss methods for monitoring, measuring and managing the digital marketing strategy
   • Setting meaningful key performance indicators (KPIs)
   • Tracking and measuring marketing strategy effectiveness
   • The importance of contemporary contingency planning in the context of the digital environment
4. Critically assess how big data and contemporary developments can be used to drive digital marketing strategy

4.1 Critically evaluate the emergence of big data, its scope and power to inform marketing strategies

- The terminology and the language of big data including the software, processes and systems such as Hadoop, MapReduce and parallel processing
- The principles of big data and the scope of its value to marketers in helping to shape marketing strategies by providing consumer behaviour, attitude, opinion and habit insights
- Big data strategies and traditional data analysis integration

4.2 Critically assess how big data is used to centralise and synthesise consumer insights, forecast outcomes and evaluate the effectiveness of the marketing strategy

- Sources of big data including employees, consumers and machines such as electronic point-of-sale (EPOS), CCTV and digital footprints
- Analysing big data to optimise marketing strategies including consumer engagement, retention and loyalty, marketing performance and commercial outcomes
- The challenges that marketers face in gathering and analysing big data including understanding the type of data to gather, the analytical tools needed and turning big data into meaningful insights

4.3 Critically analyse the methods by which different organisations capture and use data to justify the marketing strategy decisions

- Methods of reporting marketing performance including brand share tracking, commercial returns on marketing investment (MRoI), marketing attribution models and media channel effectiveness (reach, cost quality analysis).
- Using big data for marketing mix modelling (MMM) and applying the principles of AB testing
- Local and global legislation, codes of practice and regulations that control the way organisations access and use big data

5. Justify the application of tools and techniques needed to successfully implement the digital marketing strategy

5.1 Critically assess the principles of agile marketing as an approach to delivering innovative digital marketing

- The concept of Agile marketing involving accelerated marketing project development and test-and-learn mentality
- The process of agile marketing including the principles of Scrum and Sprint marketing project management
- The tactical nature of Agile marketing, its benefits and drawbacks including speed, responsiveness, short-termism and accountability

5.2 Critically evaluate the benefits of setting minimum variable marketing (MVM) standards

- The concept of MVM and its links to the principles of minimal variable product (Reis 2009)
- The process of developing MVM activities and tactics including gathering research, continual testing and feedback methods