

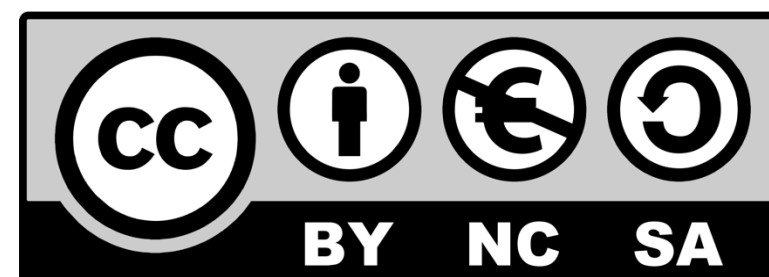
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Module 5

Applications - Real-Life Examples and Evaluating Digital Advertising Campaigns



Co-funded by
the European Union



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Module 5

Section 1: Understanding target audience

Understanding target audience

Understanding the target audience is the foundation for crafting effective digital advertising campaigns. Knowing who your audience is, how they behave, and how to reach them ensures that your campaigns are relevant, engaging, and more likely to drive the desired results. This section explores four essential aspects of understanding your target audience: demographics, behavior, tailoring campaigns, and persona development.

Audience Demographics

Demographics refer to statistical data about the characteristics of a population, such as age, gender, income level, education, and geographic location. Identifying these factors is crucial for segmenting the audience and determining the best strategies to reach them. Advertisers use demographic data to tailor their messaging, optimize campaign targeting, and create relevant content for different audience segments.

Key Demographic Factors:

Age: Different age groups respond to different content formats and messages. Younger audiences tend to prefer visual content like videos, while older demographics may respond better to text-based content.

Gender: Understanding gender differences in product preferences can help target messages more effectively.

Key Demographic Factors:

Income Level: Knowing the income level helps brands determine the type of products or services they should promote, as well as the pricing strategy.

Location: Geographic data helps brands understand regional preferences, language differences, and cultural nuances that affect consumer behaviour.

Example:

Netflix tailors its advertising based on audience demographics. For younger audiences, Netflix emphasizes its selection of animated series and young adult content, while for older demographics, it highlights documentaries and dramas. This demographic-based targeting allows Netflix to create ads that resonate with different age groups effectively.

Audience Behaviour

Audience behaviour refers to the patterns and habits of users when interacting with content, such as browsing habits, social media activity, and purchasing behaviours. Understanding these behaviors allows brands to predict how consumers will respond to advertising and content. Behavioural data is gathered through tracking tools like cookies, social media analytics, and website tracking systems.

Key Behavioural Factors:

Social Media Activity: Knowing what platforms your audience uses (e.g., Facebook, Instagram, TikTok) helps brands create platform-specific content. Social media behaviour includes engagement (likes, comments, shares) and interaction patterns.

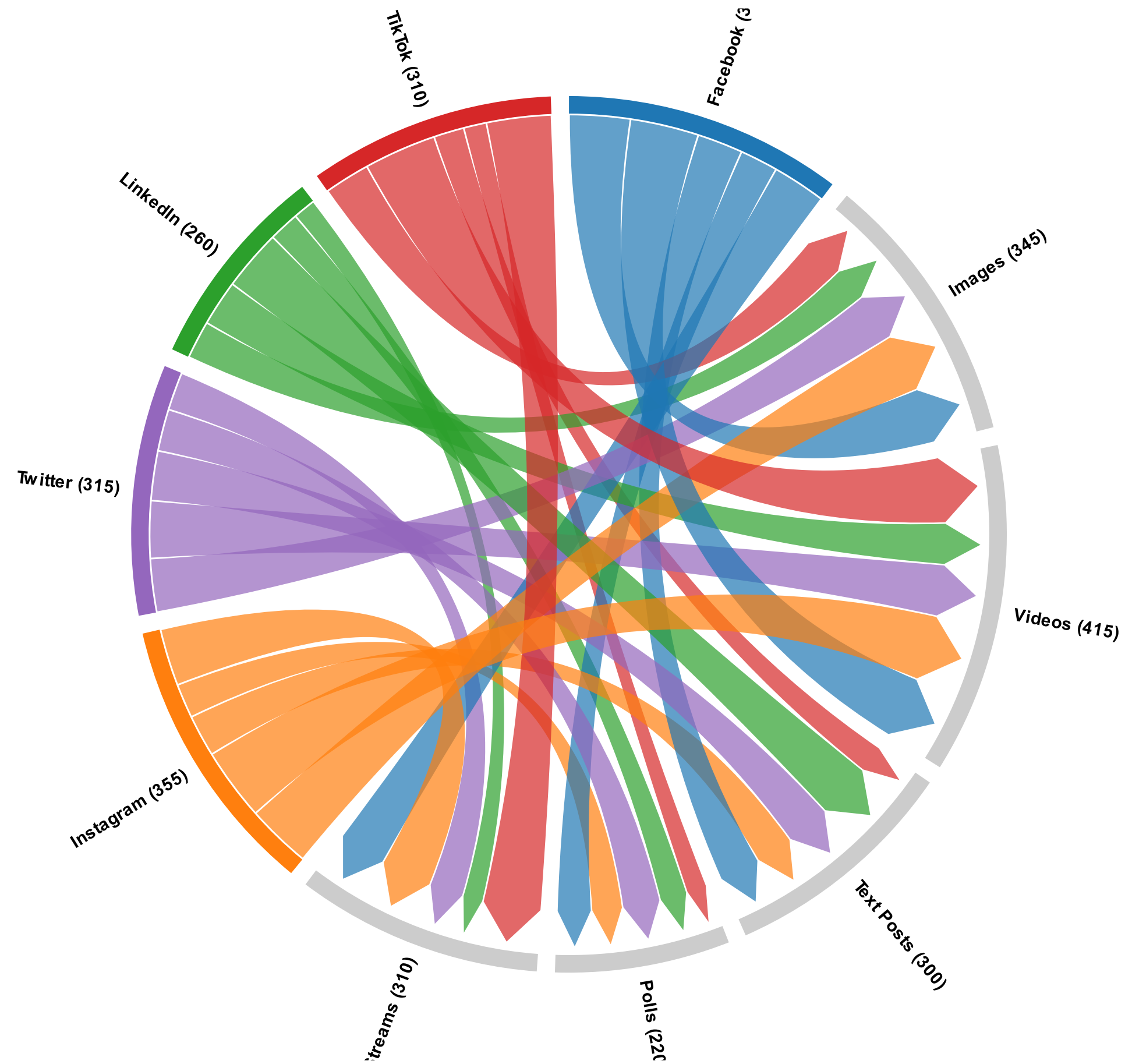
Purchase Behaviour: Understanding past purchases and buying patterns helps brands predict future behaviour and offer personalized content (e.g., product recommendations).

Content Consumption: This includes the types of content (videos, articles, podcasts) users consume and the devices they use to access it.

Example:

Amazon uses audience behaviour data to personalize product recommendations. By analysing purchase history, browsing activity, and user preferences, Amazon delivers highly relevant ads and recommendations, increasing the likelihood of conversion.

Example of behavioural heatmap



Tailoring Campaigns

Tailoring campaigns means customizing advertising content, messaging, and visuals to meet the specific preferences and needs of different audience segments. By using data gathered on demographics and behaviour, brands can adjust their strategies to resonate with various groups. Tailoring campaigns ensures that the right message reaches the right audience at the right time, increasing the likelihood of engagement and conversion.

Tailoring Campaigns

Personalized Messaging: Use the user's name, location, or preferences in the ad copy. Personalization makes consumers feel valued and increases their connection with the brand.

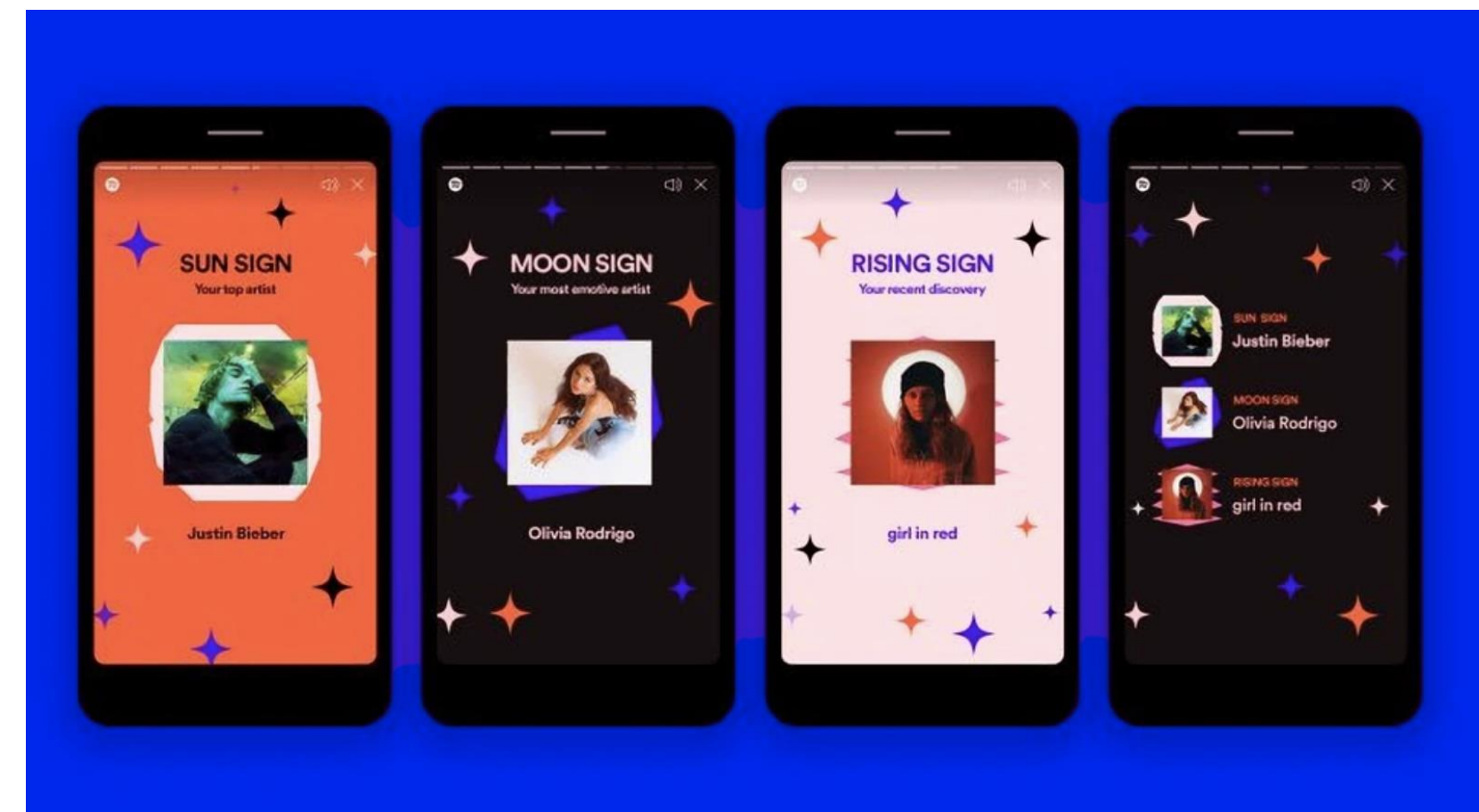
Targeted Content: Brands should create content that speaks to specific audience segments, addressing their needs and interests. For instance, a luxury brand may target higher-income consumers with messages about quality and exclusivity, while a budget brand focuses on affordability and convenience.

Tailoring Campaigns

Ad Placement: Adjust where and when ads are placed based on audience behaviour. For example, younger audiences might be more active on Instagram, so brands would allocate more ad spend to this platform for that segment.

Tailoring Campaigns

Spotify uses tailored campaigns to promote personalised playlists such as “Discover Weekly.” By analysing listening habits, Spotify sends users personalised recommendations and ads, increasing engagement and driving users to explore more content on the platform.



Persona Development

Persona development involves creating detailed profiles or “personas” that represent different segments of your target audience. A persona typically includes demographic information, behaviours, needs, motivations, and pain points. These personas serve as a guide for advertisers to create campaigns that speak directly to the needs and desires of their target consumers.

Persona Development

How to Build Personas

Research: Use customer surveys, website analytics, social media insights, and demographic data to gather information about your audience.

Segment: Identify distinct groups based on demographics, behaviour, and preferences.

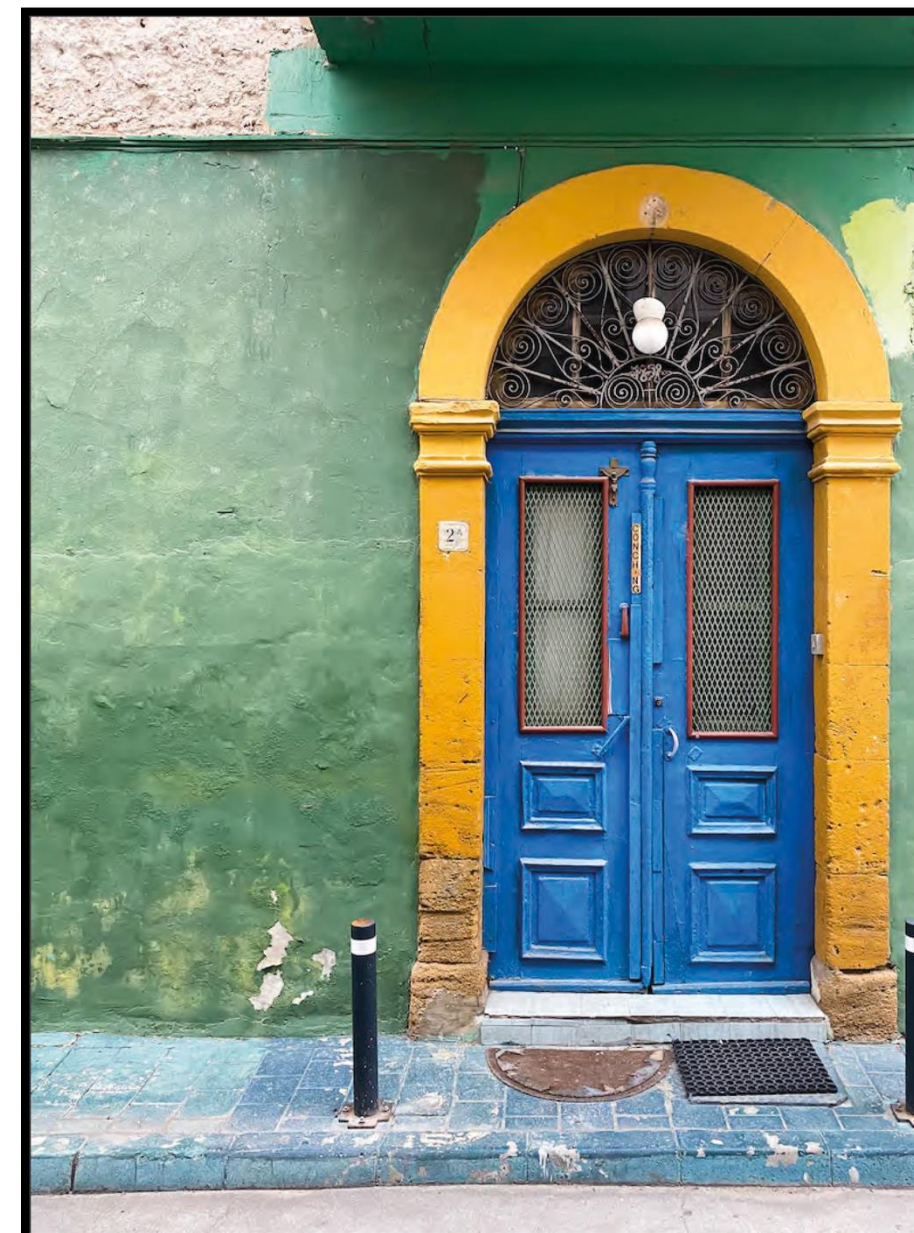
Develop Persona Profiles: For each segment, create a persona that includes a name, demographic details (age, location, job title), goals, challenges, and preferred platforms for engagement.

Persona Development

Hulu uses persona development to target different types of viewers. Hulu's personas might include a "Binge Watcher" who consumes entire seasons of shows in one sitting and a "Casual Viewer" who watches occasionally and prefers shorter content. Hulu tailors its ads and content recommendations based on these personas to improve user satisfaction and increase retention.

Persona Development

Example: Presentation of
Persona Development from a
student project for a fusion
sandwich shop.



KHÔN BANH MI

PERSONA



Illiana

Age : 20

Job : student

Location : Nicosia
southside

Character traits :
curious, love eating

Interests : to travel,
discover new places, to
read

Needs : change of
scenery, move places,
evolve

Frustrations : young and
does not have the
opportunity to go where
she wants in the world



Victor

Age : 24

Job : cooker

Location : Nicosia
northside

Character traits :
creative, passionate

Interests : to cook, asian
culture, sport

Needs : wants to improve
his cook, learn more
about the cook around
the world

Frustrations : cannot find
good traditional
vietnamese street food
around his home

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Module 5

Section 2: Case studies of successful digital advertising campaigns

Successful digital advertising campaigns

Case studies of successful digital advertising campaigns provide valuable insights into how brands effectively engage audiences, drive conversions, and achieve long-term business goals. In this section, we will analyse three major case studies, examining the strategies, tools, and metrics used in each to understand how they succeeded. Additionally, we will provide a deeper understanding of the common elements that contribute to a campaign's success and how to apply these lessons to your own campaigns.

Case Study 1: Nike's "Dream Crazy"

Nike's Dream Crazy campaign, launched in 2018, featured former NFL player Colin Kaepernick. The campaign focused on empowerment, equality, and taking a stand for social justice, positioning Nike as a brand that aligns itself with cultural movements. The emotional narrative inspired audiences to dream big and push boundaries, resonating with Nike's core message of athletic achievement.

Nike's "Dream Crazy" – Key Strategies:

Emotional Storytelling: Nike used emotionally charged content, leveraging Kaepernick's story to connect with consumers on a deeper level. The ad encouraged people to "dream crazy," aligning with Nike's tagline, "Just Do It."

Cause Marketing: By aligning itself with social justice movements, Nike tapped into consumer values and a growing desire for brands to take stances on societal issues.

Multichannel Distribution: The campaign ran across social media, television, and online platforms, ensuring maximum visibility.

A black and white close-up portrait of a man with a beard and intense gaze. The image is framed by a white border, which is itself set against a background of red, blue, and yellow geometric shapes.

Believe in something. Even if it
means sacrificing everything.

 Just do it.



Links for Additional Reading and Visuals

https://youtu.be/ekZRoSCINLA?si=dzGZlRWltxBbu_7e

<https://youtu.be/A1hDscZfE2w?si=cFgpc7ieBhbp1WxF>

Case Study 2: Airbnb's "We Are Here" Campaign

Airbnb launched the We Are Here campaign to highlight the unique travel experiences offered by its hosts. The campaign showcased real stories from Airbnb hosts and guests, emphasising the sense of community and authentic travel experiences that differentiate Airbnb from traditional hospitality providers. It also used user-generated content (UGC) to enhance authenticity and build trust among potential customers.

Airbnb's "We Are Here" – Key Strategies:

User-Generated Content (UGC): Airbnb leveraged UGC by encouraging hosts and guests to share their personal stories and experiences. This created a library of real, authentic content that resonated with new and returning customers.

Storytelling: The campaign focused on the experiences of real people rather than scripted ads, building a narrative around connection, community, and the uniqueness of Airbnb stays.

Influencer Partnerships: Airbnb worked with influencers to amplify the campaign's reach, encouraging their followers to explore the platform.

Case Study 3: Old Spice's "The Man Your Man Could Smell Like" Campaign

Old Spice transformed its brand image through the viral The Man Your Man Could Smell Like campaign. The ad featured actor Isaiah Mustafa delivering witty, humorous monologues directly to the camera, speaking to both men and women. The campaign revitalised the brand's appeal to younger audiences and effectively used humour and creative storytelling to break through the clutter of traditional advertising.

Old Spice's "The Man Your Man Could Smell Like"

– Key Strategies:

Humour and Creativity: The campaign used humour to engage viewers with quirky, memorable content that stood out in a crowded market. The over-the-top nature of the ads grabbed attention and made Old Spice relevant to a younger demographic.

Interactive Engagement: After the initial ad aired, Old Spice posted a series of personalized video responses to fans' questions on social media, further increasing engagement and creating a viral loop.

Multichannel Approach: The campaign ran across television, YouTube, social media, and online platforms, maximizing reach and reinforcing the brand's message across multiple touchpoints.

Old Spice's "The Man Your Man Could Smell Like"

– Application:

Old Spice's campaign is a masterclass in using humor to create brand relevance and engagement. By producing content that was funny, entertaining, and shareable, Old Spice succeeded in rejuvenating its brand and attracting a younger audience.



Links for Additional Reading and Visuals

<https://youtu.be/owGykVbfgUE?si=XB73F8JPt9Qr9U1h>

<https://youtu.be/uLTlowBF0kE?si=O-kmWT2J2HIPa87U>

<https://youtu.be/GSThEWb7Wzg?si=NKBpPH6OW2wOZ-ih>

Common Elements of Success Across Campaigns

Storytelling: All successful campaigns tell a compelling story that resonates with the audience, whether through emotional, authentic, or humorous narratives.

Audience Engagement: Engaging the audience through UGC, personal ed content, or interactive features is not just a strategy but a recognition of their value and an integral part of the campaign's success.

Multichannel Strategies: Using a combination of platforms (social media, TV, digital ads) ensures that campaigns reach a wider audience and reinforce messaging across multiple touchpoints.

Section 3: Metrics and KPIs

Understanding and analysing metrics and key performance indicators (KPIs) is crucial for evaluating the success of digital advertising campaigns. By tracking metrics such as impressions, click-through rate (CTR), conversion rate, return on ad spend (ROAS), and engagement rate, advertisers can determine what works and what needs improvement. This section will explore these metrics in detail, providing theoretical information, data, real-life examples, and tips for using each KPI effectively.

Impressions: The Number of Times Your Content is Displayed

Impressions refer to the number of times your content, such as an ad, is displayed on a screen. This metric is typically used in digital advertising to measure the reach of a campaign and indicates how many times an ad has been served to users. Impressions are crucial for understanding the potential visibility of an ad, but they don't necessarily mean that users have engaged with the content.

Impressions – Key Points:

Definition: Impressions represent the total number of times an ad appears on a webpage or social media feed.

Tracking Impressions: Platforms like Google Ads and Facebook Ads automatically track impressions, allowing marketers to monitor the reach of their campaigns.

Limitations: While impressions are useful for measuring exposure, they do not indicate whether users interacted with the ad or found it valuable.

Impressions – Example:

A banner ad for Coca-Cola was displayed 1 million times across various websites. These 1 million impressions represent the ad's reach, though it doesn't measure user engagement or interaction with the ad.

Click-Through Rate (CTR): The Percentage of Users Who Click on Your Ad

CTR measures the percentage of users who click on your ad after seeing it. It's calculated by dividing the number of clicks by the number of impressions and multiplying by 100. CTR is an essential metric for understanding how effective an ad's call-to-action and content are in prompting users to take the next step.

Click-Through Rate (CTR) – Key Points:

Definition: $\text{CTR} = (\text{Clicks} \div \text{Impressions}) \times 100$.

Importance: A high CTR indicates that the ad resonates with the target audience and encourages them to engage.

CTR Benchmark: CTR varies by industry and platform. For example, search ads typically have a higher CTR than display ads.

Click-Through Rate (CTR) – Example:

A Spotify ad promoting its premium subscription received 50,000 impressions and 2,500 clicks. The CTR would be calculated as $(2,500 \div 50,000) \times 100 = 5\%$. This means 5% of users who saw the ad clicked on it to learn more or subscribe.

Conversion Rate: The Percentage of Users Who Complete a Desired Action

Conversion rate measures the percentage of users who complete a specific desired action after clicking on your ad. This action could be signing up for a newsletter, making a purchase, downloading an app, or filling out a contact form. The conversion rate is a direct indicator of how effective an ad is at driving meaningful user behaviour.

Conversion Rate – Key Points:

Definition: Conversion Rate = $(\text{Conversions} \div \text{Clicks}) \times 100$.

Importance: A high conversion rate shows that users find the offer or product valuable enough to take the desired action.

Optimisation: Brands should continually optimise landing pages, user experience, and CTA design to improve conversion rates.

Return on Ad Spend (ROAS): The Revenue Generated for Every Dollar Spent on Advertising

ROAS is a critical metric for measuring the financial efficiency of digital advertising campaigns. It calculates how much revenue is generated for every dollar spent on advertising. ROAS helps marketers assess the profitability of their campaigns and adjust ad spending to maximise returns.

Return on Ad Spend (ROAS) – Key Points:

Definition: $\text{ROAS} = (\text{Revenue from Ads} \div \text{Advertising Costs})$.

Importance: A high ROAS means the campaign is profitable, while a low ROAS indicates that the ad spend may need to be optimised.

Benchmark: ROAS benchmarks vary by industry, but a typical target for e-commerce brands is 4:1, which means €4 in revenue for every € 1 spent on ads.

Return on Ad Spend (ROAS) – Example:

An e-commerce brand spends €5,000 on Facebook ads and generates €20,000 in revenue. The ROAS would be calculated as $(€20,000 \div €5,000) = 4:1$. This means the brand earned €4 for every €1 spent on advertising, indicating a highly profitable campaign.

Engagement Rate: Measures Likes, Comments, Shares, and Other Forms of Interaction

Engagement rate measures the level of interaction users have with your content. It includes metrics like likes, comments, shares, retweets, and clicks on social media posts or ads. Engagement rate provides insights into how well your content resonates with your audience and how actively they participate in the conversation around your brand.

Engagement Rate – Key Points:

Definition: Engagement Rate = (Total Engagements ÷ Total Impressions) x 100.

Importance: High engagement indicates that users find the content compelling and are motivated to interact with it. It's a strong indicator of brand awareness and community-building efforts.

Engagement Types: Engagement can vary depending on the platform and type of content, such as likes on Instagram, retweets on Twitter, or comments on Facebook.

Engagement Rate – Example:

Starbucks posts a new product announcement on Instagram, receiving 100,000 likes, 5,000 comments, and 2,000 shares from 1 million impressions. The engagement rate is calculated as $((100,000 + 5,000 + 2,000) \div 1,000,000) \times 100 = 10.7\%$. This high engagement rate indicates strong interest in the product.

Section 4: Sustainability in digital advertising campaigns

As the world becomes more aware of the environmental impacts of every industry, digital advertising must also adopt sustainable practices to reduce its carbon footprint. This section explores how online ads contribute to energy consumption, the strategies brands can implement to promote sustainability, and the tools available to measure and evaluate the environmental impact of advertising campaigns. The goal is to educate participants on creating effective digital campaigns while minimising environmental harm.

Carbon Footprint of Digital Ads

Digital advertising, while seemingly intangible, has a significant environmental impact. Every online ad contributes to energy consumption by hosting on data centres, transferring through the internet, and eventually displaying on users' devices. Data centres require large amounts of energy to run, often relying on non-renewable energy sources. Additionally, the delivery of rich media ads (such as videos) further increases the carbon footprint due to the high energy demand for processing and delivering these files.

Carbon Footprint of Digital Ads – Key Points:

Energy Consumption: Whenever an ad is displayed online, energy is used to store, transfer, and display the content. This energy often comes from data centres that are powered by fossil fuels.

Rich Media and Video Ads: Rich media ads, especially video ads, contribute the most to energy consumption due to the amount of data they require. Streaming high-quality video is particularly resource-intensive.

Data Centres Impact: Data centres which host the ads are estimated to account for 1-1.5% of global electricity consumption. Encouragingly, some data centres are moving towards renewable energy, a trend that needs to be supported to mitigate the environmental impact of digital advertising.

Carbon Footprint of Digital Ads – Example:

Google is a leader in the push for sustainable digital advertising. It has committed to running its data centres on 100% renewable energy. Additionally, Google Ads offers features that allow advertisers to choose more energy-efficient formats (e.g., lightweight ads).

Sustainable Practices in Digital Advertising

Several strategies can be adopted by brands to make their digital advertising campaigns more sustainable. By optimising the size of media files, using efficient servers, and promoting eco-friendly products and behaviours, brands can reduce their environmental impact while still achieving campaign objectives. These strategies involve more than just reducing energy consumption; they focus on creating advertising content that aligns with sustainable values and promotes eco-conscious behaviours.

Key Strategies:

Reducing File Sizes: Compressing images, optimising video formats, and reducing unnecessary elements in AdScan significantly reduce the energy required to deliver content. Lightweight ads load faster, reduce data transfer and consume less power.

Using Efficient Servers: Brands should partner with ad networks and hosting providers that use energy-efficient servers or are committed to renewable energy sources. Google, Amazon Web Services (AWS), and Microsoft Azure are examples of companies working toward greener data centre operations.

Promoting Eco-Friendly Products: Digital advertising can encourage eco-friendly behaviours by promoting sustainable products, such as reusable items, energy-saving appliances, or zero-waste products. Aligning advertising campaigns with sustainability goals benefits the environment and resonates with conscious consumers.

Example:

Patagonia is known for running sustainability-focused digital ad campaigns. It promotes campaigns like "Don't Buy This Jacket" to encourage consumers to consider the environmental impact of their purchases. Patagonia's ads emphasise sustainability throughout its messaging, promoting eco-friendly products and corporate responsibility.

Evaluating Sustainability in Digital Advertising

To ensure that digital advertising campaigns are as sustainable as possible, brands must evaluate the environmental impact of their campaigns using various tools and methodologies. These evaluations help companies identify areas for improvement and implement changes that reduce their carbon footprint. Sustainability evaluation tools track energy consumption, carbon emissions, and overall environmental impact, enabling brands to measure and optimise their campaigns for eco-friendliness.

Key Tools and Methods:

Carbon Calculators: Tools like the AdGreen Carbon Calculator allow brands to calculate the carbon footprint of their digital advertising campaigns. These calculators take into account the energy required to serve ads, the number of impressions, and the types of formats used (e.g., video vs. image).

Lifecycle Analysis: Brands can perform a lifecycle analysis (LCA) of their campaigns to assess the environmental impact from creation to distribution. This includes energy usage for content production, ad delivery, and user engagement (e.g., streaming video ads).

Monitoring Tools: Platforms like Google Ads and Facebook Ads provide energy efficiency insights, allowing advertisers to track the environmental performance of their campaigns and make adjustments where necessary.

Example:

IKEA used carbon tracking tools to evaluate its “Sustainable Living” campaign, which aimed to promote eco-friendly home products. By analyzing the campaign’s environmental impact, IKEA was able to make informed decisions about which ad formats to use and how to reduce data transfer requirements. This resulted in a more sustainable campaign that aligned with the company’s values.

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Module 5

Section 5: Tools for tracking and evaluating campaign success

Tracking and evaluating the success of digital advertising campaigns is essential for understanding what works and identifying areas for improvement. Several tools provide valuable insights into campaign performance, including website traffic, user behaviour, ad engagement, and conversion rates. This section explores four key tools—Google Analytics, Facebook Ads Manager, HubSpot, and SEMrush—each offering unique features to help marketers monitor, evaluate, and optimise their campaigns.

Google Analytics: Insights into Website Traffic and User Behaviour

Google Analytics is one of the most widely used tools for tracking website traffic and user behaviour. It provides detailed reports on how visitors interact with a website, including where they come from (traffic sources), what pages they visit, how long they stay, and what actions they take (such as clicking on links, watching videos, or making purchases). Google Analytics allows brands to measure campaign effectiveness by showing how different traffic sources contribute to conversions and how users move through the website.

Google Analytics – Key Features:

Traffic Sources: Google Analytics shows where website visitors are coming from, whether it's organic search, paid ads, social media, or direct traffic.

Behaviour Flow: This tool maps out the user journey through a website, showing which pages are most popular and where users tend to drop off.

Conversion Tracking: It allows businesses to set up and track conversion goals, such as form submissions, product purchases, or sign-ups, to evaluate the effectiveness of campaigns.

Google Analytics – Example:

An e-commerce website running a Google Ads campaign used Google Analytics to track its performance. By examining the traffic sources report, they discovered that most conversions came from organic search rather than paid ads. As a result, the business adjusted its ad strategy, focusing more on improving organic SEO while optimising ad spend.

Facebook Ads Manager: Tracking Engagement, CTR, and Conversion Rates

Facebook Ads Manager is a comprehensive tool that allows advertisers to create, monitor, and optimise ad campaigns across Facebook and Instagram. It provides real-time insights into key performance metrics such as engagement (likes, comments, and shares), click-through rates (CTR), and conversion rates. Facebook Ads Manager is especially valuable for tracking how well ads perform and resonate with the target audience. It also offers advanced targeting options to refine audience segments.

Key Features:

Ad Performance Metrics: Facebook Ads Manager tracks a wide range of KPIs, including impressions, CTR, cost-per-click (CPC), and conversion rates.

Audience Insights: Advertisers can analyse how different audience segments respond to ads and adjust targeting based on age, gender, location, and interests.

A/B Testing: Facebook Ads Manager allows for split testing of different versions of ads to see which performs better.

Example:

A clothing retailer used Facebook Ads Manager to promote a summer sale. By analysing the ad performance metrics, the retailer noticed that ads featuring influencer partnerships had a higher CTR and engagement rate than generic product ads. They shifted more of their budget toward influencer campaigns, leading to a 25% increase in conversion rates.

HubSpot: Tracking Email Campaigns, Landing Pages, and User Interactions

HubSpot is an all-in-one marketing platform that tracks and manages email marketing campaigns, landing page performance, and user interactions. It provides businesses with tools to nurture leads, manage customer relationships, and analyse the effectiveness of their digital campaigns. With HubSpot, advertisers can track metrics like email open rates, click-through rates, and form submissions, giving them a comprehensive view of how well their campaigns are converting leads into customers.

HubSpot – Key Features:

Email Campaign Tracking: HubSpot tracks metrics such as open rates, click-through rates, and bounce rates to evaluate email campaign success.

Landing Page Analytics: It monitors how landing pages perform, including conversion rates and form completion rates.

Lead Scoring: HubSpot's lead scoring system helps marketers prioritize leads based on their interactions with campaigns, allowing for more targeted follow-up.

HubSpot – Example:

A software company used HubSpot to launch an email campaign promoting a new product. By tracking email open rates and click-through rates, the company identified which segments of their email list were most engaged. They followed up with highly targeted content and saw a 35% increase in product demos booked through landing pages linked in the emails.

SEMrush: Monitoring Search Engine Rankings and Paid Ad Performance

SEMrush is a digital marketing tool specialising in search engine optimisation (SEO) and paid search performance tracking. It provides insights into search engine rankings, keyword performance, backlink analysis, and paid ad performance across search engines like Google. SEMrush helps marketers optimise their campaigns by offering suggestions for keyword targeting, competitive analysis, and ad placement optimisation.

SEMrush – Key Features:

Keyword Analysis: SEMrush tracks keyword rankings, showing how well a brand's content performs in organic search.

Backlink Monitoring: It tracks backlinks to help marketers understand their site's authority and how it compares to competitors.

PPC Performance: SEMrush analyses paid search ads, providing insights into cost-per-click, ad positioning, and ROI.

SEMrush – Example:

A home goods retailer used SEMrush to improve its SEO strategy. By analysing keyword rankings and competitive data, the retailer identified high-performing keywords and adjusted their content strategy. As a result, organic traffic to their website increased by 20%, and they optimised their Google Ads campaign to reduce cost-per-click by 15%.

