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TRABAJO FIN DE MASTER

E-COMMERCE SALES AND CONVERSIONS
OPTIMIZATION THROUGH PERFORMANCE MARKETING
AND ON-SITE PERFORMANCE

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Madrid

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Declaro, bajo mi responsabilidad, que el Proyecto presentado con el título

“E-commerce sales and conversions optimization through performance marketing and on-site performance”

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UNIVERSIDAD PONTIFICIA

ICAI

MASTER'S DEGREE IN INDUSTRIAL ENGINEERING

MASTER'S THESIS

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Entidad Colaboradora: FlowerStore Group

RESUMEN DEL PROYECTO

El proyecto consiste en optimizar los servicios de Marketing Digital. La estructura del proyecto consiste en la redacción del plan estratégico de optimización del marketing digital, implantación de los cambios necesarios según la estrategia marcada, seguimiento y monitorización de dichos cambios, toma y análisis de resultados y conclusión. La redacción del TFM es en inglés.

Palabras clave: Marketing, Performance, Optimization

1. Introducción

En el presente proyecto se desarrollan una serie de procesos de optimización que se han implementado para mejorar los servicios de marketing digital y canales de venta de una empresa. La empresa FlowerStore Group, ubicada en la ciudad de Manila en Filipinas, solicita la realización de un proyecto de tipo estudio en el que se ofrezcan soluciones para mejorar el rendimiento de los canales digitales a través de los cuales realiza sus ventas. La empresa por tanto es un e-commerce y el principal producto que comercializa a través de tu página web son las flores.

El Proyecto se realiza en el marco del programa de Prácticas Internacionales ofrecido por la Universidad Pontificia de Comillas para los alumnos que cursan el Master en Ingeniería Industrial.

2. Definición del proyecto

El Proyecto consiste en, tras entender los conceptos básicos de marketing digital, buscar una serie de objetivos que se pretenden lograr para mejorar el rendimiento de los recursos empleados por el Departamento de Marketing de la empresa. Para ello, se redacta un Plan Estratégico de Marketing digital, en el que, tras hacer un exhaustivo análisis de la empresa, utilizando la metodología DAFO, se fijan unos objetivos de tipo SMART, que se persiguen conseguir a lo largo del periodo de duración del programa de Prácticas Internacionales.

Una vez redactado el plan y conocidos así los objetivos, se desarrollan una serie de procesos de optimización, que aplicados a las correspondientes herramientas de marketing, buscan la maximización de utilización de recursos destinados a marketing por parte de la empresa

En el marco académico, el proyecto pretende dotar al lector de los conocimientos básicos de marketing digital, estrategia empresarial, análisis de datos y optimización de procesos,

así como de una guía practica para su futura aplicación en situaciones similares a la analizada.

3. Descripción del modelo/sistema/herramienta

Una vez decididos los objetivos SMART, para la aplicación de estos se decidirán procesos de optimización. Estos procesos de optimización se aplicarán utilizando principalmente las herramientas de análisis de datos Google Analytics, Google Sheets y Microsoft Excel y las herramientas de marketing digital Google Ads y Facebook Business Manager.



Ilustración 1. Logos de las herramientas utilizadas en el proyecto

Para cada uno de los objetivos que se persigue se ha implementado un proceso de optimización diferente. En el primero de los objetivos, que consiste en la maximización de la utilización de los anuncios gráficos destinados a aparecer en la red social Facebook se ha desarrollado una herramienta que permite puntuar estos anuncios en función de su rendimiento, para así tomar la acción necesaria que permita obtener mejores resultados. En el segundo objetivo se pretende aumentar la visibilidad de la empresa llegando a más personas, y logrando así un mayor número de resultados. Para ello se diseña una estrategia que pretende optimizar las audiencias, evitando mostrar en exceso los anuncios a aquellos usuarios conocedores de la marca, y destinando el excedente económico a llegar a mas personas. Este proceso se lleva a cabo en la red social Facebook. Por último, el tercer objetivo busca mejorar la posición de la empresa frente a los competidores del mercado. Para ello se pretende utilizar en las campañas de marketing digital distintas estrategias de puja, que permitan conocer a la empresa la estrategia optima.

Una vez implementados estos procesos, se monitorean resultados durante el periodo de tiempo necesario para obtener resultados fiables, en base a los cuales se pueda confirmar la consecución de los objetivos.

4. Resultados

Una vez aplicados los procesos de optimización se analizan los resultados, que serán los que indiquen si se da por concluida la optimización o si por el contrario, es necesario seguir con dichos procesos. A continuación, se muestra una tabla en la que se incluyen los valores de los KPIs fundamentales para la empresa, comparando estos valores con los de un periodo de igual duración anterior a la optimización.

	Enero a Febrero		Abril a Mayo	
	CPO	Conv.	CPO	Conv.
Google Ads	\$3.74	11,140	\$2.83	9,272
Facebook Business	\$4.82	23,815	\$3.19	13,519
TOTAL	\$4.48	34,955	\$3.04	22,791

Tabla 1. Resultados obtenidos

Podemos comprobar que en ambas herramientas, tanto en Google Ads como en Facebook Business Manager, el valor del CPO (Coste por Orden) disminuye tras la aplicación de los procesos de optimización. Esto quiere decir que por cada pedido generado en la empresa a través del marketing digital se ha conseguido gastar menos dinero. Esto nos permite calcular el ahorro total que supone para la compañía, multiplicando el número de conversiones (número de ventas) por la diferencia entre el CPO de ambos periodos.

5. Conclusiones

Tras comprobar el correcto funcionamiento de los procesos de optimización, se demuestra que se alcanzan los objetivos planteados y que por tanto la implementación del Proyecto supone un ahorro en costes para la empresa, al invertir de una forma más eficiente los recursos disponibles.

Para el alumno y el lector, los conocimientos adquiridos durante la realización o lectura del proyecto están dotados de un altísimo interés, al ser el marketing digital, y en definitiva el entendimiento del mundo digital orientado a las ventas y publicidad fundamental para el futuro. Estos conocimientos serán sin duda útiles en el caso de que el alumno comience su propio proyecto empresarial.

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E-COMMERCE SALES AND CONVERSIONS OPTIMISATION THROUGH PERFORMANCE MARKETING AND ON-SITE PERFORMANCE.

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Collaborating Entity: FlowerStore Group

ABSTRACT

The project consists of optimising Digital Marketing services. The structure of the project consists of drafting the strategic plan for optimising digital marketing, implementing the necessary changes according to the strategy, following up and monitoring these changes, taking and analysing the results and concluding. The project is written in English.

Keywords: Marketing, Performance, Optimization

1. Introduction

This project develops a series of optimisation processes that have been implemented to improve the digital marketing services and sales channels of a company. The company FlowerStore Group, located in the city of Manila in the Philippines, requested a study-type project to offer solutions to improve the performance of the digital channels through which it sells. The company is therefore an e-commerce company and the main product it sells through its website is flowers.

The project is carried out within the framework of the International Internship programme offered by the Universidad Pontificia de Comillas for students studying for the Master's Degree in Industrial Engineering.

2. Project definition

The project consists of, after understanding the basic concepts of digital marketing, seeking a series of objectives to be achieved in order to improve the performance of the resources used by the company's Marketing Department. To do this, a Strategic Digital Marketing Plan is drafted, in which, after an exhaustive analysis of the company, using the SWOT methodology, SMART objectives are set, which are intended to be achieved throughout the duration of the International Internship program.

Once the plan has been drawn up and the objectives are known, a series of optimization processes are developed, which, when applied to the corresponding marketing tools, seek to maximize the use of the company's marketing resources.

Within the academic framework, the project aims to provide the reader with basic knowledge of digital marketing, business strategy, data analysis and process

optimization, as well as a practical guide for its future application in situations similar to the one analyzed.

3. Description of the model/system/tool

Once the SMART objectives have been decided, optimization processes will be decided for the implementation of these objectives. These optimization processes will be applied using mainly the data analysis tools Google Analytics, Google Sheets and Microsoft Excel and the digital marketing tools Google Ads and Facebook Business Manager.



Image 1 Tools used during the project logos

For each of the objectives pursued, a different optimization process has been implemented. For the first objective, which consists of maximizing the use of graphic advertisements intended to appear on the Facebook social network, a tool has been developed that allows these advertisements to be scored according to their performance, in order to take the necessary action to obtain better results. The second objective is to increase the visibility of the company by reaching more people, thus achieving a greater number of results. To do this, a strategy is designed to optimize audiences, avoiding showing too many ads to those users who know the brand, and using the economic surplus to reach more people. This process is carried out on the Facebook social network. Finally, the third objective seeks to improve the company's position in relation to competitors in the market. To do this, it is intended to use different bidding strategies in digital marketing campaigns, which allow the company to know the optimal strategy.

Once these processes have been implemented, results are monitored for the period of time necessary to obtain reliable results, on the basis of which the achievement of the objectives can be confirmed.

4. Results

Once the optimization processes have been applied, the results are analyzed, which will indicate whether the optimization is concluded or whether, on the contrary, it is necessary to continue with these processes. Below, a table is shown in which the values of the fundamental KPIs for the company are included, comparing these values with those of a period of the same duration prior to the optimization.

	Jan to Feb		Apr to May	
	CPO	Conv.	CPO	Conv.
Google Ads	\$3.74	11,140	\$2.83	9,272
Facebook Business	\$4.82	23,815	\$3.19	13,519
TOTAL	\$4.48	34,955	\$3.04	22,791

Table 1. Obtained results

We can see that in both tools, both in Google Ads and Facebook Business Manager, the value of the CPO (Cost per Order) decreases after the application of the optimization processes. This means that for each order generated in the company through digital marketing, less money has been spent. This allows us to calculate the total savings for the company by multiplying the number of conversions (number of sales) by the difference between the CPO of both periods.

5. Conclusions

After verifying the correct functioning of the optimization processes, it is demonstrated that the proposed objectives are achieved and that the implementation of the project therefore represents a cost saving for the company, by investing the available resources more efficiently.

For the student and the reader, the knowledge acquired during the implementation or reading of the project is of great interest, as digital marketing, and in short, the understanding of the digital world oriented towards sales and advertising, is fundamental for the future. This knowledge will undoubtedly be useful in the event that the student starts his or her own business project.

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Chapter 1. INTRODUCTION

This section briefly explains the reasons that lead to the implementation of this study-type project, and how it has impacted on the student and the company that has benefited from it. The project has been carried out in the context of the International Internship programme of the ICAI School of Engineering of the Pontifical Comillas University, for the benefit of the company FlowerStore Group, an e-commerce company located in the Philippines (Manila City) and dedicated to the sale of flowers and other gifts online, hereinafter referred to as "the company".

1.1 MOTIVATION OF THE PROJECT

The aim of the project is to optimise the Digital Marketing services of the FlowerStore Group company located in Manila, Philippines. The structure of the project consists of the drafting of the strategic plan for the optimization of digital marketing, implementation of the necessary changes according to the strategy, follow-up and monitoring of these changes, taking and analysis of results and conclusion. The writing of the project has been done in English.

The project arises from the need to optimise marketing services as the company has sufficient potential to increase conversions, maximising the use of available customer sales resources.

This project will improve the company's position in relation to the competition and will also be beneficial for the student. With the realisation of this project the student has had the opportunity to learn about digital marketing, which as an engineer, opens the doors of a business sector unknown to him until now. The benefits for the company are the increase of the company sales, maximise the resources available to the company and identify in time the advertisements that have a significant impact on the company's profit.

1.2 AIMS OF THE PROJECT

This section explains what the project aims to solve. The three most important points that the company's digital marketing team must address at the moment are mentioned, and then explained in detail. These are the fronts that the student will have to face in carrying out the project, and the correct solution to the problems that are set out below will lead to success in carrying out the work.

- **Strategic organisation of business marketing:** The aim of the project is to make clear the strategy to be followed to achieve the optimization of digital marketing. It should be borne in mind that once the changes have been implemented and the digital marketing optimised, the strategy should act as a bibliography to refer to in the event that the optimization process deteriorates over time. If the strategy is well defined, any employee of the company will be able to apply optimization processes if necessary in the future. In this way, we provide the company with something like a “digital marketing optimization guide”. At the moment, the company does not have such a document.
- **Saving costs for the company:** With this optimization process we seek to reduce the company's marketing expenditure as long as it does not meet the objectives pursued. We seek to eliminate advertisements and advertising campaigns that are not able to generate conversions and therefore generate value. Performance of the advertising campaigns will increase thanks to these cost savings.
- **Maximisation of resources:** With a correct implementation of the optimization strategy, we will be able to implement advertisements and campaigns in which the performance is the desired one, thus being able to increase spending on them. In addition, being able to identify where to invest the budget we have in a more efficient way, will give us a competitive advantage over our competitors. In this way, we can make the most of the resources available for the company's digital marketing. The company now has the potential to increase the use of its resources.

1.3 WORKING METHODOLOGY

In order to solve the problem the company must face, it is essential to organise the tasks in the chronological order in which they should be carried out. In addition, it is necessary to have a clear idea of what the resolution process will be like.

In the following table we can see how we structured our project chronologically. It started by learning the basics of digital marketing, and then moved on to the strategy plan and optimization process. Finally, the report is delivered at the beginning of July, coinciding with the end of the digital marketing optimization period.

Task	February	March	April	May	June	July
Collect information and study teaching material on digital marketing.						
Drafting of the project report						
Designing the digital marketing strategy (Chapter 4)						
Implement changes and monitor results (Chapter 5)						
Justify that the optimization went successfully (Chapter 6)						
Conclusions (Chapter 7)						

Table 1. Working chronological process

To solve the optimization process, an iterative process will be used, in which once changes have been implemented, it will be decided if these are sufficient to achieve the desired optimization or if, on the contrary, we must continue implementing changes. We can see this graphically in the flowchart that follows this text.

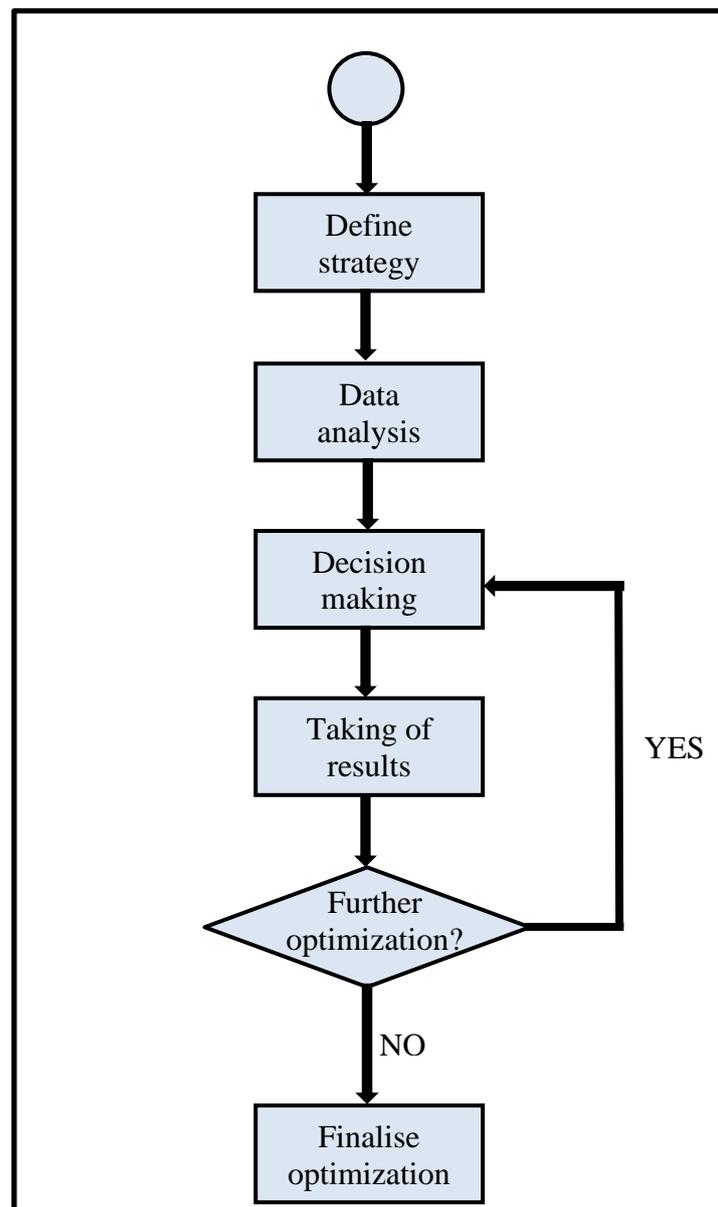


Image 1. Process flowchart

1.4 BASIC CONCEPTS IN DIGITAL MARKETING

The intention of this section is to introduce the reader to the basic concepts of digital marketing, since they are concepts that are a little removed from what is dealt with in engineering, the author of the work assumes that a brief explanation of these concepts will greatly facilitate the reader's understanding and comprehension of the impact of the project itself. The most important KPIS in marketing are also presented, as these will be the ones that justify an increase in the performance of the company's digital marketing.

But first of all we need to know what digital marketing is. Digital marketing includes all marketing actions in which the medium through which customers are reached is an electronic device. Businesses that sell products online use search engines, social networks, emails and websites to connect with potential customers and generate sales. Today, due to the rise of technology, there are companies whose only sales channel is the internet. These companies are known as e-commerce. For these companies, digital marketing is a channel through which they can reach people on a massive scale with highly targeted advertisements, allowing them to achieve their marketing objectives. In addition, due to the constant advancement in technology, digital marketing offers a multitude of monitorable parameters, which allow companies to instantly know the trends or interests of their target audience. Nowadays, for companies, digital marketing strategies have a very high potential and optimization possibilities.

1.4.1 DIGITAL MARKETING TERMS

The following is a definition of different terms used in digital marketing. Although there are more, these are the most important and essential ones for the correct understanding of the project. In addition, it may be the case that some of these terms are named differently in other marketing documents, although through the definition it is fully explained what is being referred to. The terms are listed and highlighted in black, following the definition after a colon.

• **Digital Marketing Strategy Plan:** A digital marketing plan is a document that gathers all the necessary information we need to know to reach our goal. The marketing plan must be aligned with the objectives of the company, and in it a series of medium-term objectives are set, based on which the strategy of action is decided. It is essential to include in it the following sections.

1. Situation Analysis: What is happening now?
2. Goal Definition: Where do we want to go?
3. Strategy: How are we going to get there?
4. Action and Control (KPI's): When will we know we have arrived?

Later in the project, the complete digital marketing strategic plan is included, as this is a fundamental part in deciding which optimization processes to implement.

• **Audience:** When we talk about audience in marketing, we refer to the group of people who, because of their cultural, demographic or social characteristics, are more likely to make a purchase. The correct arrangement of audiences when it comes to digital marketing is essential because it will allow us to classify potential customers according to age, gender, interests, and many other characteristics. It will also allow us to differentiate between new customers, those who are familiar with the brand and those who have already made a purchase.

• **Search Engine Optimization (SEO):** It is the method used to increase the visibility of a website in a conventional search engine (Google, Yahoo, etc). A good SEO positioning will allow us to obtain high positions among the search appearances and this will make it possible to reach the customer for free (Organic). The higher the frequency and the higher the position with which the website appears, the more likely it is to reach customers in their searches, and therefore, the more likely it is to generate traffic and conversions on the website. Search Engine Optimization (SEO) means to increase the frequency of appearance as well as the achievement of high rankings to increase the visibility of the website.

- **Search Engine Marketing (SEM):** It is one of the most basic and common types of digital marketing and consists of the appearance of links to the website in the highest possible position in search engines (Google, Yahoo, etc.). To achieve this, the companies, through applications of the same search engines, create advertising campaigns and advertisements. These companies will then bid against competitors to appear when the user performs a search that is likely to generate a conversion. The search engine will bill the company based on the number of times the link to the web page (i.e. the ad) has appeared and has been clicked on. It should be noted that SEM ads always appear above SEO ads as the former are paid and the latter are free. To optimise SEM, a wide variety of keywords must be included, as these are the ones that will make the ads appear when a search is made in a search engine.
- **Social Media Marketing (SMM):** This type of marketing makes use of social networks to target potential customers with advertisements in image or video format, which attract their attention and are able to generate traffic to the website. Afterwards, the social network will charge the company according to the number of impressions that have been made over a period of time. It is a newer and changing type of digital marketing as it is completely in line with the trends of the society in the region in which the company is going to advertise. Social networks are constantly appearing and disappearing, and the popularity of these also varies. It is therefore important to know how to diversify my marketing budget among those that the company believes can bring the best return on investment. Through SMM you can also optimise and improve your brand image, as it allows you to compete with larger companies with a much smaller budget.
- **Email Marketing:** It is the marketing method by which information about goods or products is sent to the customer via e-mail. In order to do this type of marketing it is necessary to have the customers' contact email addresses available to the company. These usually have lists of potential customers who are subscribed to the company and agree to receive advertising via email. Email Marketing is a good way for the company to improve relationships with current and potential customers,

- **Content Marketing:** It is currently one of the most powerful forms of digital marketing. It is based on offering the customer a unique experience through content in different marketing platforms. These experiences, which are free and personalised for the customer, aim to generate an impact on the customer. The content offered can be written, graphic, downloadable, etc.

- **Web Analytics:** It is essential to understand how digital marketing works and to try to carry out optimization processes. It involves the collection of data relating to our marketing campaigns, competitors, customers and target audience. This information will allow us to study patterns and trends to define strategies and make decisions. These tools, specialised in the collection and analysis of web data (such as Google Analytics), will also allow us to know the current and past status of the company and download reports with the key performance indicators for the period we want.

- **Remarketing:** It consists of taking advantage of a customer's interest to try to generate a conversion. When a customer visits a website, by accepting the famous cookies you give permission to the marketing team of the company that manages the website to send you advertising related to the products in which we are interested. This is the reason why after visiting a website, and more specifically a product of this, the user will continue to receive advertising from the company for a period of time as long as it does not generate a conversion. It is a very powerful marketing tool since it allows you to insist on customers to increase the chances of generating traffic on the web. A customer who has already visited the web on another occasion has many more possibilities of generating a purchase than a person who does not know the brand.

Retargeting can be made using different marketing strategies. In some of the cases it will be better to send an email with some promotion. Despite, in some cases, retargeting via social media could be the best option. It is important to understand that retargeting, more than a marketing method itself, it is the concept used for gaining those customers who have been near to generate results but finally do not.

1.4.2 DIGITAL MARKETING FUNNEL

The marketing funnel refers to the path that potential customers (i.e. the audience) must follow in order to generate a conversion. This funnel is divided into several stages, in each of which two things can happen: the loss of the potential customer or the advancement of this to the next stage, getting closer to the company's goal (in most cases, generating a conversion). It is because of the loss of customers along the way that this process resembles the shape of a funnel.

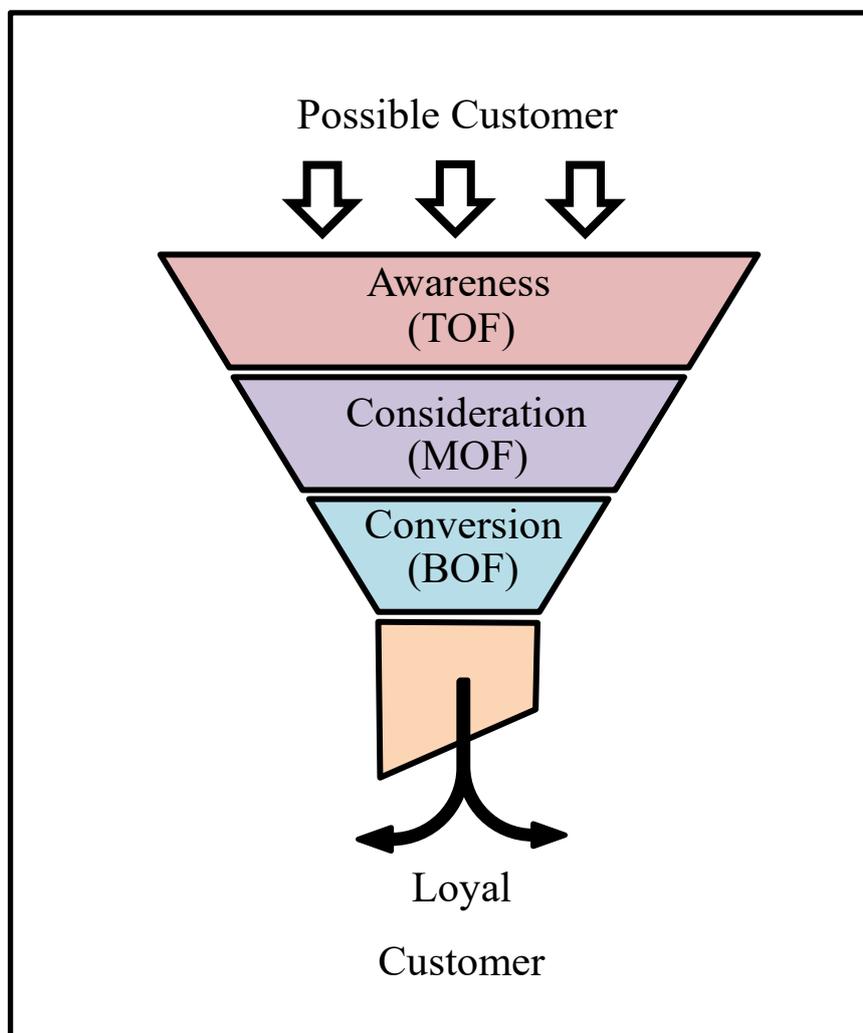


Image 2. Marketing Funnel

As already mentioned, and as shown in the image above, the funnel is divided into three distinct parts. These parts are Top of the Funnel (TOF), Middle of the Funnel (MOF) and Bottom of the Funnel (BOF). The following explains each of the parts as well as their impact on customer acquisition and sales generation.

- **Top of the Funnel (TOF):** As the name suggests, this is the top of the funnel, where the awareness stage is given to the potential consumer. The audience, unaware of the brand, enters this stage of the funnel once they perceive what a company does and what they are selling. It is a fundamental part of the digital marketing process as it is the part of the funnel responsible for constantly looking for our customers. The best way to get customers at this stage is through paid marketing, mainly through social networks or third-party platforms (online newspapers, blogs, etc). A good strategy is essential at this stage, as the customer receives a first image of the brand, and their first opinion will be decisive to move up the funnel.
- **Middle of the Funnel (MOF):** It corresponds to the central part of the funnel and collects all those customers who successfully pass through the awareness part. In this stage, the customer consideration process is carried out. These, convinced by the brand image that has been offered to them, decide to explore the company in more depth, visiting profiles on social networks or the website itself. At this stage the customer will decide whether they are willing to purchase any of the goods offered by the company. At this stage it is important to make the customer see that a purchase can add value to their lives.
- **Bottom of the Funnel (BOF):** This is the bottom of the funnel, and this is where the company generates its results. The customer is almost ready to make a purchase and it is a decisive moment to generate a conversion. At this stage the customer must be accompanied throughout the buying process, removing barriers and facilitating the customer's purchase. Offering a voucher at this stage can be the final push to achieve the sale. If the buying experience has been satisfactory for the customer, they will leave the funnel as loyal customers, who are likely to make another purchase in the future.

1.4.3 SOURCE, MEDIUM AND CHANNEL

In order to know from where the traffic arrives to our website, it is important to know and have a clear understanding of the concepts of Source, Medium and Channel. Below we explain what each of these terms consist of.

- **Source:** It is the origin of the traffic coming to our website. When we talk about origin, we refer to the place where customers have clicked on the link to access our website. Examples of sources can be a search engine (e.g. Google, Yahoo, etc), a social network (e.g. Facebook, Twitter, etc) or another website (e.g. advertisement in a digital newspaper, link in a blog, etc). It is important to be clear about this concept in order to know which sources bring more customers to the web, and therefore which ones the company is more interested in using for marketing. When the client accesses the website directly by typing its URL in the browser, it is called “*direct*” source.

- **Medium:** The medium is how customers access the company's website. When we talk about medium, we refer to the way in which we have managed to get that person to click on the link that leads to the website (paid medium, free medium, etc.). There are several types, being the most common the following.

Organic	Nonpaid traffic from search engines (Google, Bing, etc)
Cost per Click (CPC)	Paid traffic from search engines (Google Ads, Yahoo Ads, etc)
Referral	Link from another website (social media, blog, etc)
Email	Link previously sent to an online email tool (Gmail , etc)
Social	Link from a social media site
None	Direct source traffic

Table 2. Marketing medium types

• **Channel:** They are groups of different sources that reach the web through the same medium. The channels allow the company to analyse the best source/medium combinations. An example of three different channels would be:

1. Google/Organic, Facebook/Organic, Bing/Organic.
2. FlowerBlog.com/Referral, Facebook/Referral.
3. Gmail/Email, Hotmail/Email.

1.4.4 KEY PERFORMANCE INDICATORS (KPI'S)

There are a multitude of variables used to analyse the performance of a marketing campaign. Although each company uses the ones that allow them to draw the most conclusions, some of these indicators are universal in the world of digital marketing and knowing their definitions and what they represent is essential. In addition, later in the project these variables will be constantly used as they will be the ones that determine the performance of the campaigns and therefore the effectiveness of the optimization processes carried out. That is why they are the key performance indicators (KPI's).

• **Cost Per Click (CPC):** It is an indicator that shows how much each click generated by the company's advertisements is costing to the company. A "click" is the act of clicking on a link (in this case a paid advertisement) to access a company's website. The ratio is calculated by dividing the total cost of the campaign by the total number of clicks on that campaign for a given period.

$$CPC = \frac{Cost}{Click}$$

• **Cost Per Order (CPO):** It is an indicator that shows how much each conversion generated through a given campaign is costing the company. When we talk about "conversion", we mean generating a sale. It is calculated by dividing the total cost of the campaign by the total number of conversions that the campaign has generated for a period. It is one of the most important indicators as changes in CPO indicate how well or poorly the money is being spent

on the campaign. The goal of every company is to obtain the maximum number of conversions possible at the minimum achievable CPO.

$$CPO = \frac{Cost}{Conversions}$$

• **Click Through Rate (CTR):** Also called Interaction Rate, it is an indicator that shows the number of clicks received on a campaign versus the total number of impressions generated. “Impressions” refers to the number of times an ad is shown to potential customers. The CTR is a percentage indicator, so it is defined as the percentage of times that the ad is clicked out of the total number of impressions for a given campaign. This ratio is calculated by dividing the total number of clicks by the total number of impressions, then multiplying by one hundred to convert to a percentage value.

$$CTR (\%) = \frac{Click}{Impressions} \times 100$$

• **Return On Ad Spent (ROAS):** It is an indicator that measures the profitability of our investments, as it quantifies how many times the cost of a campaign is higher than the sales value achieved by it. It is calculated by dividing the conversion value, i.e. the number of conversions multiplied by the average economic value obtained for each conversion, by the total cost of the campaign, for a period of time. If this value is less than one, the marketing campaign is costing more money than it generates. Companies seek to obtain the highest ROAS possible, which is a good indicator of the optimal use of the economic resources allocated to marketing. In addition, there is a certain ROAS value for each company above which investing in marketing is no longer profitable because the profit part of the sales value is lost.

$$ROAS = \frac{Conv. Value}{Cost} = \frac{Conversions \times Avg. Conv. Value}{Cost}$$

• **Conversion Rate:** It is an indicator that measures the number of conversions that are generated from a given number of clicks. It is a percentage value, so it is quite similar to the CTR, with the difference that before they were comparing clicks vs. impressions and in this case, they are conversions vs. clicks. It is calculated by dividing the number of conversions by the number of clicks, and then multiplying by one hundred to convert it to a percentage.

$$\text{Conv. Rate (\%)} = \frac{\text{Conversions}}{\text{Clicks}} \times 100$$

• **Frequency:** This is the number of times a customer sees an advertisement of the company in a period. Thus, at higher levels of the marketing funnel, low frequencies are sought in order to reach the maximum number of users without wasting money by showing the ad repeatedly to the same people. On the other hand, in the lower parts of the funnel, high frequencies are sought in order to try to convince the customer to make a purchase. With low frequencies here we run the risk that the customer loses interest in making a purchase or forgets about the existence of the brand. The frequency is calculated as the number of total impressions divided by the number of people reached by the ads in the campaign.

$$\text{Frequency} = \frac{\text{Impressions}}{\text{Reach}}$$

• **Traffic:** The number of sessions that are initiated on a company's website over a period of time, typically one day. Keeping track of website traffic is essential as it has a direct impact on the number of results the company will achieve. To generate conversions, the company has to try to increase the conversion rate (i.e., that of the people who enter the website a higher percentage will generate a conversion) or on the contrary increase the traffic, (i.e., that more users access the website, and therefore, with a constant conversion rate, more conversions are generated). It is therefore important to keep track of the traffic on the website and that a reduction in traffic is likely to lead to an immediate reduction in conversions.

• **Bounce Rate:** It is a very interesting indicator as it allows the company to know the percentage of people who start a session on the website and leave it after a few moments

without having made a conversion or browsed it. A high bounce rate can mean that the information or the design of the company's website is not pleasing to these customers or that they are not finding what they were promised to find when they click on the link. It may also mean that the steps required to make a purchase are complicated or simply too many. It is necessary to keep the bounce rate under control to avoid losing customers when they are practically at the bottom of the funnel.

There are many other variables in digital marketing that are used as indicators, although for the development of this project they are not relevant. If any other variables of lesser interest are mentioned later, their meaning and interest will be briefly explained.

Chapter 2. AVAILABLE TECHNOLOGIES

This chapter describes and explains the functioning of the available and commonly used technologies in Digital Marketing. The intention is that the reader will later understand the reasons for applying the different optimizations in each of these technologies as well as the impact on them.

The technologies used, of the computer software type, have been used mainly for data analysis, data processing, and the application of the optimization processes themselves. These software's are Google Analytics, used for the analysis of data related to e-commerce and web performance, Google Ads and Facebook Business Manager, used for the analysis of data related to marketing campaigns as well as for the implementation of optimization processes, and finally Microsoft Excel and Google Sheets, used for the processing and study of data, as well as for the programming of tools necessary for the optimization processes.

2.1 GOOGLE ANALYTICS

Google Analytics is a software tool owned by Google, which is used by companies to analyse data and make decisions. The main advantage it offers is that you can analyse all kinds of data, coming from anywhere and affecting your business directly or indirectly. This tool, by offering such a variety of data, helps the company to know better the users of its website, which gives the company the opportunity to improve its marketing actions or the content of its website, among others.

In addition, Google Analytics uses Google's own statistics and data from the region in which the company operates to offer personalised suggestions, developed with this data and a learning technology that allows you to get the most out of the data displayed in the tool.



Image 3. Google Analytics logo

In the Google Analytics interface, different tabs are available to access the data. These tabs classify the data according to their origin and provide access to each of these groups in a very orderly fashion, which are defined later in this document.

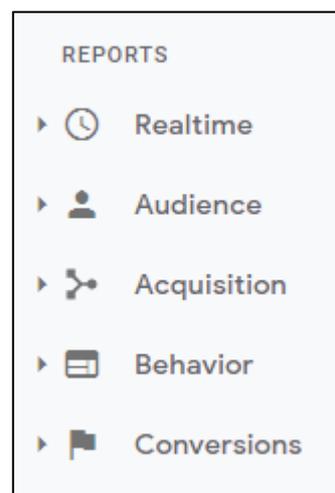


Image 4. Google Analytics reports options

- **Realtime:** In this section of Google Analytics the company can obtain information in real time. This information is very varied and includes data from the other four tabs defined below. We can obtain information regarding web traffic, source, channel, electronic devices used, geographic locations, demographic data or the status of current visits to the website. We can also obtain data relating to the results that are being produced (conversions, revenue, etc).

- **Audience:** Here you will find the information and data concerning the audience. It shows data for a period set by the analyst such as customer interests, device used, demographic data, geolocation, and many others.
- **Acquisition:** This section of Google Analytics is of great interest because through it the company obtains information about the origin of the traffic on its website. It gives details of medium, source and channel, concepts defined in Chapter 1. Knowing this data allows the company to evaluate what type of marketing is generating more visits to the website.
- **Behaviour:** The reports generated in this section allow the company to know how users are behaving on the website. Such as average session duration, browsing speed, pages visited on the web site, number of sessions per user or the bounce rate, mentioned in Chapter 1.
- **Conversions:** In this section the company will find all the information related to e-commerce. This is the tab that will be used if you want to study any KPI or analyse the results of the company. Some of the data that we will obtain here are number of transactions, CTR, Revenue or average cost per order.

There are many other data and reports that can be obtained from Google Analytics, in addition to those that can be customised. However, they are of no interest for this project. If it is necessary to use them in any other section, it will be properly defined and explained in that place.

2.2 GOOGLE ADS

It is a software tool owned by Google and used by companies to create their marketing campaigns. This tool allows you to create several different types of ads so it adapts perfectly to the needs that each company may have. In addition to creating marketing campaigns, this tool also allows you to analyse data and download information for use in other software, which is of great interest for the realization of this project.



Image 5. Google Ads logo

The way Google Ads works is based on the use of keywords, which are nothing more than the words that users type into the Google search bar. Depending on the concepts entered in the different campaigns as keywords, the google algorithm will identify if it is a good potential customer to show the ad. Depending on what each company is willing to bid for each keyword conditions the SEM positioning, giving those companies that pay the most for the keywords the best position. So, for example, if a user makes a search in google with the words "buy pink flowers" and the keyword "buy flowers" is included in the marketing campaign of the company, the algorithm will decide that it is a good opportunity to show the ad. If there are competitors that also qualify for your ad to appear, Google Ads will give the first position (best position) to the company that pays the most for those words, and the second position to the other company.

Although the working principle for displaying ads on Google Ads is always the same (keyword based), as mentioned above there are different ways of displaying ads to the audience, relevant to different companies, classified in the following campaigns.

- **Search Campaigns:** These are campaigns that allow you to reach users searching for products on the internet. They are of text type and are displayed above the organic results of a search, accompanied on the left of the link to the website of the word "Ad". They are easy to implement and the most widely used. A good range of keywords is a must.

- **Display Campaigns:** They allow users to be reached with eye-catching advertisements while they browse the web. These ads appear on the sides of the browser, usually in image format, and are very common in blogs, digital newspapers or forums. They are widely used for remarketing.
- **Shopping Campaigns:** Shopping campaigns are used by companies to sell their products through Google's own browser. They are ideal for reducing inventory as the ad shows an image of the product with its price and the link to the website. These ads are shown in the “shopping” tab of google, and the ads appear next to those of the competitors, so it is much easier for the customer to compare prices, but more competitive for the company.
- **Video Campaigns:** This campaign consists of showing video advertisements to users. These adverts are mainly shown on YouTube and, although to a lesser extent, they can also appear as a Display advert on a website other than the company's own.
- **App Campaigns:** This type of campaign is used to advertise the company through Google Play applications. They use the information obtained from the customer through the applications to constantly optimise this type of campaign.
- **Discovery Campaigns:** This type of campaign is a combination of all the above. The company uploads a series of images, videos and texts to the campaign and Google Ads oversees adapting and combining them to create ads of any type that are shown in all the channels through which Google Ads operates.

Google Ads allows campaigns to be limited based on demographic or location data, which limits the appearance of advertisements to the population of interest to the company, although the seasonality of the products being sold has a high impact on this type of digital marketing. Thus, during some times of the year it is easier to achieve a sale than during others. Also, marketing campaigns can be broken down into three levels: Campaign, Adset/Adgroup and Ad. Regardless of whether you have one or the other type of campaign described above, this hierarchical classification is always the same. The Adset level includes all keywords, which determine the success of the company's campaigns.

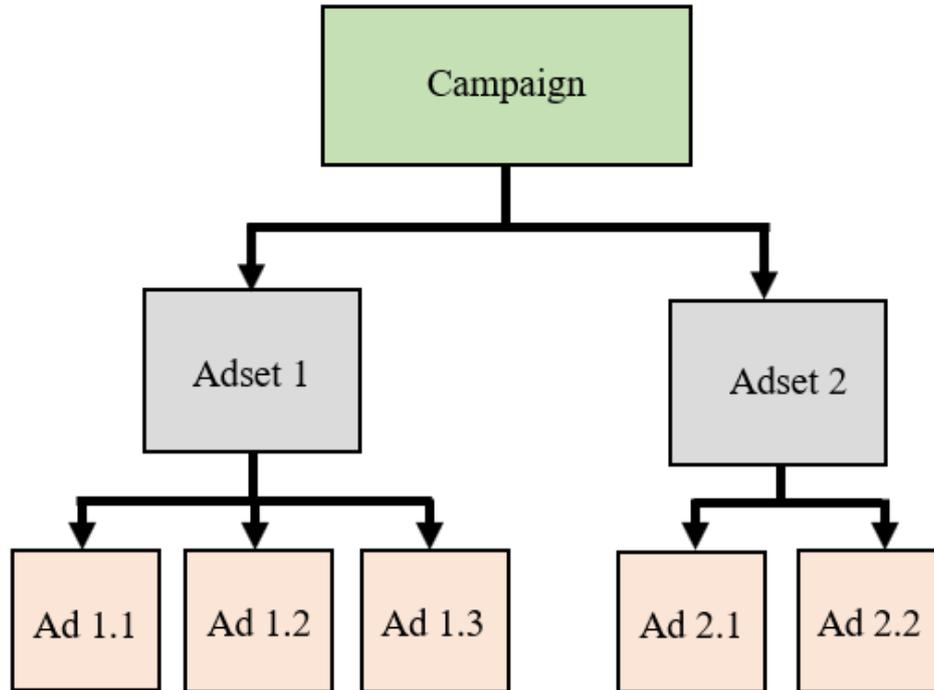


Image 6. Google Ads brakedown structure

- **Campaign:** They are used to organize categories or products offered by the company. At this level you decide on the bidding strategy, the target audiences, and the type of campaign you want to implement. Within a campaign we can find one or several adsets.
- **Adset / Adgroup:** Formed by groups of ads that pursue the same targets. Within the adset we find defined keywords, and these, besides being a novel organisation, allow us to define maximum bid values that will affect the keywords that we find inside them.
- **Ad:** Text, image or video that forms the last link in the chain. It is the part of the campaign that is shown to the customer. An adset can have one or several ads, although the second option is preferable, to have variety and avoid showing the same ad to customers all the time.

In addition to the functions explained above, Google Ads has many other internal tools such as Keyword Planner or Ad Preview and Diagnostics, which are very useful for businesses. In any case, explaining how they work, and their usefulness is beyond the scope of this section, as we are looking for a more global definition of Google Ads, which will allow the reader to understand the optimization processes that are carried out in this tool later on.

2.3 FACEBOOK BUSINESS MANAGER

It is a software tool owned by Facebook and used by companies to create their marketing campaigns. It allows companies to create different types of ads that will be shown to the target audience on the different social networks that Facebook owns, such as Instagram or Messenger. Facebook's great advantage is that by knowing so much user data, it is able to offer companies enormous precision in pinpointing the potential customers most likely to make a purchase.



Image 7. Facebook Business Manager logo

Like Google Ads, Facebook Business Manager also offers the possibility to analyse data and export reports for processing in other tools. The layout of the main interface is very similar to Google Ads. Marketing campaigns are also divided into Campaign, Adset and Ad levels, and as with google ads, the first level includes the bidding strategy, the next level includes similar targeting, and the last level includes the ads that will be shown to the potential customer. Unlike Google Ads, while in the first tool depends on the intention of the consumer and his search for keywords to show an ad, in Facebook is the company that generates this need to the customer, who was not looking for it. To do this, it is necessary to

decide (and classify on audiences at the adset level) which are those that, taking advantage of the interests of users and their behaviour (something that Facebook knows), are the most probable to enter to the marketing funnel.

Facebook ads are image or video ads, and the originality and impact of these ads depends on generating awareness among the users of the social network.

2.4 MICROSOFT EXCEL & GOOGLE SHEETS

Microsoft Excel and Google Sheets are two software packages used for data analysis and data processing. These two tools, widely known, have practically the same functions between them although there are some details that make the difference and push the project manager to use both.



Image 8. Google Sheets & Microsoft Excel logo

The interface of both tools is practically the same. You start a white sheet divided into cells and called a spreadsheet. In these cells, you can enter text, numbers, mathematical operations, conditional operations and a multitude of other options. The creation of tables, graphs and matrices is a basic part of using these tools for data analysis.

The great advantage of Google Sheets is that although Excel also allows sharing and editing a file by several people at the same time, in Google Sheets this is done in a much simpler

and faster way. This makes it easier for the project manager to share data tables and analysis results with the rest of the marketing team. In addition, this tool works on-line by default, i.e., it constantly saves the changes that are made. This also gives a rest to the CPU of the computer from which you are working, as all calculations and processes on the data are done through the internet. It also includes the possibility of working off-line when there is no internet connection.

On the other hand, Microsoft Excel has the advantage of having a module called Power Pivot for the analysis and processing of databases. This is very useful when analysing data to implement optimization processes. It is also a more powerful tool than Google Sheets, which has several programming options that allow programming to create useful tools for optimization processes.

Chapter 3. STATE OF THE PLAY

The following section shows the status of the digital marketing channels in the period prior to the project. In addition, the aspects that the company intends to improve with this project are also mentioned. These actions, carried out through the optimization processes, will be developed in more detail in Chapter 4.

As explained in the previous chapter, the two tools used in the company to deliver ads to customers (Google Ads and Facebook Business Manager) are organised hierarchically into three levels: Campaign, Adset and Ad. We will analyse the current situation of each of these levels and those factors that are decisive in the performance of digital marketing, in order to decide which aspects, have the potential to be acted upon.

- **Campaign level:** At this level, the daily budgets, the campaign objective and the type of bidding strategy are set. Regarding the daily budget, the strategy used by the company is to try to ensure that the marketing campaigns have enough budget to display the ads in the event that someone performs a search. If a campaign is under budget, it will be increased by the amount deemed necessary. Regarding the objective of the campaign, both Gogle and Facebook offer many possibilities, although due to the nature of the company (an e-commerce), and the need to achieve results through the sale of its products, it is always decided to use the type of campaign "*Maximisation of conversions*". Finally, in the type of bidding strategy, there are two types available in both tools: Cost Per Click (CPC) and Cost Per Acquisition CPA). In the first case, the company pays for each click it generates on its ads, and the strategy is based on deciding the maximum amount it is willing to pay for each of these. On the contrary, in the second strategy, the maximum value of cost per conversion willing to pay is set and the google and Facebook tools oversee managing the daily budget to achieve the objective of the campaign (maximize conversions). In the first case you have greater control over campaign spending, while in the second case the tools apply internal

optimization processes to improve the performance of the campaign. Up to the time of the project, all campaigns were running with the CPA bidding strategy. The company is interested in trying campaigns with CPC strategy as it is convinced that in some cases, the performance can be better.

- **Adset level:** At this level, the audiences to be targeted are set in order to determine the distribution of key words and ads among the different adgroups that the company decides to create. The CPC or CPA values are also set, depending on the bidding strategy. Regarding audiences, these are divided according to the common interests of each group of potential customers or according to the reasons that may lead them to make a possible purchase. The company seeks to optimise these audiences to ensure that it does not forget any group of people who could be customers and have not yet been included. It also seeks to eliminate overlap (i.e., targeting the same customer from several different ad sets, showing the ad repeatedly) in order to reduce the frequency and reach more customers. Frequency is dangerous because it wastes money and always reaching the same customers and can generate rejection from them. With respect to the value of CPA or CPC it should be constantly reviewing to avoid losing position against competitors, always trying not to exceed the limit set by the company's maximum CPO. The company wants to find the best bidding values at any given moment, which maximise performance without losing sales.

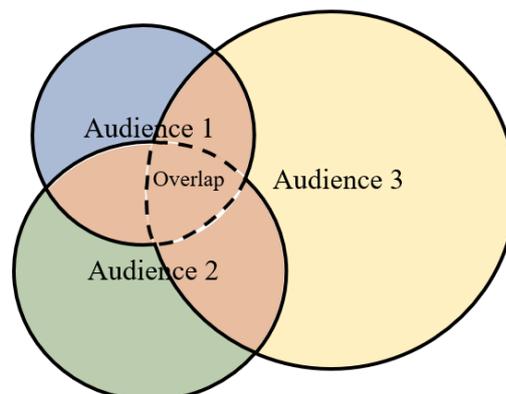


Image 9. Audiences Overlapping

• **Ad level:** At this level we find a fundamental aspect that only affects Google Ads and that is the issue of keywords. To display the ad, it is important to have good keywords. The objective of the company is to increase the visibility of the ads by including keywords in them and trying to have as wide a repertoire as possible. Another important factor that also affects Google but especially Facebook is the quality of the advertisements that are being displayed. As Facebook ads are image and video based, a bad ad generates more rejection and a greater negative impact. So far, the company changes the ads periodically to prevent them from entering the ad fatigue phase, where their performance only gets worse. However, the company wants to have a more numerical basis for making such decisions and is therefore asking to develop a method or strategy to maximise ad utilisation, without removing ads too early or too late.

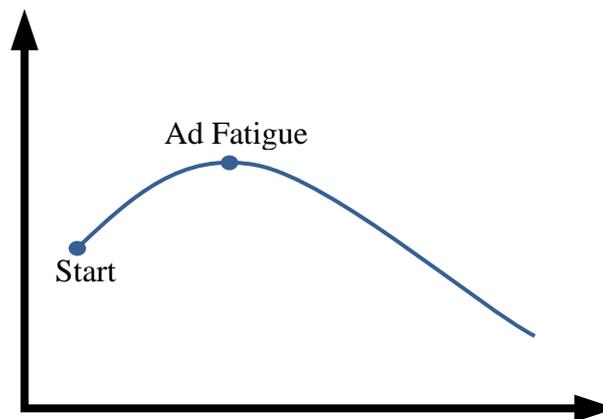


Image 10. Ad fatigue representation

Chapter 4. MARKETING STRATEGY PLAN

As mentioned in the chapter 1, the company to which this scheme applies is FlowerStore Group, an online flower and gift retailer based in Manila, Philippines, and operating in the Philippines and Vietnam.



Image 11. FlowerStore Group logo

The objective of a strategic digital marketing plan is, as mentioned in chapter 2, to set the roadmap that the company has to follow in order to achieve its medium-term objectives. The plan is divided into five main parts. The first part is an analysis of the company's digital situation. The second part sets out the objectives to be achieved. In the third part, strategies and tactics to achieve the objectives are decided. In the fourth part of the plan, the actions to be taken to implement the strategy are shown. Finally, the fifth part of the plan decides which KPI 's will be the most important and will be used for future measurements.

4.1 ANALYSIS OF THE DIGITAL SITUATION

This section analyses the situation of the company prior to the application of the optimization processes. This analysis consists of a study of the internal situation of the company, another of the external situation of the company and finally a SWOT analysis of the global set.

4.1.1 INTERNAL ANALYSIS

An internal analysis of the company's digital services is necessary to gain a detailed understanding of the company's digital status. This analysis mentions aspects about the website, SEO positioning, social networks, type of marketing and web analytics.

- **Website:** Payment web page where the products offered by the company are shown and through which the complete purchase process is carried out. The website is responsive, that is, it adapts to the screen on which you are interacting with the web, whether it is a mobile, a tablet or a computer,
- **SEO Positioning:** The link to the company's website appears in the first organic position when the brand is searched for in a search engine such as Google. The SEO positioning is excellent.
- **Social Network:** The company has active social media profiles. Among these profiles are Facebook and Instagram the most important, which are constantly being updated to include new and interesting content. The company also has accounts on other social networks such as TikTok and LinkedIn.
- **Marketing:** The company implements its marketing ads on Google Ads, through search ads and shopping ads. It also runs marketing ads on Facebook Business Manager, targeting audiences with ads across Facebook, Instagram, and Messenger. Finally, the company also carries out remarketing actions through email marketing and customer lists.
- **Web Analytics:** Below are the most relevant values for web traffic, session duration, conversion rate and conversions for a random period of time (duration of one month). This data is obtained from Google Analytics, which as explained above, is the tool used by the company to download and analyse all the realitive data to the web. This allows us to know the numerical values that we expect to obtain in the company in the future months.

1 to 30 Sept / 2020	
Transactions	13406
Conv. Rate	5.22%
Sessions	256939
Bounce rate	42.17%
Session duration	0:03:43

Table 3. Web Analytis values

This internal analysis of the company's digital services will allow us to understand the SWOT analysis, on which the decisions that will be taken to set the objectives of the strategic marketing plan will be based.

4.1.2 EXTERNAL ANALYSIS

The aim of this section is to analyse the market and the sector in which the company competes. This will allow us to know the market trend for the near future. For this purpose, the type of market in which the company sells its products, the company's target public and the existing competitors are analysed.

- **Type of market:** The market in which the company operates is currently undergoing a transformation from an emerging market to a mature market. When the company started operations, competition was minimal, and the market had great potential for growth. As the years have passed, since the company's inception in 2019, the market has seen the entry of new competitors. Today there is still a lot of potential for growth, although it is not expected to be as pronounced as in the early years. Moreover, due to the characteristics of the product that the company sells, the profit is strongly influenced by the seasonality of the market. Thus, there are periods in which the market demands a large quantity of product (Christmas, Valentine's Day, Mother's Day, etc.) and others in which the market behaves in a normal and more predictable way. The first stage is known as Projects and the second stage is known as Business as Usual (BAU).

- **Company's target public:** The company's target customer is an older man or woman who is able to make an online purchase and who wants the product delivered to one of the regions available to them in the Philippines. Beyond this, it will be the interests of this potential customer that will determine the relevance for the company. These interests may be such as:
 - Interest in flowers and gifts.
 - People in a sentimental relationship.
 - People with events such as weddings or birthdays coming up.
 - Non-Filipino residents with families in the Philippines.
 - People with an interest in decoration.

Of course, there are many other interests that may be relevant when looking for potential audiences. Even so, the company's target customer profile is quite broad and it is relatively easy to find them.

- **Existing competitors:** The company's main competitors have recently emerged and have a broadly similar business model. They are e-commerce companies that sell their products only online. There are also competitors that existed in the market before the company, although these competitors are mostly retailers whose business is quite traditional. The company's main competitors are currently FlowerChimp and to a lesser extent Expressflower and Floristella.



Image 12. FlowerChimp logo

This external analysis of the company's digital services will allow us to understand the SWOT analysis, on which the decisions that will be taken to set the objectives of the strategic marketing plan will be based.

4.1.3 SWOT ANALYSIS

At this point, a SWOT analysis of the company can be carried out, in which the company's Strengths, Weaknesses, Opportunities and Threats are identified. This will help us to set the optimization objectives in a more realistic and justified way, as well as providing an overview of the company's situation.

Beforehand, it is necessary to explain what a SWOT analysis consists of. It is a study that aims to discover the Strengths and Weaknesses at the internal level and the Opportunities and Threats at the external level, which is why the previous internal and external analyses are so important for this section. With this analysis we will be able to determine which are the actions that we must execute to take advantage of the opportunities, always being aware of the threats, using our strengths and being aware of the weaknesses of the company.

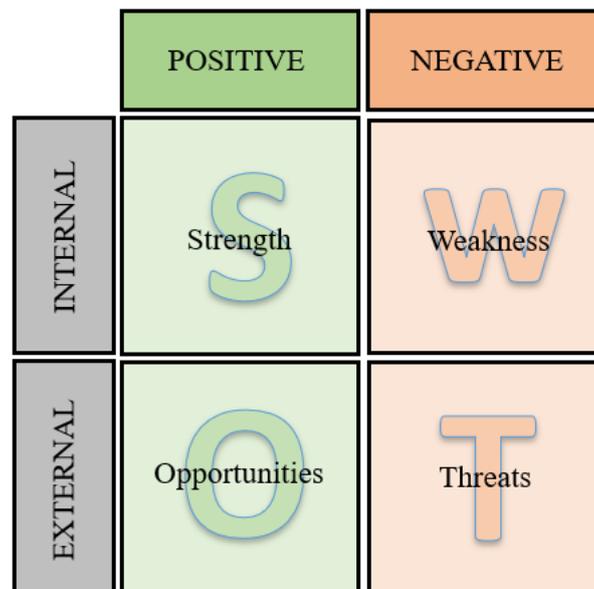


Image 13. SWOT Analysis

Once this analysis and the distribution of the matrix is known, conclusions will be added to each of these terms.

1. **Strengths:** The company's strengths are that it has a good market position and sufficient budget to undertake new and innovative marketing activities. In addition, the company's human resources are of a very high level.
2. **Weakness:** The main weakness for the company is the large variation in demand for orders that can occur from one moment to the next, and especially at times of the year when it operates on a Project basis. Proper planning is essential to avoid this weakness.
3. **Opportunities:** The opportunities for the sector are that there are still opportunities to grow and expand throughout the country. In addition, the constant evolution of digital media constantly offers new channels and formats to target customers (new social networks, new types of ads, improved tools, etc.).
4. **Threats:** Threats to the sector include the seasonality of sales, the recent entry of new competitors and, most importantly, the nature of the product the company sells. Flowers are very personal and sentimental, a bad customer experience resulting in bad reviews on the web and social media has a huge impact on brand image and sales.

Once this analysis has been carried out, we can use this information to decide the objectives and the roadmap that the company intends to achieve.

4.2 COMPANY MEDIUM-TERM OBJECTIVES

Once the analysis of the digital situation of the company has been carried out, it is time to set the objectives that the company wants to achieve. These objectives are based on the SWOT analysis and will follow the SMART methodology.

The SMART methodology consists of defining objectives that are Specific, Measurable, Achievable, Relevant and Time-Bound. These are the words that correspond to the acronym

SMART. This methodology will allow you to define realistic objectives that are easy to understand and visualise thanks to their correct definition. The following is a list of the objectives that the optimization process aims to achieve.

Objective 1. Maximise the use of the ads created by the graphics team by getting the most out of them. In this way, the strengths of the company are exploited, taking advantage of the company's good position and the team of people who carry out the ads.

Objective 2. Reach more people while spending less money to do so in the spring months. In this way, the existing market opportunity is used to expand, and it also reduces dependence on seasonality by finding new customers in times of low demand.

Objective 3. Ensure strong positioning against competitors in seasonal projects by using different bidding strategies. In this way we mitigate the threat that exists in the market due to competitors.

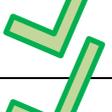
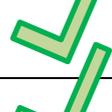
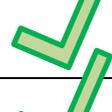
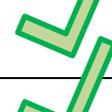
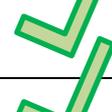
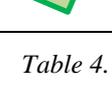
	Specific	Measurable	Achievable	Relevant	Time-Bound
Objective 1					
Objective 2					
Objective 3					

Table 4. SMART Objectives

4.3 STRATEGIES AND TACTICS

At this point, when we already know the objectives that the company is pursuing, the strategy and tactics are set, which are nothing more than the path that will be followed to achieve the objectives. Each objective is therefore associated with a strategy that defines what is going

to be done and a tactic that indicates how it is going to be done. In the following table, this study has been carried out.

Objective 1: Maximise the use of the ads created by the graphics team by getting the most out of them.	
STRATEGY	TACTIC
Analyse Facebook ads individually and as a group on a given day of the week, to see how they have performed over the previous week.	Develop a tool that allows to analyse the ads in an automated way and following the same criteria.
Objective 2: Reach more people while spending less money to do so in the spring months.	
STRATEGY	TACTIC
Maximise resources by avoiding showing ads to the same people every time to reach new customers on Facebook.	Create audiences where overlap is avoided in order to reduce frequency and increase reach.
Objective 3: Ensure strong positioning against competitors in seasonal projects by using different bidding strategies.	
STRATEGY	TACTIC
Explore new bidding strategies in Google Ads, pivoting from the current CPA to the CPC strategy, trying to improve positioning against competitors.	Create twin campaigns varying only the bidding strategy between them in order to compare how they perform in each case.

Table 5. Strategies and tactics to achieve the objectives.

4.4 IMPLEMENTED ACTIONS

In order to achieve the set objectives it is necessary to define a roadmap to achieve the SMART objectives. This action plan tells the company what to do in the short term to achieve the goal. Once we know what we want to do, it is necessary to be clear about how we are going to do it. The action plan should be based on the following principles.

1. The company is in the business of selling flowers over the internet, which is why it makes use of marketing channels.
2. Through marketing, the aim is to convince the customer that the company is the right one to meet his needs.
3. If there is no interest, it is the company's advertisements that have to make an impact on the customer in order to generate that interest.
4. Whenever a customer needs to search for a website selling flowers and gifts in the region in which you operate, your marketing advertisements should appear.
5. You should follow the customer, showing the advertisements whenever you have the opportunity, but knowing when to stop doing so in order not to generate rejection.

Every action taken should follow these principles and should be oriented towards fulfilling one of them as well as fulfilling the objectives (which are basically more detailed extensions of these principles).

Actions	<ul style="list-style-type: none"> - Optimise the use of ads to increase their performance. - Optimise audiences to avoid high frequency and overlap. - Optimise bidding strategies to maximise economic resources and improve positioning against the competition.
Digital tools	<ul style="list-style-type: none"> - Implementation of actions: Facebook Business Manager - Implementation of actions: Google Ads - Analysis: Google Analytics, Google Sheets, Excel

Table 6. Implemented actions.

4.5 RELEVANT KPI'S

Finally, for the digital marketing strategy plan to be complete, it is decided which key performance indicators will be used to measure the results that determine the achievement of the set objectives. Each of the objectives is therefore analysed separately, indicating the most important KPI's for each of them.

- **Objective 1: Maximise the use of the ads created by the graphics team by getting the most out of them.**
 - ROAS: It will allow us to know how much return an ad is generating.
 - CTR: It will let us know how attractive the ad is to potential customers.
- **Objective 2: Reach more people while spending less money to do so in the spring months.**
 - Frequency: It will help to know the average number of times a customer is shown the company's advertisements.
 - Cost per 1000 Reach: We will know how much it costs the company to reach people.
- **Objective 3: Ensure strong positioning against competitors in seasonal projects by using different bidding strategies.**
 - CPO: It tells us about the cost per result regardless of the type of bidding strategy.
 - CPC: It tells us about the cost per click regardless of the type of bidding strategy.

Chapter 5. OPTIMIZATION PROCESSES

At this point you can start with the implementation of optimization processes to meet the objectives set out in the digital marketing strategy plan. This will be done by following the tactics reflected therein and dividing the optimization processes into blocks. Therefore, optimizations will be made in the ads (Ad level), in the audiences (Adset level) and finally in the bidding strategy (Campaign level).

Some of the optimizations will be carried out on Google Ads and others on Facebook Business Manager, depending on the impact of the optimizations on each of these. In addition, these optimizations have a design section and an implementation section.

5.1 ADS OPTIMIZATION

The first of the optimizations that the company is interested in carrying out is the optimization of the advertisements that are shown to customers, thus increasing the yield of these, by maximising their use. In Google Ads it is relatively simple, as the text ads are text ads, it is enough to introduce good references to have a good ad. In addition, Google Ads will analyse the ad and assign a score to the ad, so it is easy to identify those with low scores and improve them.

The main problem lies with ads used on social networks, in the case of the company's Facebook and Instagram. These ads are in image or video format and are created by the company's graphic design team. Prior to the implementation of these optimization processes, it was difficult to know if the use of these graphic materials was being maximised, as the company did not have a specific method for this purpose. This is where there is a great potential for optimization and a solution is proposed below.

5.1.1 DESIGN

The company in this section is therefore looking for a method to maximise the use of its graphic resources. To this end, a good solution is to design a tool that allows the advertisements to be scored according to their performance for a given period. The aim of this tool will be to identify the ads that are not performing well and eliminate them, and those that are performing the best to invest more in them. It is decided that this is the best option, and the decision is taken to program the tool in Excel.

For this purpose, the company requires the tool to have the technical details and design features shown in the following table.

DESIGN DETAILS	
Operating principle of the tool.	The tool should score the advertisements from 0 to 10, and based on this score, indicate the actions to be taken.
Frequency of use of the tool.	The tool will be used at the beginning of the week to analyse the performance of the ads with data from the previous week.
Scope of the tool.	Creatives will be analysed at Ad level and also at Adset level.
Decisive values for scoring.	The score has to be calculated from the ROAS and the CTR of the creative. In addition, thresholds should be set below which the information is not considered representative.

Table 7. Ads optimization tool design

5.1.2 IMPLEMENTATION

Once the design details are known, it is possible to start with the implementation of the tool. Once the design details are known, it is possible to start with the implementation of the tool. The first thing to do is to decide which Excel functions are to be used. Then the scoring method has to be implemented and finally the structure of the presentation of results and the way the tool is to be used has to be created.

5.1.2.1 *Excel functions to be used.*

The implementation of the tool makes use of dynamic tables as well as numerous internal and some programmed functions (IF, MIN, MED, etc). The information provided to the tool will be a database from which the dynamic tables will obtain the information.

5.1.2.2 *Method for the scoring of creatives.*

To score the creatives we must use their ROAS and CTR. The easiest option is to assign a score from 0 to 10 to the ROAS and another score from 0 to 10 to the CTR. Once we obtain these scores, we will be able to calculate the overall score of the ad.

To calculate these scores from 0 to 10, all the ROAS and CTR values of the ads being analysed will be compiled and ordered from minimum to maximum. The minimum value will correspond to the score 0 and the maximum value to the score 10. The median of the values corresponds to the value 5 and based on all these points, the line of the equation that provides us with the rest of the scores is calculated. On the following page there is an example of how the tool does this process.

Finally, once we know the scores of the creatives for ROAS and CTR we can calculate the overall score. For the company, ROAS is a value that is more important than CTR when analysing the creatives. For this reason, it was decided that the weight of ROAS on the overall score of the ad would be 75%, while the CTR would be 25%. The sum of these two values will give us the final ad mark.

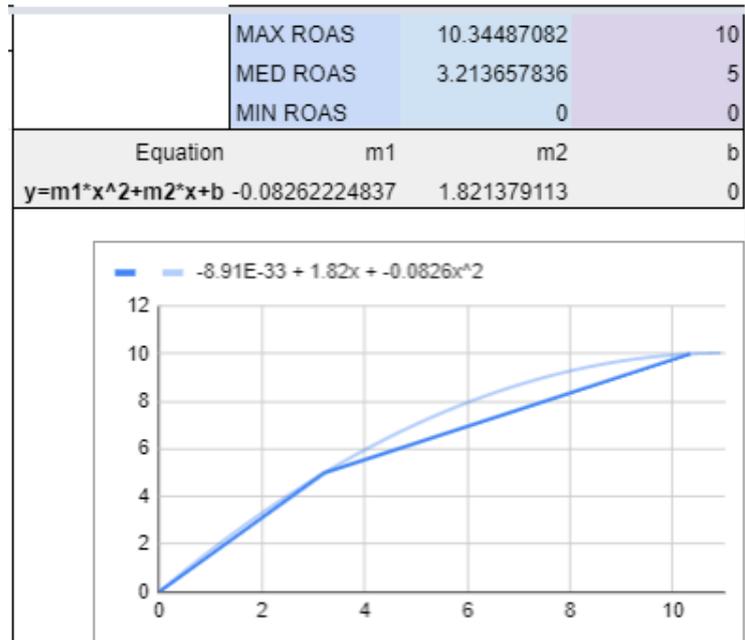


Image 14. ROAS Mark Calculator

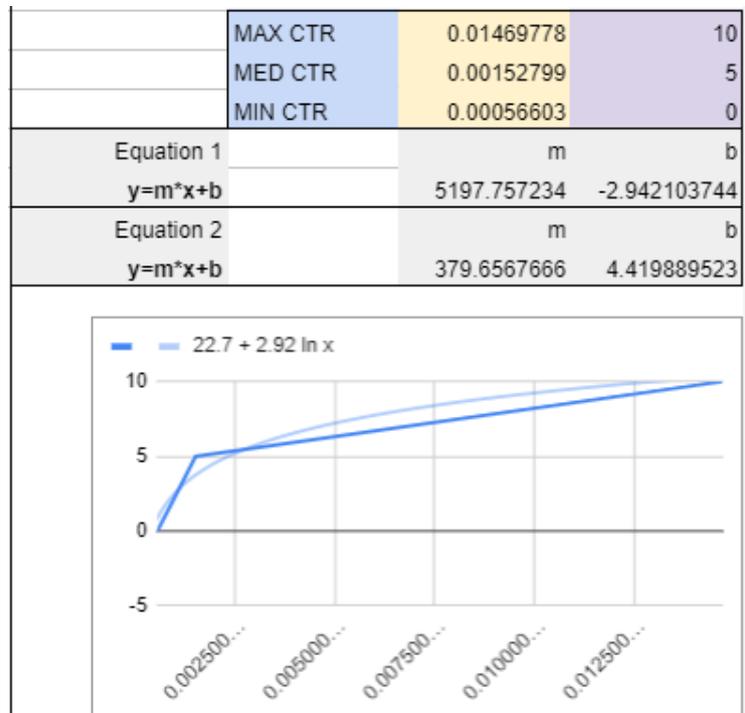


Image 15. CTR Mark Calculator

The equation that determines the global score, therefore, is as follows.

$$Ad\ Mark = 0.75 \times ROAS\ Mark + 0.25 \times CTR\ Mark$$

With this scoring method we evaluate all creatives in the same way and obtain reliable results. It should be noted that with this method, the scores of the ads depend on their performance, compared to other ads that are at the same level, but are not influenced at the campaign level. So, even if the performance of the campaign is low, we will still get good, fair and bad ad scores.

5.1.2.3 Presentation of results and actions to be offered.

Once the scores have been calculated, they are then taken to a sheet in the tool where they are presented sorted by advertisement but also subdivided by adgroups for each creative. The action to be taken is shown, along with the ad scores and other useful KPI's for ad analysis. The following shows what the tool looks like and explains the actions that can be shown.

1	AdName / AdGroup	Action	Ad Mark	Amount Spent	Purchases	Con Impresions	Unique Link clli	ROAS	CTR	ROAS (0-10)	CTR (0-10)
8	IMG001PRD2020		4.7	489.18	1599.95	747664	1031	3.4	0.14%	5.1	3.4
10	IMG002PRD2020		5.2	49.59	157.28	56686	144	3.2	0.25%	5.0	5.6
14	IMG003PRD2020		4.5	608.78	1597.75	754203	1678	2.6	0.22%	4.2	5.3
23	IMG006PRDMAR2021		5.2	177.15	1469.32	641451	309	8.3	0.05%	6.8	0.3
29	GIF008PRDMAR2021		5.2	91.66	348.52	78711	143	3.8	0.18%	5.2	5.0
31	IMG009PRDMAR2021		3.8	5.37	17.47	22126	9	3.3	0.04%	5.1	0.0
35	IMG010PRDMAR2021		5.1	246.14	869.31	374453	717	3.5	0.19%	5.1	5.1
37	IMG013OCCMAR2021		4.4	28.84	129.46	69592	53	4.5	0.08%	5.5	1.2
39	IMG021OCCMAR2021		4.9	52.06	314.47	136443	107	6.0	0.08%	6.0	1.3
46	CR 9022OCCMAR2021		4.7	192.06	835.24	319921	366	4.3	0.11%	5.4	2.6
50	CR 9026PRDMAR2021		5.5	60.78	303.01	113269	208	5.0	0.18%	5.7	5.0
53	CR 9034PRORestOPhiMAR2021		4.5	36.12	96.72	70782	149	2.7	0.21%	4.3	5.2
56	IMG035PRDCebDvoMAR2021		2.4	56.07	78.11	104843	133	1.4	0.13%	2.2	3.0
58	IMG040PRDMAR2021		5.0	357.67	740.96	211924	1638	2.1	0.77%	3.3	10.0
60	IMG042PRDMAR2021		1.5	18.73	0	11241	35	0.0	0.31%	0.0	6.1
62	GIF052PRDAPR2021		5.2	10.15	30.84	18518	56	3.0	0.30%	4.9	6.0
64	IMG053OCCAPR2021		1.2	4.79	0	8454	15	0.0	0.18%	0.0	4.8
67	GIF054OCCAPR2021		2.1	0.62	0	510	3	0.0	0.59%	0.0	8.4
81	IMG055PROMothersDayEARLYBIRDAPR2021	ADD NEW ADSETS	9.7	68.9	1195.29	46755	300	17.3	0.64%	10.0	8.9
82	FITOFAlwaysOn-001_F2050NATPIN_Mom (TEST)		6.5	49.17	295.27	36990	224	5.4	0.61%	5.8	8.6
83	FITOFAlwaysOn-001_UN1885NAT-LALPurchase		1.8	0.64	0	2890	13	0.0	0.45%	0.0	7.3
84	FITOFAlwaysOn-001_UN1885NAT-MothersDay (TEST)		6.2	14.05	94.38	15436	48	6.7	0.31%	6.3	6.1
85	FITOFAlwaysOn-001_UN1885NAT-OPN		6.0	30.97	169.55	29859	110	5.5	0.37%	5.8	6.6
86	FITOFAlwaysOn-001_UN1885NAT-PINCC&G		5.5	39.63	138.06	34955	132	3.5	0.38%	5.1	6.7
87	FITOFAlwaysOn-001_UN1885NAT-PINEngaged Shoppers		3.5	31.3	48.3	25578	98	1.5	0.38%	2.5	6.7
88	FITOFAlwaysOn-001_UN1885NAT-PINFlowers		5.8	95.5	413.2	73899	311	4.3	0.42%	5.4	7.0
89	FITOFAlwaysOn-001_UN1885NAT-PINOFW	DISABLE ADSET	8.9	43.19	0	104890	152	0.0	0.14%	0.0	3.7
90	FITOFAlwaysOn-001_UN1885NAT-PINParents		5.8	13.95	65.77	10926	41	4.7	0.38%	5.6	6.6
91	FITOFAlwaysOn-001_UN1885NAT-PINSpecial Events		6.1	6.8	28.73	5063	30	3.9	0.59%	5.3	8.5
92	FITOFAlwaysOn-001_UN1885NAT-PINStore		2.0	5.7	0	8023	31	0.0	0.51%	0.0	7.8
93	FITOFAlwaysOn-001_UN1885REGOPN_Top15Cities (NWD)		6.4	134.24	910.62	115199	458	6.8	0.40%	6.3	6.8
94	IMG057PROMothersDayEARLYBIRDAPR2021		5.7	471.14	2133.48	461298	1648	4.5	0.36%	5.5	6.5
111	GIF058PROLoveBoxPREORDERAPR2021		6.3	507.86	2138.66	387775	2542	4.2	0.66%	5.4	9.0
121	CR 9060CMPMothersDayAPR2021	CHECK CREATIVE	0.1	1.13	0	7422	4	0.0	0.05%	0.0	0.5

Image 16. Presentation of results and actions

AD NEW ADSETS:	This will occur when the global score for this ad is higher than 8.5. This action asks the analyst to include this Ad in all possible adsets as it is performing strongly and has potential.
DISABE ADSET:	This will occur when the ad spend on the adset is greater than \$25 and the score is less than 3. This action prompts the analyst to deactivate this ad from the adset as it is underperforming.
CHECK CREATIVE:	This will occur when the ad global spend (i.e., including all the ad sets in which it is included) is greater than \$25 and the score is less than 1. This action asks the analyst to analyse the ad in case it is necessary to deactivate it as its poor performance may be caused by a bug in the ad or a bad graphic design of the ad.

Table 8. Actions proposed by the Ad Analysis tool

5.1.2.4 Method of use of the tool.

The tool has an instruction tab which explains in detail the steps to follow for the correct use of the tool.

Enter the data for the week you want to analyze. These data must be downloaded from FB Reports. The report is called Creatives Performance , and the only thing we must do is to change the dates on FB and then copy the downloaded data on the BM Report Sheet of this calculator. Just the data on the grey cells (we only copy values, but not format). Then select the campaign that you want to analyze on the slicer (A1 cell) of the Marks Calculator sheet and then repeat on the Type Calculator sheet (The selected campaigns must be the same in both).
Once you have entered the data, you will see the evaluated creatives on the Ranking sheet. We place ourselves in cell D1 (AdName / AdGroup) and do CTRL+SHIFT+ RIGHT to column AE and repeat CTRL+SHIFT+ DOWN to row 1000. Copy and paste (values and format) into the Google Sheets report where you are comparing the different weeks.
Finally, in your Google Sheets report you select the columns P, Q and R and sort alphabetically in order to group the changes you need to make.

Image 17. Ad Analysis tool instructions

Basically, it consists of downloading from the Facebook Business Manager page the data with a specific format and for the period you want to analyse. This report should be loaded in the tab of the tool and then select the campaigns you want to analyse. Once you have done this, you can see the ads' scores and use this information for your own purposes. In the case of the company, the tool is used once a week, on Mondays, and the information obtained from it is used to make the necessary decisions. In addition, this information is compiled in a separate report where it is stored to examine results in the medium – term.

5.2 AUDIENCES OPTIMIZATION

The second optimization requested consists of the elimination of overlapping and the elimination of unnecessary and repetitive audiences. In Google Ads the frequency and overlapping is not a problem because it is the user who is interested in performing the search and possible purchase, and it is based on this the reason why the ad is shown. It does not matter to have high frequencies because every time a user performs a search the company must guaranty the appearance of the ad to try to get a conversion.

However, in Facebook Business Manager things change a lot because in this case, it is the company itself that generates the buying interest in the consumer, and this is achieved by targeting a specific audience through audiences, as explained in previous chapters. It is here that the company decides to start a new optimization process, requesting the elimination of overlapping and reorganising the audiences according to the stage of the marketing funnel they are in.

5.2.1 DESIGN

The company seeks to eliminate overlapping and reduce the frequency and specifically in the TOF campaign as this is the one that attracts new customers and the one that also involves more expenditure for the company. To this end, the company asked the designer for the following design details.

DESIGN DETAILS	
Operating principle of the tool.	The overlapping between audiences and the repetition of audiences in TOF, MOF and BOF should be eliminated.
Scope of the tool.	Audiences included in the TOF campaign.

Table 9. Overlap Reduction Methodology design details

5.2.2 IMPLEMENTATION

To reduce the overlap, it was decided to use the Facebook Business Manager tool for the creation of audiences. It allows to include and exclude profiles of users with a certain interest. Thus, any audience that includes a certain interest should exclude interests that are included in other audiences. Thus, audiences with interests in both fields will appear as potential customers only in one of the cases. Then, each of the audiences will correspond to a specific Adgroup. This is the best way to reduce the overlap, which will lead to a reduction of the TOF level frequency. The following is an example of how the overlap between two audiences can be eliminated using the method of audience exclusion.

Audience name	Included Interest	Excluded Interest	Size	Overlap	Overlap (%)
TOF - Flowers - TEST1	Flower bouquet, Gardening, Floral design, Flower, Blooming Flowers, Garden, Rose, Floristry, Flowering plant or Flower Delivery Express		15000000	8595000	57%
TOF - CC&G - TEST1	Goldilocks Bakeshop, Gift, Red Ribbon (bakeshop), Gift shop, Pastry, Cakery, Christmas Gift, Gift card or Chocolate, Chocolate and more		16000000		

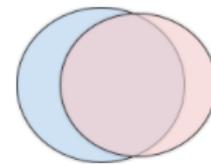


Image 18. Audience overlap without excluding interest

Audience name	Included Interest	Excluded Interest	Size	Overlap	Overlap (%)
TOF - Flowers - TEST2	Flower bouquet, Gardening, Floral design, Flower, Blooming Flowers, Garden, Rose, Floristry, Flowering plant or Flower Delivery Express	Goldilocks Bakeshop, Gift, Red Ribbon (bakeshop), Gift shop, Pastry, Cakery, Christmas Gift, Gift card or Chocolate, Chocolate and more	5400000	291600	5%
TOF - CC&G - TEST2.1	Goldilocks Bakeshop, Gift, Red Ribbon (bakeshop), Gift shop, Pastry, Cakery, Christmas Gift, Gift card or Chocolate, Chocolate and more		16000000		

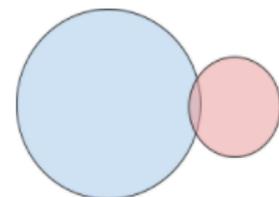


Image 19. Audience overlap excluding interest

In addition, the MOF and BOF levels of the funnel should also be excluded in these audiences. For this purpose, specific audiences are created that include people who have already entered the “*consideration*” or “*conversion*” stage. This includes people who have interacted with a social media post, clicked on an ad, or browsed the website looking at

products. Below is an example of an audience, where we can see included interests, excluded interests, and excluded audiences.

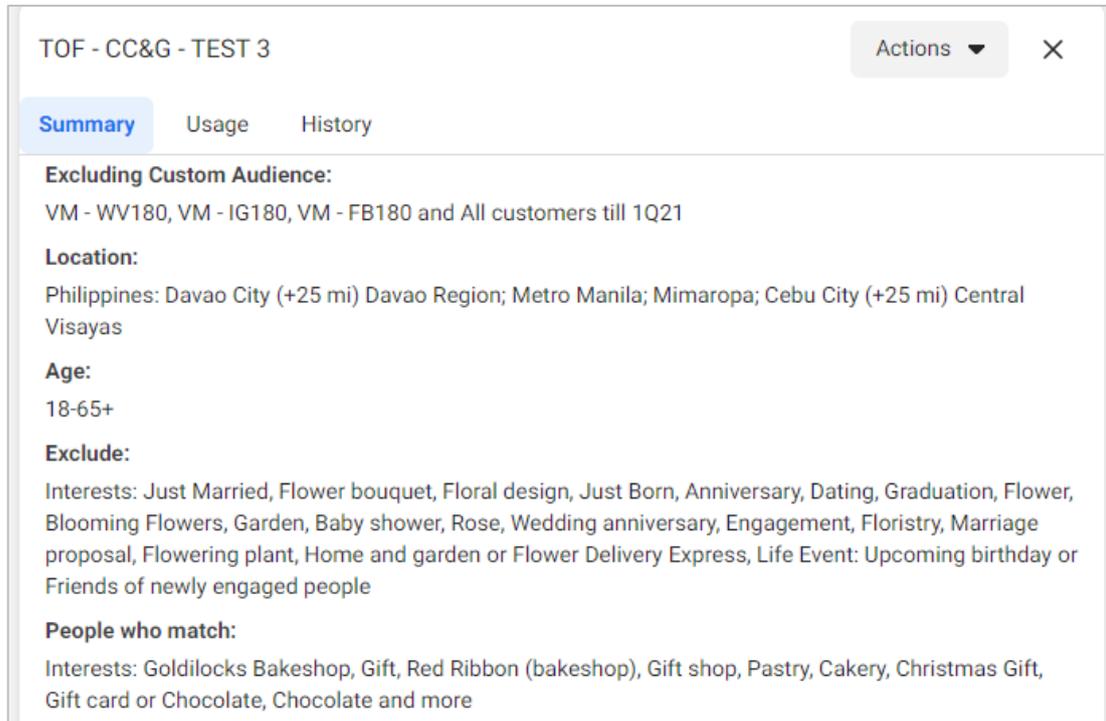


Image 20. Facebook audience example

It should be noted that although the overlap is greatly reduced, it is not possible to eliminate it entirely, as some audiences are created with demographic interests such as "birthday next week", "friend's wedding next month" or "just married" in the previous year. These demographic interests can be included but not excluded, and therefore it is not possible to remove the entire overlap.

5.3 BIDDING STRATEGY OPTIMIZATION

With the aim of gaining a good position on the market against competitors, the company asks to study the bidding strategies used in the campaigns to use the optimal one in each case. For Facebook Business Manager, although various bidding options are also available,

it is the objective of the campaigns that decides this. So far, the company has implemented campaigns with the objective of maximising conversions, obtaining good results. Now and during this project, the strategy is not being changed here, so this optimization process will not affect this tool.

On the other hand, Google Ads does have the possibility to change the strategy, and this is where the potential for improvement can be exploited. Traditionally the company has bid on its Google Ads campaigns with a CPC strategy, although a few months ago it decided to change to CPA. The company wants to check if this change was the right one or if it is necessary to revert some of them. To this end, it commissions the designer to carry out an optimization process in which it must check this dilemma.

5.3.1 DESIGN

Therefore, the company is interested in analysing the performance of a specific Google Ads campaign with two different bidding strategies: CPA and CPC. Once the test has been carried out, the company will be able to decide which of the two strategies is more optimal for the company's objective. In order to decide the CPC values, it is decided to program an Excel calculator to obtain these values. Also values from the past, when the tool worked with the CPC strategy, will be used. The design parameters of this methodology are summarised in the following table.

DESIGN DETAILS	
Operating principle of the tool.	Calculation of CPC values through a tool and past values.
Scope of the tool.	Branded Campaign
Key values of the process.	CPO and CPC values in the past and future period to compare both performances.

Table 10. Bidding strategy design details

5.3.2 IMPLEMENTATION

The change from CPA to CPC is made in the Branded campaign. This is the campaign in which ads are shown to users who search for the company's brand. It is necessary to advertise the company's own name as otherwise there is a risk that competitors will appear above the company in the search results by including the company's name in their keywords. To make the change from CPA to CPC you need to calculate the value of the CPC optim. For this purpose the following tool is implemented.

Campaign: PH- NCR Search Sales E-CPC Branded			
Data we must enter:		Calculations:	
PC2:	\$10.50 \$/Order	Click/Conversions.	9.12 Click/Conv.
For the period of time that we want to replicate:		Return in spend CPC	\$1.15 \$/Click
Date:	Sept 1 - Oct. 31, 2020		
Clicks:	17,326		
Conversions:	1,900	Max CPC	\$0.81 \$/Click

Image 21. Max CPC Calculator

The tool works by calculating, with historical campaign values, the clicks needed to generate a conversion (because not every click on the ad results in a conversion). Once we know this value, and the maximum CPO margin that we have for each conversion, we can calculate, dividing these two numbers, the maximum price that we should be willing to bid per order. Finally, the actual CPC cannot be this theoretical CPC as this would result in a total loss of profit. The ads will not always bid at Max CPC so there will be an average CPC value. We want this value to be the one that maximises profit, so the Max CPC value should be a little higher than our desired Avg CPC, as shown in the graph below. For this purpose, 70% of this theoretical value will be used as a value. The tool therefore follows the equation.

$$Max\ CPC = 0.7 \times (PC2 / (\frac{Click}{Conv}))$$

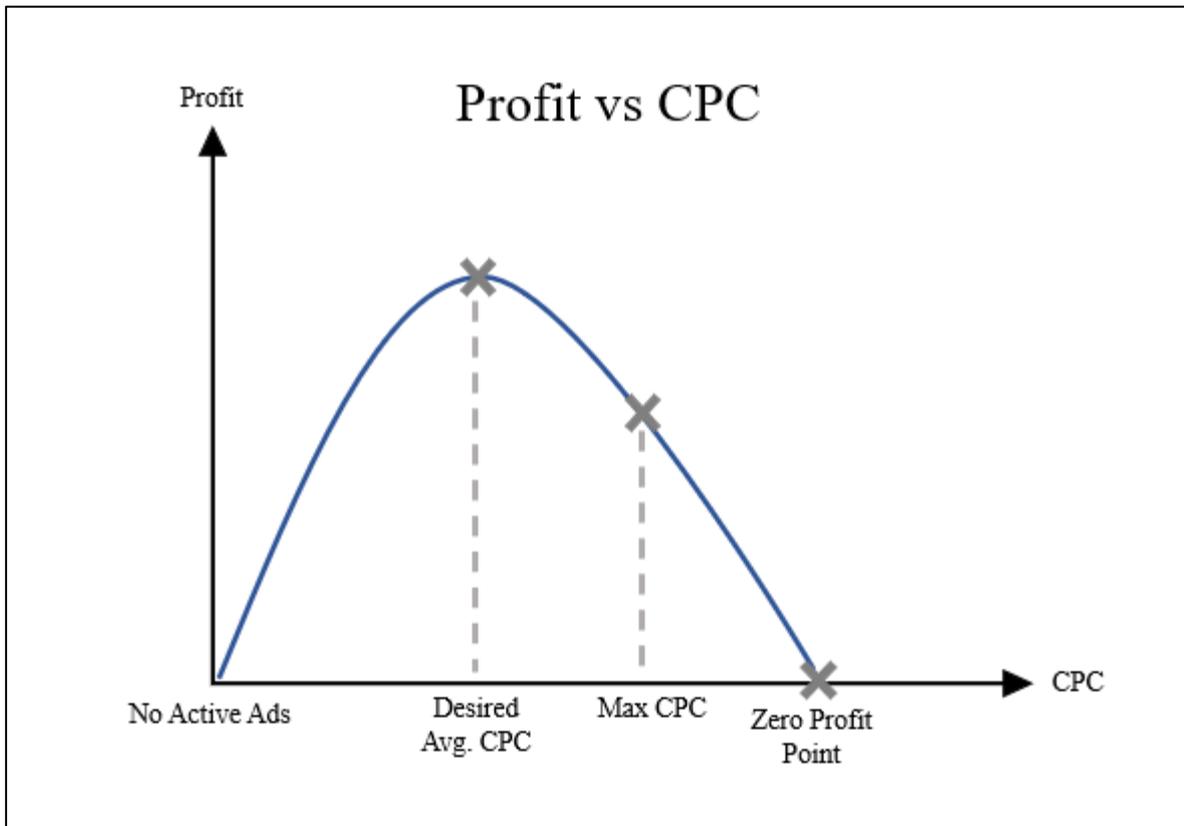


Image 22. Profit vs CPC Graph

Once this value and the old values used in this campaign are known, it is decided to set the following CPC values for each of the Adgroups.

PH- NCR Search Sales E-CPC Branded	
Adset	Max CPC
Branded - Narrow Search	\$0.50
Branded - Broad Search	\$0.25
Flower Color	\$0.50
FlowerStore Ph Review	\$0.50

Table 11. Max CPC values

Chapter 6. RESULTS ANALYSIS

Once the optimization processes have been implemented and after having spent a period of time monitoring and analysing the data resulting from the optimizations, we can arrive at results that reflect the success of the applied processes. For this purpose, the results of each of the three optimization processes carried out are shown. This section aims to show only the results obtained thanks to the optimization processes and the impact on the most important KPIs in each of them.

Comparing the results obtained with the past results and checking the achievement of the objectives set in the strategic digital marketing plan corresponds to Chapter 7.

6.1 ADS OPTIMIZATION RESULTS

After a couple of weeks of fine-tuning the tool at the end of February, the final version will be launched on a weekly basis from the week of 1 March 2021. For 7 weeks, the results obtained with the tool are analysed and are summarised in the following table, showing the weekly values of spend, ROAS and CTR.

Mar. 1 – Apr. 11	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
Spent	4722	6775	6145	6527	7056	5945	4621
Conv. Value	18295	28777	29171	27025	31130	36103	35656
Orders	586	940	986	868	989	1,170	1,114
ROAS	3.9	4.2	4.7	4.1	4.4	6.1	7.7
CTR	0.12%	0.14%	0.18%	0.13%	0.13%	0.14%	0.16%
CPO	8.1	7.2	6.2	7.5	7.1	5.1	4.1

Table 12. Ad optimization results

The following graph shows the ROAS and CTR values of the table, to reflect the evolution of these values over the weeks in which the tool has been used. The trend lines are also included.

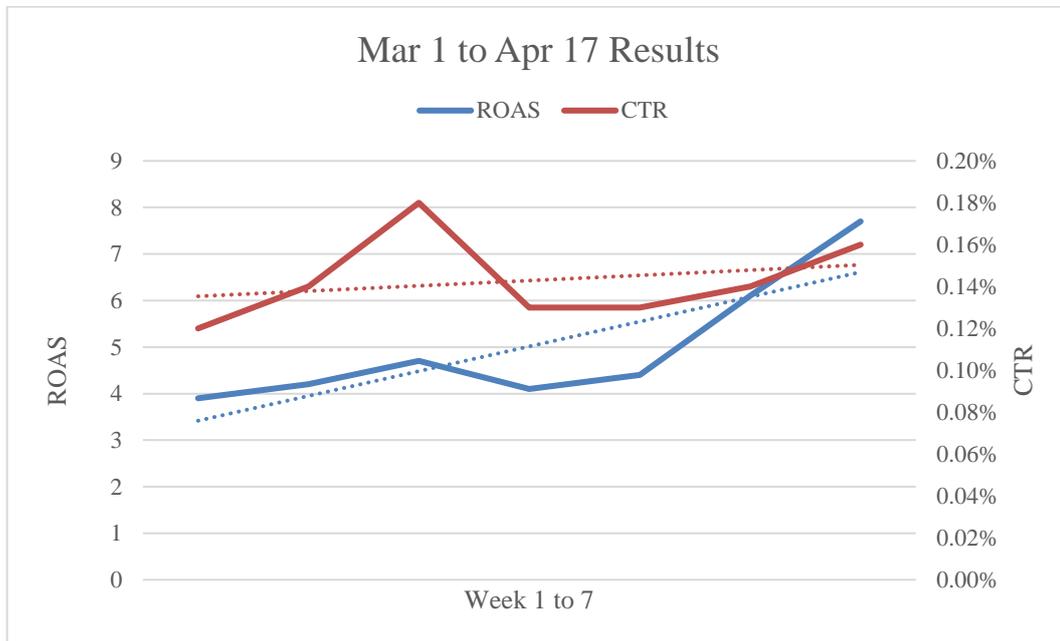


Image 23. ROAS vs CTR graph

The upward trend in weekly ROAS and the upward trend in the CTR are clearly visible. The dotted lines on the graph confirm these trends.

6.2 AUDIENCES OPTIMIZATION RESULTS

The separation of audiences takes place the week of 26 April 2021, starting the process of data measurement and analysis of results. After two months, on 30 June, it is decided to measure the impact of this optimization process, collecting the values of reach, frequency, overlap and cost. The following table shows these results June.

June 1 to 30 / TOF Campaign	
Reach	4728042
Frequency	4.74
Overlap	1.31
Cost for 1000 Reached	\$3.01

Table 13. Audiences optimization results

6.3 BIDDING STRATEGY OPTIMIZATION RESULTS

The optimization process is implemented on 26 March 2021. On this day, the change from CPA to CPC strategy takes place. Below is a table with the results obtained during the month following the implementation of the changes, as well as a graph showing the evolution of conversions and daily CPO for this time interval.

PH- NCR Search Sales E-CPC Branded	
Period	01/04 to 30/04, 2021
Avg. CPO	\$1.25
Avg. CPC	\$0.16
Conversions	1625
Spent	\$2,026.17

Table 14. Bidding Strategy optimization results

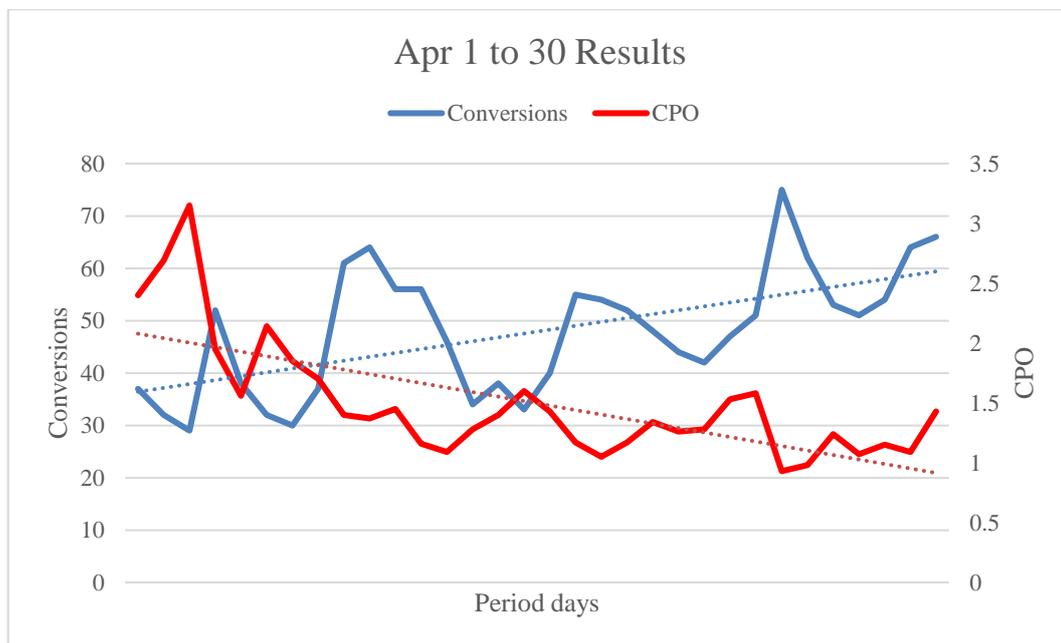


Image 24. Conversions vs CPO graph

The upward trend in daily conversions and the downward trend in the CPO are clearly visible. The dotted lines on the graph confirm these trends.

Chapter 7. CONCLUSIONS

This chapter aims to analyse the impact of the results obtained after the optimization processes on each of the objectives set by the digital marketing strategic plan, and ultimately, the impact on the overall performance of the digital marketing services.

To do this, the results are compared with the results of periods prior to the optimizations, using the KPIs. This analysis will be carried out for each of the optimization processes, as well as an analysis of the final conclusions, which will cover the whole of digital marketing.

7.1 OBJECTIVE 1 ACHIEVEMENT

The company's primary objective was to maximise the use of the Ads in order to get the maximum possible return from them. We saw earlier that the KPIs we should use to measure the performance of the Ads were mainly the ROAS and to a lesser extent the CTR. Below we compare the results obtained after the optimization process with a period of equal length prior to optimization.

Dec 7 to Jan 18	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
ROAS	4.5	3.8	4.4	3.6	5.6	6.2	5.6
CPO	6.6	8.8	7.6	9.2	5.8	5.4	6.1

Mar 1 to Apr 11	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7
ROAS	3.9	4.2	4.7	4.1	4.4	6.1	7.7
CPO	8.1	7.2	6.2	7.5	7.1	5.1	4.1

Table 15. Ads performance comparison

To better see the data trends and how the tool can be used to change the trend, both periods are shown in the following graph.

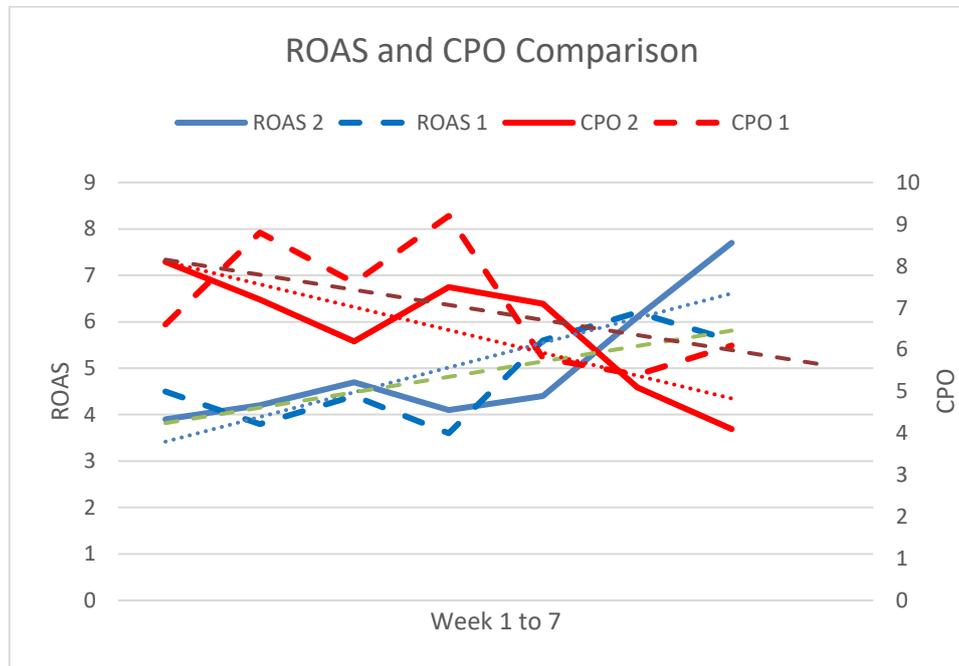


Image 25. Ads performance comparison graph

We can see in the graph how the trend of the results obtained has changed since the optimization tool developed for the optimization has been used. The ROAS and CTR in this new period 2 increases strongly while in period 1 its improvement is lower. There will come a point when the maximum use of the graphic resources is reached and no further improvement in performance is achieved. Even so, it is demonstrated that the tool works and is useful to improve the performance of the creatives, so we can consider the first objective of the company set out in the strategic plan of digital marketing, and therefore we consider the implemented optimization as satisfactory.

7.2 OBJECTIVE 2 ACHIEVEMENT

The company's second goal for optimising digital marketing channels was to reach more people while spending less money. To do this, it was decided to eliminate the overlap between audiences and thus reduce the frequency. This will allow us to spend less money on those customers who already know us and invest it in those who do not know the brand.

Below is a comparison of the results obtained after the optimization with a period of the same duration prior to the optimization.

March 1 to 30 / TOF Campaign	
Reach	3482170
Frequency	10.71
Overlap	2.64
Cost for 1000 Reached	\$7.08
June 1 to 30 / TOF Campaign	
Reach	4728042
Frequency	4.74
Overlap	1.31
Cost for 1000 Reached	\$3.01

Table 16. Audiences performance comparison

Comparing the numbers, we can see that in the month of June the company has managed to reach 4,728,042 people, i.e., 1,245,872 people more than during the month of March, and that in addition, the cost to reach these people has been lower, which we can confirm by comparing the Cost per 1000 people reached in both months. Therefore, we can confirm that we have achieved the objective set out in the strategic marketing plan thanks to this optimization process, thanks to the reduction of overlap and frequency.

7.3 OBJECTIVE 3 ACHIEVEMENT

Ultimately, we analyse the impact of the third optimization process implemented on the third objective. The third objective of the company was to ensure a good competitive position against competitors by optimising bidding strategies. To this end, it was decided to carry out a test with the CPC strategy in the Branded campaign and to analyse the impact of these changes on CPO and conversions, these values being synonymous with a good competitive position if they are good. The results obtained after the optimization are then compared with

a period of the same duration prior to the optimization. The results can be found in the table below.

PH- NCR Search Sales E-CPC Branded	
Period	26/02 to 26/03, 2021
Avg. CPO	\$1.31
Avg. CPC	\$0.20
Conversions	1076
Spent	\$1,409.44
PH- NCR Search Sales E-CPC Branded	
Period	01/04 to 30/04, 2021
Avg. CPO	\$1.25
Avg. CPC	\$0.16
Conversions	1625
Spent	\$2,026.17

Table 17. Bidding strategy comparison

We can see how the CPO of the conversions generated for the second time period is lower than for the first time period. Moreover, the number of conversions has increased. This leads us to the conclusion that with the CPCP strategy a better campaign performance is achieved. This particular Branded campaign generated 549 more orders while spending \$0.06 less per order generated, if we compare the one-month interval with CPC strategy with the one month interval prior to the changes, with CPA strategy.

We can then confirm that we have managed to increase the performance of the campaign with the optimization process applied, which does not give a better competitive position against competitors, which leads us to affirm that the third objective set by the company has been met.

7.4 FINAL CONCLUSIONS

Finally, we want to check that the impact of the optimization processes at a global level has been positive, and for this purpose we will compare the CPO values and conversions before and after the optimization changes. To do so, a comparison will be made, considering Facebook Business Manager and Google Ads data during the months of January and February and the months of April and May, since it was during the month of March when all the optimization processes were applied. The following table shows the comparison.

	Jan to Feb		Apr to May	
	CPO	Conv.	CPO	Conv.
Google Ads	\$3.74	11,140	\$2.83	9,272
Facebook Business	\$4.82	23,815	\$3.19	13,519
TOTAL	\$4.48	34,955	\$3.04	22,791

Table 18. Global results for each tool

We can see that the cost of conversion in the second period was lower, and although conversions were higher in the first period (due to the seasonality of Christmas and Valentine's Day), we managed to use the available resources in a more optimal way. Therefore, the savings obtained by the company compared to the first period is obtained by multiplying the decrease in CPO by the number of conversions made in the second period. The results are shown below. The benefit of the project for the company is thus justified. The results are shown below.

OVERALL RESULTS	
ECONOMIC SAVINGS	\$ 32,819.04
DECREASE IN CPO	\$ 1.44

Table 19. Overall Results

Finally, it should be noted that the project that has been carried out, apart from being aimed at improving the case of a real company, also has a large academic part, which does nothing but teach the students, and the student himself, the author of this work, a world hitherto

unknown to him. This project also demonstrates the enormous potential available for the optimization of the company's digital services and is intended to serve as a guide for future optimization or improvement processes that any FlowerStore Group employee may wish to carry out.

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ANNEX I: ALIGNMENT WITH THE SDGS

With the aim of promoting the fulfilment of the **Sustainable Development Goals** (SDG's), and in accordance with what has been established by the United Nations on the impact of these, the following annex shows how the project that the reader has been able to study in the previous pages is aligned with the fulfilment of some of these objectives, shown in the image below. These goals, those on which the project has the greatest impact, are SDG 8, SDG 9 and finally SDG 12.



Image 26. Sustainable Development Goals

- **SDG 8:** Decent work and economic growth: Sustained and inclusive economic growth can drive progress, create decent jobs for all and improve living standards.

By optimising the digital marketing services, it will make the company to save money that can be invested in the growth of the company, being able to hire more people with these

economic surpluses. This not only helps the growth of the company itself but also has a direct impact on increasing the wealth of the local community.

- **SDG 9:** Industry, Innovation and infrastructure: Inclusive and sustainable industrialization, together with innovation and infrastructure, can unleash dynamic and competitive economic forces that generate employment and income. They play a key role in introducing and promoting new technologies, facilitating international trade and enabling the efficient use of resources.

A better use of the resources available for the digital marketing of the ecommerce that allows to maximize the use and benefit of these. It will also be possible to save a part, which can be invested in another department of the company, which will help the economic growth of the company and therefore the economic growth of the community.

- **SDG 12:** Ensure sustainable consumption and production patterns: Sustainable consumption and production is about doing more and better with less. It is also about decoupling economic growth from environmental degradation, increasing resource efficiency and promoting sustainable lifestyles.

As already mentioned in the previous sections, the company on which this project is to be implemented consists of an e-commerce company whose main activity is the sale of flowers. Flowers, a product of plant origin, have a direct impact on the ecosystem and climatic conditions of the place where they are grown. By optimising digital marketing, we can stabilise demand (reflected in graph 1), which will help us to make a more accurate inventory estimation, so that we can order from our suppliers the product we need at any given time, no more and no less. The flowers can be used in a better way, contributing to the conversion of CO₂ into O₂ while they are still in the fields. In addition, a better use of flowers (our main resource) will allow our suppliers to produce what is needed, thus eliminating possible problems of extensive agriculture, which can be harmful to the environment.

ANNEX II: OTHER AVAILABLE TECHNOLOGIES ,

TIKTOK

There are other technologies available for the implementation of marketing, such as search engines like Bing or Yahoo or social networks like Twitter and LinkedIn. However, one of the tools with the most potential at the moment is the social network TikTok. This social network of Asian origin and with more than 800 million active users as of today and 2000 million app downloads, offers great possibilities to companies that wish to advertise through digital media, and even more so if the product that these companies sell is aimed at young people.



Image 27. TikTok logo

The social network TikTok is very similar in the way it works to Instagram. That is, users have a profile in which they upload their posts, which consist of short videos, accompanied by some kind of music or effect, in which they do some kind of challenge, imitation or simply show themselves doing some kind of activity. These user profiles can be visited to get to know their content and you can follow the users you are most interested in. In the same way the user can also have people subscribed to their profile. Finally, there is the option to browse through the profiles, going from video to video, which will adapt to our tastes and interests,

to show similar videos or related to what we like. It is here where digital marketing can be carried out, showing the advertisements to the users as one more of the videos that appear to them.

The company currently has a test campaign on this social network, implemented for testing at the end of June 2021. It has not yet reached its full potential, so it is interesting to examine this with the aim of proposing new optimization options.

The main features of the tool make it very similar to the marketing tool offered by the social network FaceBook, so knowing the former it is quite intuitive to learn how to use the latter.

- Hierarchical classification, separated into Campaigns, Adgroups and Ads.
- Different bidding strategies and targets.
- Selection of potential customers through audiences.
- Ads in short video format with music and interactive.

Due to the way TikTok works, the most important thing for this tool is to have high quality and interesting videos, which arouse the user's curiosity and desire to know more about the company. Once you have good ads, you can start optimising audiences, bidding strategies and daily budgets.

