

Bricks-To-Clicks™

Online Marketing and Economic Education for Businesses



Online marketing is complex, but businesses can reduce this complexity by keeping social media marketing simple. Keep marketing messages simple. Simplicity gives rise to clarity, and clarity gives rise to consistency. Simplicity clarifies a business's core marketing message to consumers and others. Remember: *Simplify* your online marketing plan so your business **grows**.

When businesses grow, communities grow. Therefore, this type of business development is a critical part of economic development.

Bricks-To-Clicks is a Mississippi State University Extension program that teaches online marketing and economic education to businesses. Businesses learn how to implement simple and effective online marketing plans that work. Businesses also benefit from participation in the program by learning how to identify their core marketing messages, build brands, identify online consumer markets, and optimize websites and advertisements (Barnes, 2016).

The program's central tenant is that the world of online marketing is extremely complex with many options available to sell directly to other businesses or consumers. Such complexity can complicate a business's online marketing plan, and, when that happens, businesses typically stop growing.

The program provides guidance regarding seven online marketing and economic questions that every business owner needs to understand to implement a simple and effective online marketing plan. These include:

1. *What* are the steps a business should take to develop a clear marketing message that builds its online brand?
2. *Which* social media platforms (e.g., Facebook, Twitter, LinkedIn, YouTube, Instagram, Pinterest, Snapchat) should a business consider using to effectively reach its target market?
3. *Which* types of content (e.g., video, images, educational, customer testimonials, social media giveaways) should a business consider using to engage its target market on social media?
4. *Which* combination of social media content and ads (e.g., Google, Facebook, Instagram) should a business consider using to create a sales funnel that maximizes profits?

5. *What* are the steps a business should consider taking to generate leads to increase sales using email marketing campaigns?
6. *What* are the steps a business should consider taking to optimize its sales funnel and particularly mobile sales?
7. *Which* online tools (e.g., Google Analytics, Tableau, IBM's Watson Analytics) should a business consider using to analyze its online marketing strategies, return on investment in ads, and online sales?

This report provides an overview of the Bricks-To-Clicks program by highlighting four items: 1) key industry drivers shaping online marketing economics; 2) program products, services, and online tools; 3) applied research; and 4) the overall key concept used to develop all educational offerings in the Bricks-To-Clicks program.

Key Industry Drivers

Transitioning from selling only at a brick-and-mortar location to selling products or services online is a significant business move. The transition requires an examination of the key economic questions listed previously, and many marketing and economic decisions must be made. In short, a great deal of changes must occur to learn how to market and manage all aspects of selling online. From finding new ways to fulfill orders and manage inventory to measuring online sales, the transition can be complex—and costly.

Why would any business bother with such a transition? Because the benefits should exceed the costs. Before a business transitions to selling online, a review of a few industry drivers can help with forming specific online marketing strategies. These industry drivers represent some of the economics of mobile commerce and social media that continue to shape the benefits and costs of selling online.

Mobile Commerce Economics

One of the most important factors shaping online sales is mobile commerce, or m-commerce. M-commerce refers to purchasing products or services using a mobile device (smartphone or tablet). E-commerce refers to purchasing products or services through a personal computer (desktop or laptop). Consider the following trends that continue to

blur the line between brick-and-mortar and online sales via m-commerce (Mooney and Johnsmeyer, 2015):

- M-commerce is expected to grow to \$284 billion, or 45 percent of the total U.S. e-commerce market by 2020 (Meola, 2016).
- Two-thirds of Americans own at least two digital devices (desktop, smartphone, tablet, or laptop); more than one-third own all three.
- 82 percent of smartphone users turn to their phones inside a store when making purchasing decisions.
- 50 percent who purchased from a retailer online also had an in-store experience in that same period of sale.
- Over 25 percent of in-store shoppers have interacted with the retailer online in the last 3 months.
- Retailers continue to add services at store locations and promote these services online using social media, websites, and more. Some services include curbside pickup (e.g., Kroger); online reservations; appointments for services (e.g., Sears and Pep Boys); and same-day delivery (e.g., Macy's, Target, Walmart, Kohl's, and Nordstrom).
- Beacon-enabled features that offer customers loyalty rewards when they visit a store are growing; beacon-enabled devices send out a signal and message (e.g., sales, discounts, check-in deals related to social media) to be received by smartphones and tablets when customers enter a store.
- 85 of the top 100 retailers are planning to adopt beacon technology by 2017.
- The recent announcement of Amazon buying Whole Foods signals a shift toward even more blurring of the line between brick-and-mortar and online stores.

Social Media Economics

The intersection of m-commerce and social media is where businesses can take advantage of selling online. With an increase in adoption of mobile devices, the use of social media has grown significantly. Between 2011 and 2016, smartphone adoption (e.g., iPhone, Android) in the U.S. increased 42 percent, while social media usage increased 19 percent (Pew Research Center, 2017a).

In the U.S., Facebook remains the most popular social media site, with 68 percent of the adult population preferring Facebook to all other social media sites. The percent of the U.S. adult population using all other social media platforms was significantly lower: Instagram, 28; Pinterest, 26; LinkedIn, 25; and Twitter, 21 (Pew Research Center, 2017b).

With the adoption of mobile devices on the rise and an increase in social media use in the U.S., businesses can

seize the opportunity to sell online. Consider the following social media and m-commerce trends (Adler 2016):

- Overall, 60 percent of consumers' time spent on social media is on mobile devices.
- Facebook accounts for 14 percent of the total time spent online.
- 85 percent of mobile time is spent in apps; however, 8 out of every 10 minutes of app time is spent in an individual's top three apps.
- Facebook, YouTube, and Facebook Messenger are the top three apps; Instagram ranks ninth among the top 25 apps.
- Half a billion people access Facebook via mobile only.
- Facebook has 1.65 billion monthly active users; Facebook remains the leader in engagement among all networks.
- Facebook continues to grow its lead as the dominant social commerce platform; 50 percent of total social referrals and 64 percent of total social revenue come from Facebook.
- Pinterest gets about two-thirds of its referred traffic from mobile browsers.
- Pinterest is a major social commerce player; the pinning platform drives 16 percent of social revenue despite an audience 6.5 times smaller than Twitter.

Mobile Payment Economics

With an increasing number of customers using social media, m-commerce continues to grow. Offering mobile payment can be very important when transitioning a business from brick-and-mortar to the online world. Consider the following mobile payment industry review (e-Marketer.com, 2015):

- Mobile payment users grew by 62 percent from 2015 to 2016, the largest single increase in U.S. history.
- The number of mobile payment users is expected to be 70 million by 2019, up 20 million from 2017.
- Mobile payment transaction value increased from \$8.7 billion to \$27.1 billion from 2015 to 2016 (211 percent increase).
- Mobile payment transaction value is expected to be \$210 billion by 2019, or almost 3.5 times greater than in 2017.
- Average per-user mobile spending increased from \$376 to \$721 from 2015 to 2016; the forecasted average per-user spending for 2017 is \$1,231.
- Average per-user mobile spending is expected to be \$3,017 by 2019, or almost three times more than in 2017.

- Medium-priced purchases, ranging from \$20 to \$100, will comprise more than 50 percent of all mobile payment transactions in 2017, growing to 64 percent by 2018; low-priced transactions will decline relative to all other categories.

a digital plan around LinkedIn as a hub, and best practices for creating and optimizing LinkedIn ads.

The Program

The Bricks-To-Clicks program currently offers Facebook, Instagram, and LinkedIn online marketing courses. All of these can be found online at <http://brickstoclicks.extension.msstate.edu>.

Courses

Five courses currently are offered. These courses are taught in-person, by video at MSU Extension offices across the state, and online using Zoom. The best way to enroll is to contact a nearby MSU Extension office and request a course, or email Dr. James Barnes at james.barnes@msstate.edu. Each course requires online registration.

Facebook

- **How to Market Your Business or Community Using Facebook** (1.5 hours). This introductory course examines the economics and management of social media platforms and how target-market demographics drive the platform of choice. Factors favoring the use of Facebook as a hub for online marketing are presented.
- **Growing Your Business or Community Brand Using Facebook Organic Marketing Strategies** (2.5 hours). This course dives deep into do-it-yourself, organic marketing strategies to grow your customer base and increase their engagement.
- **Growing Your Business or Community Brand Using Facebook Paid Advertisements** (2.5 hours). This course provides an overview of Facebook's paid advertisement options. Best practices for conducting paid advertisement campaigns are shared from a wide variety of experiences.

Instagram

How to Sell on Instagram in 3 Easy Steps (1 hour). This course provides a three-step process for businesses to sell on Instagram. Topics include best practices for engagement with fans and businesses, branding, image and video editing, creating content, using Instagram ads, and case-study research from Mississippi that highlights an easy-to-implement roadmap to online marketing success.

LinkedIn

How to Market Your Business on LinkedIn in 3 Easy Steps (2.5 hours). This course provides a three-step process for businesses to learn how to market their products and services on LinkedIn. Topics include best practices for branding, engagement with other businesses, content creation strategies, organizing

Services

Aside from classroom instruction, businesses can also request two additional services:

- a one-on-one coaching session to be held on campus at MSU; and
- a social media marketing review, which is a 30-minute consultation to review a business's current use of social media and provide recommendations to improve engagement.

Both services can be requested by e-mail. Some previous clients who have used these services or collaborated with the program include:

- Mississippi Development Authority
- Deep South Pout
- Mississippi Department of Agriculture and Commerce
- Mississippi Main Street Association
- Mississippi Agriculture and Forestry Museum
- Oktibbeha County Co-op
- Volunteer Starkville
- MSU Extension's Greenhouse Tomato Short Course
- Alliance of Sustainable Farms
- Starkville Veterinary Hospital

Applied Research

Some supporting applied research is conducted from time to time, especially as it relates to how social media drives online sales. Here is a short list of current applied research:

- Barnes, J. 2016. Organizing To Use Facebook Marketing Advertisements: A Planning Tool for Extension Professionals, Businesses, and Communities. *Journal of Extension*, 54(4).
- Barnes, J. and K. Coatney. 2016. Maximizing the Economic Value from Facebook Marketing in the Agrifood System: Boosting Consumer Engagement Through Contests. *Journal of Extension*, 54(1).
- Barnes, J. and K. Coatney. The Economic Value of Social Media Advertising on Mississippi Agribusiness: The Case of MG Farms, Inc. Mississippi State University Extension. Publication 2912.
- Barnes, J. and K. Coatney. 2015. Facebook 'Farming' for Rural Organizations. *The Daily Yonder: Keep It Rural*, March 30.
- Barnes, J. and K. Coatney. 2015. Progress on Broadband Adoption in Rural America. *Choices*, 30(1).
- Barnes, J. and K. Coatney. 2014. Regional Economic Development and Marketing Using Rural Tourism Events Using Facebook: The Woodville Deer and Wildlife Case. Mississippi State University Extension. Publication 2855.

Conclusion

Simplicity in online marketing is best. Simplicity gives rise to clarity, and clarity gives rise to consistency. Consistently applying a simple and effective online marketing strategy allows a business to develop key performance indicators across social media ads and examine how changes in ads can result in changes in website visits and sales. Keeping things simple is the main ingredient for success.

Keep it simply social.

What does that mean? Join the Bricks-To-Clicks University podcast episode 1 to find out, or contact Bricks-To-Clicks creator Dr. James Barnes at james.barnes@msstate.edu or (662) 325-1796.

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- Pew Research Center. 2017b. Social Media Fact Sheet. *Internet and Technology*, January 21, 2017. Available at: <http://www.pewinternet.org/fact-sheet/social-media/>.

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Publication 3150 (POD-06-18)

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Produced by Agricultural Communications.

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Extension Service of Mississippi State University, cooperating with U.S. Department of Agriculture. Published in furtherance of Acts of Congress, May 8 and June 30, 1914. GARY B. JACKSON, Director