

## **Digital Marketing Exercise 1 : Ecommerce**

### **Background**

You are a fast growing ecommerce company, selling superhero merchandise (e.g. Batman and Superman Tshirts, Mobile Covers, Mouse Pads). Having started only in Jan, 2015, you have scaled to over 1000 orders per month in Jan, 2016.

Next month, you want to reach a goal of 1500 orders per month. You want to make your marketing plan and allocate the budgets.

Your current order of 1000 orders has the following breakup

### **Organic Traffic: 600 orders**

- Google Organic Traffic: 20000 Visitors per month, converting at 2% for a total of 400 orders
- Facebook Organic Traffic: 10000 Visitors per month, converting at 2% for a total of 200 orders

### **Paid Traffic: 400 orders**

- **Google Advertising:**
  - o 8000 Visitors per month, converting at 2%, for a total of 160 orders.
  - o Cost Per Click/Visitor is Rs. 20
  - o Total Cost: Rs. 20 \* 8000 visitors = Rs. 1,60,000
- **Facebook Advertising:**
  - o 24000 visitors per month, converting at 1%, for a total of 240 orders
  - o Cost per click/visitor is Rs. 5
  - o Total Cost: Rs. 5 \* 24000 visitors = Rs. 1,20,000
- **Total Marketing Spend: Rs. 2,80,000**

**Your average value for each order has been Rs. 1000. For the 1000 orders, your total sales is Rs. 10,00,000.**

## Exercise

Make a plan to reach the target order of 1500 orders next month – Feb, 2016, while increasing your brand awareness through online channels. Apart from your current channels of Facebook and Google, you also want to try out new channels including

- Youtube Ads
- Retargeting Ads
- Twitter Promotion
- Reaching out to bloggers for coverage

You can use the below table to guide your planning.

Channel	Sales Targets	No. of Orders Required	No. of Visitors required, assuming conversion rates	Cost per click or Cost per Impression	Budget Required	% of Total Budget
For Example: Google Search Advertising	Rs. 1,00,000	100	5000 (2% conversion)	Rs. 20	Rs. 100,000	
START YOUR ANSWER FROM THE ROW BELOW						
<b>TOTAL</b>		<b>1500 orders</b>				