How to Promote Teaching Centers by Using Online Advertising: A Case Study

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INTRODUCTION

Marketing has evolved as fast as the development of businesses and societies. As no company can be profitable in the long run without satisfying customers’ needs, marketing aims to serve the demand by creating superior value for customers. However, market rules have changed rapidly. Technology and digital communications are dramatically transforming the way in which businesses conduct businesses. Attitudes and customer behaviors have also changed accordingly and, as the digital universe expands, new lifestyles and consumption habits are created (Colvée, 2013). The key feature of this new, digital society is that customers are connected anytime, anywhere. Digital revolution seems unstoppable so the advertising landscape is in continuous development. The new goal of the digital marketing is to get brand engagement using social media, with 2.03 billion worldwide active social media users in 2014 (Kemp, 2014). Besides, more than half the planet owns a mobile phone, with unique users exceeding 3.6 billion, with a 50% penetration rate (Kemp, 2014).

Spain accounted for 28.9 million Internet users in 2013 (ONTSI, 2013), 84% of which consulted the social media very often (ONTSI, 2011). Furthermore, almost 56% of the Spanish Internet users buy on the Internet, which means 15.2 million shoppers spending €816 on average per year (ONTSI, 2013).

Consequently, companies invested 874.4 million Euros in digital advertising in Spain in 2013 (IAB Spain, 2014). Online and social advertising accounted for the 21% of the total share, consolidated its second position only behind a traditional media such as television.

In the past, advertisers had total control over where the message was placed and when customers would be exposed to it. Thanks to the improvements on the Internet and the ICTs, advertising has added to the traditional media advertisements (press, radio, television, magazines…) marketing strategies in order to increase the coverage of the targeted audience. Advertisers now control the initial placement of information but they are unable to control how information is disseminated across customers’ social networks.

Even if online advertising is becoming more important day by day, it has not replaced the traditional advertising yet, as both techniques are conceived as complementary to each other (Barreto, 2012). This is the reason why several authors point out the need to study the use of the Internet as an advertising tool more in depth (Ailawadi et.al, 2009). Besides, it is not yet well understood how firms can use this forms of publicity and their impacts on organizational goals (Stephen & Galak, 2010) so the topic needs further research.
Today’s consumers expect companies to have an online presence in social media and it is not just another channel for disseminating corporate information. It represents a tremendous opportunity to engage and create social bonds with customers and followers, with helps to improve corporate reputation (Aula, 2010; Nair, 2011).

To help filling this literature gap, this study presents two different empirical case studies to test the effectiveness of the online advertising techniques in horizontal social networks.

THEORETICAL FRAMEWORK

Social Network Sites and Advertising

As mentioned before, marketing needs to adapt the initial offline strategies to meet the digital world. The Web 2.0 is understood as a new generation of internet services based on the creation of communities, the network concept and the use of the new ICTs for information dissemination (Musser & O’Reilly, 2006). It includes a set of social media so that users can co-create, organize, edit, share, comment and evaluate content by forming social networks that interact with each other. Thus, the content no longer travels one-way, the web 2.0 (also called the social web) relies on open content and user co-creation of content.

Digital marketing has a new set of rules based on (Colvée, 2013):

- Personalized marketing. Segmentation and customization can be done to every single individual user in order to offer a unique and personalized customer experience.
- Intensive and non-intrusive marketing. Thanks to the digital tools millions of people can be reached with a minimum investment.
- Interactive marketing. Digital marketing uses a two-way communication focused on customer interaction. Digital platforms are an excellent and affordable tool to get updated data on our customers and competitors.
- Emotional marketing. As the digital marketing is a bi-directional communication and messages are delivered in a unique, personalized manner content and messages are associated with customer own life experiences, emotions and feelings.
- Measurable marketing: Web 2.0 environments allow the development of software and tools that measure the real and direct impact of marketing actions on customers intentions.

This research will focus on horizontal social networks, which are those formed by users with no particular interest or objective on a particular topic (ONTSI, 2011). Individuals participating in these types of networks are looking for entertainment and communication, so they become a powerful tool to gain and build customer loyalty from a business perspective (Cordero-Gutiérrez & Santos-Requejo, 2014a).

When using social networks, companies have now a unique opportunity to connect with their customers by offering unique, adapted and personalized promotions using the social network sites (Ailawadi et al., 2009).

Nevertheless, online advertising has suffered from severe criticisms, as some users consider it to be deceitful, mean, abusive and annoying (Forrester Research, 2006). Bearing in mind the fact that these social networks may not be the ideal place to show annoying and intrusive advertisements, the platforms have redesigned their strategies so they can generate customer trust by using the power of social networks and the effects they have in the contact list of the users. If publicists progressively incorporate