

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING

DIGITAL MARKETING

BS456

TIME: 3 HOURS

INSTRUCTIONS TO CANDIDATES

1. Answer question **One** and any other **Three** questions.
2. Each question carries 20 Marks.
3. Start each question on a fresh page.
4. Credit will be given for use of relevant examples.
5. No Cell Phones are allowed in the Examination Room.

QUESTION ONE

Small DTC business grows to \$500k in monthly sales using influencer marketing on TikTok

Influencer marketing campaigns earn \$6.50 for every dollar spent, according to Tomoson.

“The whole industry is estimated to grow [to] \$13.8 billion in 2021 [according to Influencer Marketing Hub], with platforms like Snapchat and TikTok growing their market share rapidly,” said Clayton Rannard, Co-founder, Collabstr. TikTok has 689 million monthly active users, according to DataReportal. And time spent on TikTok has increased 325% year-over-year, according to App Annie. All that data is to say – influencer marketing on TikTok may be an overlooked opportunity for your brand. If you’re new at it and looking to dip your toe in, this quick case study may help.

In the summer of 2019, Craig Mount and Erika Peterson started their little peanut butter company from their home in South Dakota. Family-owned brand Nerdy Nuts was able to turn an initial TikTok budget of \$2,500 into more than \$500,000 in monthly sales by leveraging the power of TikTok influencers.

At first, they sold their new peanut butter at local farmers' markets. Selling in community environments means a lot of face-to-face interactions with customers. By coming to the town's market every weekend, the founders of the DTC (direct-to-consumer) brand handed out samples and gathered real-time feedback on their product. "It became an excellent testing ground – and a perfect way for us to iterate," said Craig Mount, Co-founder, Nerdy Nuts.

After carrying out market research, Mount decided that Nerdy Nuts should be branded as a flavorful and fun brand. After all, the majority of DTC peanut butter brands were already focused on advertising themselves as "healthy" or "keto-friendly."

The budding company was experimenting with different marketing approaches when they decided to focus on using TikTok influencers – they believed in the platform's potential to drive entertaining and creative content.

"Mount reached out to two influencers, Ali Grace Morsell and Hailey Peters, who had around 500,000 followers on the platform at the time," Rannard said. To get them on board, he offered both influencers free products: "they were just so flabbergasted that anyone would want to send them something for free," Mount said. He also promised the influencers a 10% cut of all sales.

The two women posted content using, explaining, and advertising the product, and within weeks they racked up over a million views, leading to 5,947 sales, which resulted in the rise to \$165,200 in monthly sales shortly after the campaign launch. The hashtag #nerdynuts has been viewed more than two million times to date. By starting small and only selling at farmers' markets, Nerdy Nuts was able to improve their product's market fit significantly. Listening to their customers' feedback and learning why customers liked the product (flavorful, friendly, fun for children), they already knew what their campaign should be focused on when starting with TikTok.

"The same holds for influencers, as influencers won't just promote any product – they will only promote something they see value in. So, having a product that consumers genuinely love is likely to result in a viral feedback loop when promoted on TikTok," Rannard advised.

For Nerdy Nuts, the ideal influencers were the two middle-aged family mothers, Morsell and Peters. Both are known for sharing culinary tips, and they enjoy showing their followers the food recipes they would cook for their families. Their audience is mostly women and men in a similar age group, seeking delicious and fun lifestyle products for the whole family – the ideal candidates for buying a delicious peanut butter jar.

“It is critical to be picky with influencers that represent your brand. First, their audience must have an initial interest in the product you are selling. By choosing influencers that are highly relevant to your niche, you ensure you reach out to the right people,” Rannard said. “On top of that, only influencers that enjoy your product will cultivate the necessary authenticity among their audience. An influencer that likes your brand will not just promote you for a single transaction but become a brand ambassador advocating your products frequently.”

How can you find a good influencer-product fit? By researching profiles, reading descriptions, observing influencers’ content for a while, and watching their audience’s reactions to their content. “Make sure you enjoy the creative output of your chosen creators as well, including their color setting, the tone of voice, and the values they represent,” he advised.

The content chosen by Morsell and Peters as part of their original campaign with Nerdy Nuts was not only authentic but persuaded the viewer to purchase the peanut butter immediately. This happened because the creative part of the deal was left to the creators, giving them space to develop unique and engaging content with their own TikTok community.

“When working with influencers, it is important to be aware of the type of content they post and ensure that your vision aligns with theirs. The last thing you want to do is force an influencer to post a piece of content about your brand that comes off as disingenuous or scripted. Furthermore, they know what’s best among their audience, so don’t hesitate to trust them with their ideas,” Rannard advised.

Required

- a) With reference to the case study, explain the term influencer marketing. (5)

b) According to Rannard what are the main considerations one should make when selecting an influencer? (15)

c) Evaluate the content strategy chosen by Morsell and Peters. (10)

d) With reference to the case study what are the factors to a successful influencer campaign. (10)
[40 Marks]

QUESTION TWO

Describe any alternative types of email marketing that can be used for customer acquisition.
[20 Marks]

QUESTION THREE

Explain how an organization can create an enjoyable experience for its website visitors.
[20 Marks]

QUESTION FOUR

Your boss has asked you to report on how your content campaign has contributed to lead generation goals. Assess the metrics you would consider to demonstrate the contribution.
[20 Marks]

QUESTION FIVE

Evaluate the various forms of online marketing communication campaigns that drive traffic to website.
[20 Marks]

QUESTION SIX

Explain the following terms concerning measuring website effectiveness:

- a) Hits, (5)
- b) Log files, (5)
- c) Landing page, (5)
- d) Referring pages. (5)

[20 Marks]

*****END OF THE PAPER*****