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TARGETING IS A SOLUTION TO SOCIAL CHALLENGES OF CONSUMERS IN A PANDEMIC

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Abstract

The article examines the main social challenges of the digital economy from consumers. The concept of targeting as the main instrument of the digital economy in a pandemic has been studied in more detail. Its main varieties, features and limitations are raised. The main parameters used to set up targeted advertising are indicated. An algorithm of the process of settings, characteristics, budget and launch of an advertising campaign is presented, which allows a business to adapt to the conditions of this difficult year for the economy and the resulting social requests from potential customers. The advantages of targeting are shown in comparison with traditional tools of the economy (offline advertising), which provide the most effective communication with the target audience. The author focuses on the importance and necessity of the conscious use of such a tool that will solve the set goals and objectives of the company's marketing activities. The main costs in cases of an incorrectly designed advertising campaign are described: small revenue; low conversion or click on post; attrition of the audience; subsequent disinterest in advertising from this organization and so on. The article also discusses the growth prospects of this instrument of the digital economy in modern realities and conditions of a pandemic.

Keywords: Advertising campaign, retargeting, targeting, target audience

1. Introduction

An increasing number of consumers are moving away from the already annoying offline advertising. This includes billboards, billboard advertisements, a huge number of leaflets in elevators or mailboxes. And they give their preference to advertising that is broadcast through social networks and other Internet platforms. This trend took root strongly during the pandemic, where consumers did not want to interact with "real" advertising, because there was and still is some risk. This difficult year has built many barriers to the development of all spheres of human activity. And the latter, in connection with this, has new demands in the consumption of goods and services. The economy had to face new social challenges.

2. Problem Statement

The author faced several challenges in this study. The first of them is to give a clear understanding of the concepts of targeting, retargeting, advertising campaign, target audience. The second is to analyze information from other sources and indicate the types and sequential process of launching targeting. In addition to the analysis, personal experience in setting up targeting and the experience of third-party companies was used here. The third task is to determine the main requests from potential consumers in relation to the economy, or rather to the business. Comparing the possibilities in the modern realities of traditional advertising and targeting is the fourth task of the study. And the last task was to determine the advantages and disadvantages of the considered tool.

3. Research Questions

Research questions come out of the above tasks. The first and fundamental question is how much weight does targeting have in the digital economy. The second is what opportunities this instrument offers in the market compared to traditional ones. The third one is what social challenges are emerging from potential consumers lately, especially during a pandemic. The fourth is whether targeting can solve these customer requests. Other questions arise from the above. For example, in what ways targeting solves these requests. Or what are the positive or negative consequences of trying to solve them.

4. Purpose of the Study

In this study, the main goal is to find solutions to queries using a target. At the same time, there are ensuing subgoals. One of them is to provide readers with a mechanism for implementing targeting in an article. The leading subgoals also include the identification of the main types and parameters of this tool. To reveal the algorithm for launching an advertising campaign is the third sub-goal of the study. It is also necessary to substantiate the prospects for the growth of targeting as a toolkit for the digital economy. And, of course, identify the advantages and disadvantages of targeting.

5. Research Methods

Before moving on to the work itself, we will indicate the method that was used in this study. The bulk of the research was done through content analysis. This method is understood as a qualitative and

quantitative analysis of various sources in order to identify or measure the studied facts. It also reveals the main trends of the object under study. We analyzed the platforms on which the process of developing and launching an advertising campaign is being implemented. We studied all the materials provided by these platforms, according to the capabilities and limitations of the tool. Cases of companies on the same platforms are analyzed.

So, the first social challenge came from restricting the consumption of "good old" ads. Most of the working and non-working population was transferred to a remote format, thereby limiting access to offline advertising consumption. This, in turn, entailed a chain of ensuing problems, one of which is as follows - what channel should the business use to cover its target audience as much as possible, provided that the potential buyer does not leave the house? This is where online tools come to the rescue, one of which is targeting. Already an integral part of the digital economy.

What is its main advantage over other promotion channels? The ability to highlight exactly the audience that is interested in buying a product / service through a set of specific parameters used to set up targeted advertising. The most common categorization of settings is:

- demographic (based on gender, nationality, age, economic and social status, level of education and income);

- behavioral (based on cookies, purchase history and other user actions on any internet platform);

- psychographic (based on the interests of the consumer, his values and opinions on certain issues, lifestyle, etc.);

- temporary (based on the time at which it is possible to sell goods or services, for example, this is especially important for catering);

- geographic (based on the geolocation of a potential consumer, for example, he passes next to the organization, makes purchases in a certain area or lives in a specific place).

For the sake of fairness, it should be noted that offline advertising did not initially apply to the target audience, but was simply broadcast to the masses in the hope that "the same consumer" would appear there. Targeting initially allows a business to connect with a hot audience, one that is more likely to respond to ads. The second social challenge that was posed to the economy by consumers is fatigue from the previous advertising format. Buzzers enter the market. They are interested not only in the direction of advertising, based on maximum control over subscriptions and control of all information provided to the public, but also in its uniqueness.

It is difficult to surprise a client with offline advertising now, because the channel has been used for more than one century and all sorts of attempts have already been made. One of the many features of targeting is the ability to divide the entire target audience into groups and create a unique offer for each - here it is, a "consumer shock" for a modern client! At the same time, this method increases the effectiveness of the advertising campaign several times and minimizes its costs. The idea of targeting is to create an advertising and information message that will best suit each group, increasing efficiency and getting more value from interaction with it.

6. Findings

The process of implementing successful targeting is based on the following steps:

1. Determination of the target audience profile. It is carried out through the analysis of the behavior of visitors in social media or in a metric interested in similar goods or services. The well-known parameters of the target audience are taken into account, which include taste, needs, interests of consumers. You need to understand that the more data a targeting specialist has, the more accurately he will determine the profile of the target consumer;

2. Creation of advertising and informational messages. It also includes the search (creation) of a thematic image, a bright headline for an ad that has a call to action, and an effective form of presenting a message to exactly the audience to which the ad will be targeted. As in the previous case, the more the advertiser knows about his target audience and subgroups in it, the higher the probability of a response will be (Camilleri, 2018). Based on personal experience and projects of many companies, we can say that users first of all react to the ad layout, then to the title, and only after that they turn their eyes to the message text;

3. Setting the parameters of the target audience. The assembly of the target audience takes place here, taking into account all the parameters that were indicated above in the article. In the selected system (Google, Yandex.Direct, etc.), the specified parameters are analyzed and the audience is selected based on these data;

4. The size of the bid and other data for launching an advertising campaign are indicated. The payment method determines the cost of one impression / click. At the same time, the debit from the advertising account is carried out in different ways: the amount will be debited from the account for impressions at the time of viewing the ad, and when paying for clicks - for the transition to the advertised resource. If you correctly indicate the rates, then advertising will give a greater effect, without leaking excess funds;

5. Moderation and final launch of the advertising campaign. It must be said that all ads are tested for compliance, where the layout, text, links or the presence of special documents, if any, are checked. More often, the verification period takes no more than an hour or two, but it can take up to several days (Kulikova & Suvorova, 2020);

6. Advertising test for a given target audience. It is needed to determine the effectiveness of the selected proposal, layout and text. An experienced targetologist already has a so-called "professional deformation" based on previous launches - they can initially give predictions on advertising promotion, its approximate results and adjustments that will need to be made in the process. Based on the results of the analysis, a decision is made - to promote advertising further or create a new one;

7. The results of the economic efficiency of advertising. All relevant indicators are visible, that is, it is possible to control targeting by looking at statistics for each ad impression. For example, the ratio of the number of real and potential visitors. At any time, it is possible to change the promotion mechanics and money investments in advertising. On the last point, you need to add that targeting allows you to save your advertising budget by filtering out non-target audiences or excluding groups already involved.

In turn, following these processes leads to the fact that targeted advertising gets to a group interested in purchasing a product / service. The offer becomes unique for the target audience. This is how targeting solves this social demand from consumers by improving settings.

The third and penultimate social request, which will be considered in this article, is the targeting of potential buyers in purchasing a product / service here and now. At the same time, the interaction of the client with the company, or to be more precise, the reaction rate in the chain of consecutive actions, has changed in some way.

Offline advertising partly "poked" into the sky and waited for a potential consumer to react to it. This channel is not tailored for a new social request, it does not have such flexibility and quick response to hourly requests from a client.

Targeting begins to work as soon as the consumer has thought that he wants to buy a product / service. For example, he more often than usual began to look through sushi and roll delivery restaurants or look for pictures of Italian dishes. Based on the requests of a potential client, the targeting of a particular company begins to activate and broadcast advertising to an interested user.

In a professional context, this type of broadcast targeted advertising is called retargeting. Its purpose is to show the user on third-party sites that he visits, publications that might interest him. This keeps the audience and brings them back to the company. A feature of retargeting is that you select only the audience that has already visited the site, that is, they have already had experience of interacting with this product / service. Using retargeting, ads are broadcast to visitors on third-party sites based on information about what they are doing, as well as which sites they visit cookies files. A potential customer clicks on a targeted offer, and he immediately leaves the "target group". This is especially true in food restaurants. A potential user on third-party services begins to search for a dish of interest to him by keywords. Already at this stage, retargeting to the client begins to turn on for interested companies and the advertisement begins to be broadcast to the user (Aberman et al., 2019). All this happens in a matter of seconds. Such a process significantly facilitates the customer's journey, saves the company's funds, and solves a new social request from potential customers.

The fourth request follows directly from the third. It more clearly demonstrates the need for buyers in the company to think ahead. Before a potential client has a desire to purchase that product or service, the company's advertising must already work. This is handled by both conventional offline advertising and a new type of targeting - hyperlocal targeting. Especially clearly, he entered the vastness of the digital economy in 2019 and immediately became a trend. Now the instrument is used everywhere in various variations. Hyperlocal targeting is a geo-targeted advertising message that has an action sector from a specified GPS point. This function is customizable: you can specify several locations or exclude certain places; set a different radius of action; shape the sector as needed. This tool is very effective. It allows not only to discover the audience that lives, works, or simply passes next to the sector, but also to influence its consciousness, and lead to the idea of purchasing a product or service.

This type of targeting is effective for local companies, which include non-chain cafes, pharmacies, beauty salons or tire service. Such companies often pointlessly advertise all at oncecity or area. In addition, clients of such local points can differ in social. deme, but at the same time be its target audience. It is in such cases that geolocation acts as a connecting link. Geo-targeting here allows you to target advertising messages as accurately as possible. Pop-up ads in the social network feed lead a potential buyer to the idea of a spontaneous purchase or its idea (Luo et al., 2019).

Based on the foregoing, we can conclude that targeting, as a type of tool in the digital economy, is aimed at more sophisticated intelligent technologies. This both helps to increase the effectiveness of advertising campaigns and increases the requirements for targeting experts. It is important for him to remember the following - the main thing in advertising is not its placement itself, but the correct and accurate compilation of settings for parameters, characteristics and budget. According to forecasts, the number of such developments will only grow every year. From this it follows that the effectiveness of advertising campaigns will also grow (Rodchenkova & Tenkova, 2018). Taking into account that this tool is very flexible in adapting to emerging social requests, targeting will surprise us with interesting developments and settings. At the moment, this is the only organizational tool during a pandemic that can offer the consumer the most personalized offer, which in 70% of cases finds a response.

7. Conclusion

The new twentieth year has set not the easiest tasks for the economy. All of these social requests could not have been solved with traditional tools, but fast-growing technologies of the digital economy come to the rescue, including targeting, which can rightfully be considered a real trend and a lifeline in such difficult situations (Guryanova et al., 2019; Guryanova et al., 2020; Makhovikov et al., 2021). It allows small businesses to stay afloat during a pandemic due to the precise targeting of advertising and low launch costs compared to the promotional material of traditional advertising. Big business is now setting the same budget for this digital tool as for offline advertising. At the same time, the revenue from the former is much higher. On the plus side, as mentioned earlier, is a complete decomposition into target groups, which allows you to correctly configure and select unique offers for customers, and the presence of all acquisition indicators, which gives the company a complete picture of their work in marketing.

Of course, like any other tool, targeting has its limitations. The first of them, perhaps the most painful for the targeting analyst, is that the audience can dry up. This applies to advertisements where fine tuning is applied. In these cases, the audience is small and quickly ends. The second is the unwillingness of the users themselves to receive such advertising. In cases where a potential customer installs, for example, AdBlock, targeting does not work. And the third limitation is the targeting post-effect. If a company suspends this tool, then sales may drop sharply due to the fact that the main influx of customers came through paid targeted advertising.

Despite these shortcomings, recent market research has shown that 71% of potential consumers prefer advertising to be directly related to their interests and buying habits. It also found that consumers were almost twice as willing to click on unfamiliar brand ads when they were targeted for their interests. There is definitely room to grow in geotargeting. Only a third of consumers will respond to ads that use their location (Akulova & Storozheva, 2017).

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