

CH A

N G E

Stage 5

Paid Advertising

VS

Free Advertising

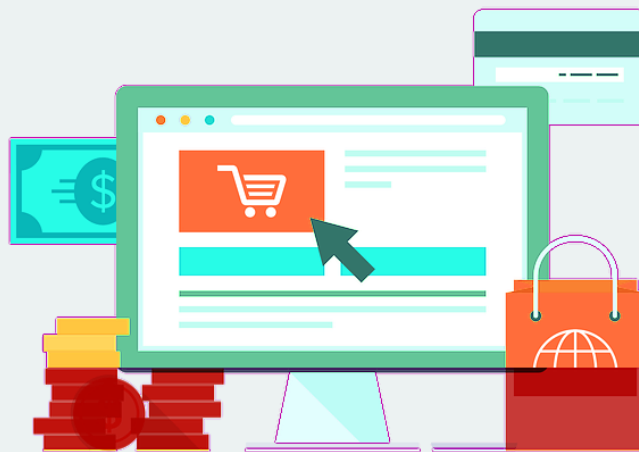
Differences in Paid and Free Advertising

There are several different solutions for online marketing, with the majority offering free and Paid options. Paid marketing methods are more effective and yield better results because it is easier to put your product or service in front of your ideal audience. It is driven by data related to user behaviour and continually develops an algorithm to boost its effectiveness. It also offers automation instead of the manual work that usually comes with Free Marketing. For free marketing, Facebook has Groups and Direct messaging. Google has SEO ranking, and Instagram has hashtags and content creation. It can take time to reach your ideal audience. Whilst not as effective as Paid Marketing, Free Marketing does have value. You can run it alongside any Ad or Social Media campaign, and it helps boost exposure and only costs your time.



Audience Quality

There are different levels of quality when it comes to Ad traffic. Traffic sourced via Free Advertising is often less quality and is harder to convert into sales than Traffic sourced via Paid Advertising. This is due to the cold call nature of the Traffic and marketing strategy associated with Free Marketing. Traffic that arrives via Paid Advertising has been targeted based on the parameters and objectives you set and is much more likely to be interested in your product or service. This makes converting sales and refining your Ad algorithm easier for long-term automation and success.



Paid Advertising is a Must

A successful online business, especially e-commerce, is contingent on Paid Advertising Services. Whilst it does include an investment of both money and time, Paid Advertising will help scale up your business and drive its success over the long term. It leverages your time effectively and is less congested than Free Marketing systems. By setting a budget that will run over the long term, you can run an efficient and automated marketing campaign that will increase its success rate over time. You will need to run cold testing at the beginning of your Ad Campaign and adjust it as it progresses; however, the manual labour will decrease over time. There is a process to set up your Ads, whatever platform you choose, and you can find a step-by-step guide in the Digital Curriculum section of the Change's system.



Understand your Ideal Audience

Before you start using Paid Advertising services, you must understand your target audience. This can include age group, location, lifestyle choices, hobbies etc. It will inform your initial decisions when choosing an Ad Platform and campaign objective. Through cold testing and analytics, you will identify demographics that convert more frequently than others. Over time, this information provides you with a better understanding of your ideal audience and bolsters the effectiveness of your campaigns. It allows you to use lookalike audiences and adjust Ad creatives and promotional material accordingly. You can also use this information when using Free Marketing strategies to supplement your Paid Advertising efforts.



Free Advertising

Success through Free Advertising is utterly contingent on manual work. This includes running social media accounts, posting content, email marketing, sending direct messages and joining groups. You can make use of Instagram hashtags and Facebook Groups for Free Marketing. They help you promote products and services to people with specific interests. One drawback is that it can be congested with other sellers. You must make your posts stand out as much as possible to draw attention. Use images that grab attention and keep the text short and sweet. You can also make use of these platforms to network with others and try to develop mutually beneficial agreements. This can include shout-for-shout agreements or sending samples. Once you have collected some email addresses through sales or promotions, you can also use Email Marketing to push your products.



Budget for the Long-Term

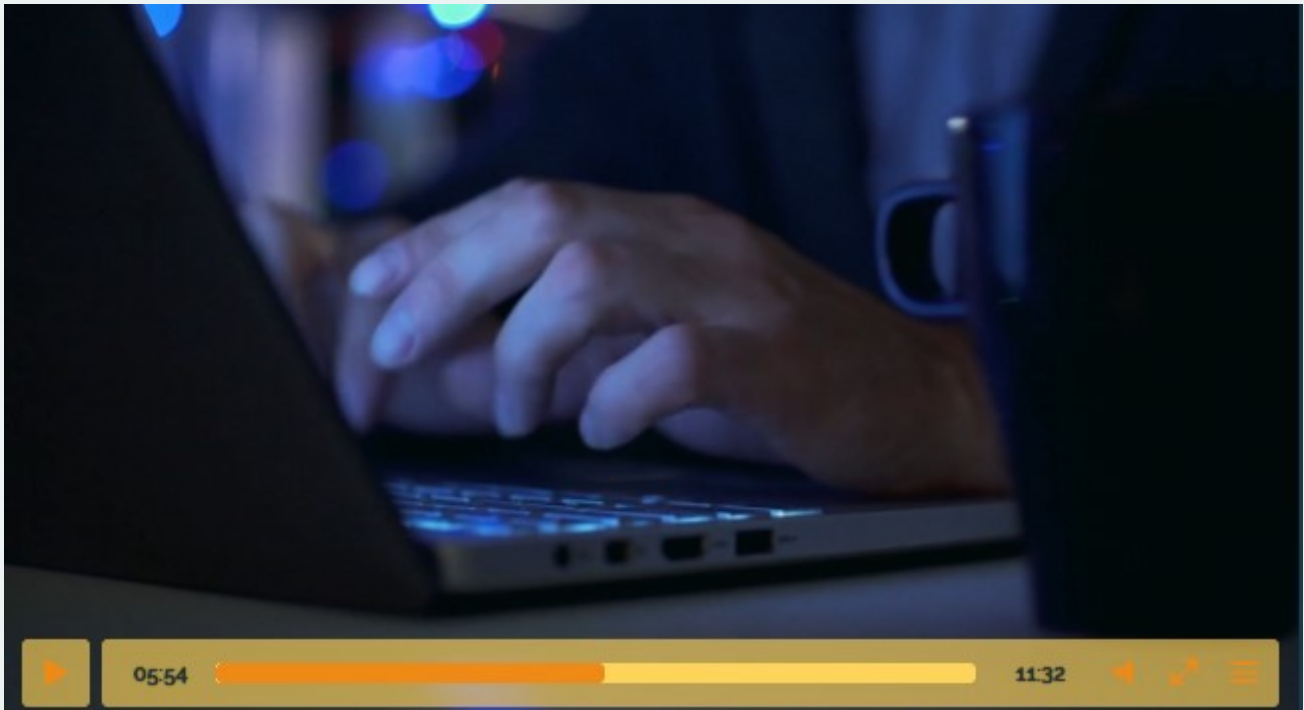
When deciding on a budget for Paid Advertising, it is essential to consider maximizing the duration of your Ad Campaigns. The longer your Ads run, the more refined the algorithm becomes. You can spend as much as you want on Paid Advertising, for £10 per week or £10 per day. It is important to understand that the more you spend per day, the more chances you have at closing sales. However, spending all of your budget within a couple of weeks is not recommended as it will not help refine your Ad algorithm. Identifying a balance is crucial and is subjective to your business and level of investment. For reference, Change recommends those in ecommerce spend around £5-10 per day to meet this balance. However, if your budget does not allow this, use your best judgement. Your Ad campaign can scale up with your business.



Paid vs Free Advertising

The effectiveness of your business is contingent on understanding your target audience and what would be the most effective marketing method to use. There are multiple Paid and Free Marketing platforms, each offering a plethora of avenues to pull in traffic. This E-book provides an overview of the options available and their effectiveness.

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