INBOUND AND OUTBOUND MARKETING TECHNIQUES: A COMPARISON BETWEEN ITALIAN AND ROMANIAN PURE PLAYERS AND CLICK AND MORTAR COMPANIES

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Despite the large number of blog posts and articles regarding the use of Inbound and Outbound Marketing techniques, no research articles compares the propensity of companies towards these opposite types of marketing techniques among different countries. The present study is mainly focused on literature review of Inbound vs Outbound Marketing and acknowledge the academic community, interested in Content Marketing studies, about the availability of data sets regarding the implementation of these techniques at the level of Italian and Romanian pure players and click and mortar companies, which will be explored in the near future through appropriate statistical methods within the framework of a cross-cultural research.

Keywords: Inbound Marketing, Outbound Marketing, pure player, click and mortar company

JEL Code: M31, M15

Introduction

The introduction of digital technology and the spread of the Internet have led to radical changes in the way companies meet the expectations and interests of its stakeholders (Wertime and Fenwick, 2008) and in corporate communication (Winer, 2009). In digital communication, compared to conventional one, a major role is played by the content. "Content is king" is, in fact, one of the most popular slogan in the digital economy. Focus on content involves analyzing new communication models, very different than the usual format used by firms. Content marketing attracts potential consumers and increases their engagement and empowerment (Kucuk e Krishnamurthy, 2007) through the creation, dissemination and sharing of free content, relevant, meaningful, valuable and able to inspire confidence in existing and potential customers.

A targeted search on the major academic international databases outlines few research on inbound vs. outbound marketing. The debates in this area can be easily found on blogosphere, due to a high interest of the experts in this field.

However, literature still includes a few more contributions that try to define content marketing (Keyes, 2006; Rowley, 2008; Pulizzi e Barrett, 2009; Halvorson, 2010; Handley e Chapman, 2010, 2011; Gunelius, 2011; Lieb, 2011), and, above all, inbound and outbound marketing (Burdett, 2014; Quin, 2015).

Thus, in an attempt to bridge these gaps, the paper has two main research objectives: 1) to study the evolution of the concept of content marketing and inbound and outbound marketing strategies; 2) analyze the degree of use and effectiveness of inbound and outbound strategies by a sample of Romanian and Italian firms. The paper is structured as follows: in the first paragraph, we carry out a review of the literature about the content marketing, in the second part we highlight the main features of inbound and outbound marketing, while in the third paragraph we announce the quantitative research that we are conducting, in order to find out the degree of use and effectiveness of inbound and outbound by a sample of Romanian and Italian firms.

1. Literature review on content marketing and Inbound and Outbound marketing
The use of the content as a marketing strategy has recently undergone a deep evolution thanks to the spread of digital communications and social networks. The digital dimension, in particular, has led to the birth of terms such as digital CM (Rakic et al., 2014; Koiso-Kanttila, 2004; Rowley, 2008) that focus on the changes that technological innovation has produced on creation, delivery and content management. Consequently, in recent years, studies on CM (Keyes, 2006; Pulizzi and Barrett, 2009; Halvorson, 2010; Handley and Chapman, 2010, 2011; Gunelius, 2011; Lieb, 2011; Nelli, 2012; Jefferson and Tanton, 2013; Rahimia and Hassanzadeh 2013) are significantly increased without reaching a clear and unique definition of this concept and of metrics for its measurement. Thus, the trying to systematize the literature review on this topic seems particularly relevant. Table 1 shows a review of the main definitions of CM in the literature.

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<thead>
<tr>
<th>AUTHOR</th>
<th>SOURCE</th>
<th>DEFINITION</th>
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<tbody>
<tr>
<td>Chaffey D., Mayer R., Johnston K., Ellis-Chadwick F. (2000)</td>
<td>Internet marketing, Pearson Education, Edinburgh.</td>
<td>Content is the design, text and graphical information that forms a web page. Good content is the key to attracting customers to a web site and retaining their interest or achieving repeat visits.</td>
</tr>
<tr>
<td>Keyes J. (2006)</td>
<td>Knowledge management, business intelligence and content management, Auerbach Publications, Broken South Parken.</td>
<td>Content marketing is usually focus on intranet-based or internet-based corporate content, including data and knowledge bases.</td>
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<tr>
<td>Pulizzi J. e Barret N. (2009)</td>
<td>Get content. Get customers, McGraw Hill, New York</td>
<td>Content marketing is a marketing technique of creating and distributing relevant and valuable content to attract, acquire, and engage a clearly defined and understood target audience – with the objective of driving profitable customer action. Content marketing is owning, as opposed to renting media. It’s marketing process to attract and retain customers by consistently creating and curating content in order to change or enhance a consumer behavior.</td>
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<tr>
<td>Halvorson K. (2010)</td>
<td>Content strategy for the web, New Riders, Berkeley</td>
<td>Content strategy is the practice of planning for the creation, delivery, and governance of useful, usable content.</td>
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<tr>
<td>Handley A., Chapman A.A. (2010)</td>
<td>Content Rules, John Wiley &amp; Sons, New York</td>
<td>Content marketing is anything an individual or an organization creates and/or shares to tell their story. What it isn’t: A warmed-over press release served as a blog post. It is conversational, human and doesn’t try to constantly sell to you. It also isn’t a tactic that you can just turn on and off and hope that will be successful. It has to be a mindset that is embraced and encouraged. You’ve got to start thinking like a publisher and use that to plan and execute your entire marketing plan which content of any variety should be a part.</td>
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<tr>
<td>Gunelius (2011)</td>
<td>Content Marketing for Dummiers, Wiley, New York</td>
<td>Content marketing is the process of indirectly and directly promoting a business or brand through value-added text, video, or audio content both online and offline. It can come in long-form (such as blogs, articles, e-books, and so on), short-form (such as Twitter updates, Facebook updates, images, and so on), or conversational-form (for example, sharing great content via Twitter or participating in an active discussion via blog comments or through an online forum).</td>
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<tr>
<td>Lieb (2011)</td>
<td>Content Marketing: think like a publisher. How to use content to market online and in social media, Que Publishing, Indianapolis</td>
<td>Content marketing, in other words, is nothing new. Companies having been creating and distributing content for many years, both to attract new business and to retain existing customers. However, here’s the point of differentiation from more traditional forms of marketing and advertising: using content to sell isn’t selling. It isn’t advertising. It isn’t push marketing, in which messages are sprayed out at groups of consumers. Rather, it’s a pull strategy—it’s the marketing of attraction. It’s being there when consumers need you and seek you out with relevant, educational, helpful, compelling, engaging, and sometimes entertaining information.</td>
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In particular, the review, according to other recent systematic reviews within the management field (Abatecola et al., 2014; David and Han, 2004; Newbert, 2007), focused only on double peer-reviewed journals articles, regardless of their impact factor. The computer based research was performed in February 2015 by using the academic journals within the Ebsco-Host database. Choosing the most suitable research keywords mostly derived from the reading of leading journals articles and books on content marketing. We have conducted a 5 phase research. In the first phase we have researched papers that contain in their abstract the keyword content marketing, selecting 382 articles. In the second phase, the relevance of the articles was ensured by requiring that the articles selected in the previous phase also contained at least one of the following keywords (concept* or definition or theor* or framework) in their abstract. The asterisk at the end of a keyword allowed for different suffixes (e.g. theory or theoretical). This phase outputted 110 papers. In the third step the 110 articles' relevance was ensured by requiring that those articles also contained at least one of the following three keywords (literature reviews or background or synthesis) in their abstract. This phase outputted 26 articles. In the fourth step, these 26 papers were further scanned by reading all their abstracts and texts, thus controlling their connection with the research topic. This phase outputted 3 articles. Finally, in the last phase, the snowballing technique (Iacobucci and Churchill, 2010) was adopted for integrating the results from the previous phase with papers, book chapters or books, relevant to our research topics, but not found in the EBSCO-Host database. This phase outputted 9 papers, shown in Table 1. After analyzing these 9 papers, it has been possible to identify three pillars that characterize CM: 1) contents; 2) customers engagement and 3) goals. With reference to the first pillar, some authors (Handley and Chapman, 2010, 2011; Lieb, 2011; Jefferson and Tanton, 2013; Rose and Pulizzi, 2011) argue that CM means produce quality content, unique, significant, valuable, dynamic and relevant than competitors. The content must: 1) be able to generate interest, involving, but also informing and educating the customer; 2) express all those values that identify the firm in terms of uniqueness, consistency, quality and relevance; 3) be pro-active, that is able to evolve over time. About consumer engagement, the main role of customer is therefore reflected in the content management system, creating a logical customer centric view based on a constant adaptation of content to the customers needs and preferences (Gunelius, 2011, p.56). On the other hand, customers are increasingly part in the process of creating value through frequent interactions with the firm (value co-creation). This leads to overcome conventional models of communication because of the technological process: internet, in particular, has accelerated the process of consumption democratization, making the final customer more and more informed, interconnected with the firm and with customers. Transferring power to customers (customer empowerment) allow the value co-creation of CM through a dialogue between customers and firms. Finally, the third element relates to the objectives pursued by the CM that does not lead back to the single action of operation marketing, but concern “the creation, capture, delivery, customization and management of content across an organization so that it delivers a consistent message about that company and is useful to the customer” (Parkin, 2009, p. 125). According to Rakic et al. (2014) firms use “digital CM to support the implementation of multiple business objectives, such as brand awareness, attraction of customers, creating the leads, maintaining of customer relationships/loyalty etc”. According with literature review and with the three main features identified in this study we define the CM as a tool to share content, but also to create value and high returns and financial means of the customers’ distribution, attraction, involvement, acquisition and retention.

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<th>AUTHOR</th>
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<tbody>
<tr>
<td>Slater (2014)</td>
<td>Content marketing: recycling and reuse. How your best online content can engage and attract new customers, i30 Media Corporation, New York</td>
<td>Content marketing is a dynamic way to get customers. It is the process of sharing expertise and knowledge online to attract potential customers and establish a relationship with them. Content marketers have to be focused on creating, publishing, and sharing suitable content. However, many content marketers often overlook a readily available source of content – articles, case studies, blog posts, videos, images, and other assets that were created years before yet still have the potential to draw new customers.</td>
</tr>
<tr>
<td>Ramos (2014)</td>
<td>Content Marketing: insider’s secret to online sales and lead generation. One Night Expert Publishing New York</td>
<td>Content marketing is a marketing techniques that uses high-quality, relevant content to educate, engage, and acquire your target customer. Content marketing is not just creating content for the sake of producing content; your objective is always sales. The true potential of content marketing lies in its ability to provide a conversion path for your leads to follow on their own schedule and at their convenience.</td>
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2. Inbound Marketing vs. Outbound Marketing: a continuous debate on blogosphere

Digital Marketing provides analysis tools which are highly measurable and results-oriented, revealing that inbound marketing is exponentially more successful than outbound marketing, when its techniques are correctly employed. Moreover, Inbound Marketing is considered permission-based marketing, as the messages are focused on a target audience that has previously given the permission to communicate, while Outbound Marketing is interruption-based marketing, perceived as the traditional model of product promotion, in which people have to stop what they're doing to pay attention to the marketing message or deal with it in some other way.

Inbound marketing is a much more complex approach than outbound marketing. It takes simultaneous usage of all the digital channels, continuous strengthening of the website, development of effective content and implementation of measurement tools all in concert with one another to achieve these unparalleled results.

Inbound marketing focuses on earning a person's attention, which is mainly done through social media and engaging content, such as blogs, forums, podcasts etc. An interesting article based on statistical reports (Drell, 2011) outlines the fact that Inbound Marketing costs 62% less per lead than traditional Outbound Marketing. The content shared through online platforms supports a positive connection between brands and potential or existent clients, leveraging the brand identity and leading to conversions. Moreover, it is characterized by a higher ROI. Oppositely, Outbound Marketing, concentrated on buying people attention, occurs a decreasing trend due to the fundamental shift in consumers' behaviour, reflecting the idea that they prefer to control the promotional information they receive and don't accept anymore to be interrupted.

The findings related to Inbound Marketing techniques (highlighted in blue colour) vs. Outbound Marketing techniques (highlighted in blue colour) from Figure no. 1 confirm the necessity to adjust the budgets, by paying more attention to Inbound in the detriment of Outbound techniques.

According to a blog post on www.ducttapemarketing.com, Outbound marketing consists of putting a commercial message in front of potential consumers, even if they don't want to or see it. As a result, this kind of intrusive techniques are often neglected by people, leading to a bad online reputation of the company which employ such an approach. Inbound marketing puts the message in front of the target public and if the content is perceived as being relevant, it will be compelled by their own curiosity to see what the respective company offer. A huge advantage of inbound marketing is that it provides tools dedicated to interactive communication, where the customer is engaged with the business in a dialog, through posts, comments, blogs etc. According to Hubspot’s 2014 state of inbound report (http://www.stateofinbound.com/), inbound marketing has the potential to deliver better results than outbound marketing.

The decision regarding the assignment of marketing budget – considering both outbound and inbound marketing techniques depends a lot on the resources of your company. All companies, no matter their dimension, should use in a greater extent inbound marketing techniques. However, companies with larger resources shouldn’t ignore the benefits of reaching a wider audience using outbound marketing (Goodwin, 2013). In our vision, pure players are able to exploit all the Inbound Marketing opportunities, due to their commitment in e-business sphere, while click and mortar
companies, as well as brick and mortar companies, can also benefit from Outbound marketing techniques.

Comprehensive insights of Inbound and Outbound Marketing techniques can be examined in a growth hacking framework (Table 1), developed by D. Donkers (2013).

### Table 1: Inbound vs. Outbound Marketing techniques: objectives and examples

<table>
<thead>
<tr>
<th>Marketing approach</th>
<th>Techniques</th>
<th>Objective</th>
<th>Examples</th>
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</thead>
<tbody>
<tr>
<td>Inbound Marketing</td>
<td>SEO</td>
<td>Generate Traffic</td>
<td>Accurate and unique titles, meta-tags, load times, responsive design etc.</td>
</tr>
<tr>
<td></td>
<td>Blog</td>
<td>Thought leadership and Brand Exposure</td>
<td>Customer Studies, Market Studies, Company Insights</td>
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<tr>
<td></td>
<td>Webinar</td>
<td>Generate Traffic</td>
<td>Learning-focused and Marketing focused Webinars</td>
</tr>
<tr>
<td></td>
<td>Social Media</td>
<td>Generate Traffic and Brand Exposure</td>
<td>Sharing relevant content via social networks</td>
</tr>
<tr>
<td>Outbound Marketing</td>
<td>Search Engine Marketing</td>
<td>Generate Traffic</td>
<td>Google Adwords, Bing Ads</td>
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<td></td>
<td>Display Ads</td>
<td>Generate Traffic</td>
<td>Quantcast Ads, Adroll, Premium Publishers</td>
</tr>
<tr>
<td></td>
<td>Affiliate Programmes</td>
<td>Generate Traffic</td>
<td>Content-based, Coupon-based, &amp; Price Comparison</td>
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An interesting opinion (De Clerck - [http://www.i-scoop.eu/inbound-marketing-versus-outbound-marketing-pointless-debate/](http://www.i-scoop.eu/inbound-marketing-versus-outbound-marketing-pointless-debate/)) reflects that the distinction between “inbound” and “outbound” is really an artificial and meaningless one. He promotes the idea that no form of marketing can be attributed to any of these artificial concepts and propose an overlapping position between Inbound and Outbound, described as grey zone (Table no. 2).

### Table 2 – Emphasis of an overlapping zone between Inbound and Outbound Marketing techniques

<table>
<thead>
<tr>
<th>Inbound Marketing</th>
<th>Outbound Marketing</th>
<th>Grey zone</th>
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<tbody>
<tr>
<td>Content Marketing</td>
<td>Print Ads</td>
<td>E-mail Marketing</td>
</tr>
<tr>
<td>Blog Marketing</td>
<td>Direct Mailings</td>
<td>Display Advertising</td>
</tr>
<tr>
<td>SEO</td>
<td>Outbound Call Center</td>
<td>Search Engine Ads</td>
</tr>
<tr>
<td>Socia Media Marketing</td>
<td>TV, Radio advertising</td>
<td>Social media (when used as broadcasting medium)</td>
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<tr>
<td>Viral Marketing</td>
<td>Intrusive online ads</td>
<td></td>
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<tr>
<td>Podcasts</td>
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<td>RSS</td>
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Despite the budgetary constraints involved by Inbound and Outbound Marketing approaches, a blogpost on [http://www.incore.com/](http://www.incore.com/) introduces other variables: the time and the long term effects. Accordingly to this source, the amount of time it takes to get results can be quite different when comparing outbound marketing to inbound marketing. Thus, a successfully implemented outbound marketing campaign potentially lead companies to see results right away. On the other hand, inbound marketing campaign frequently put companies in situation to wait a while before seeing the results. Regarding the other variable mentioned above, long-term effects reflect the following issues: even if outbound marketing could potentially deliver quick results, these campaigns usually have a short-term effect on financial indicators of a company; an effective inbound marketing campaign, on the other hand, provides results for quite a long time. In this way, both pure players and click and mortar companies must be aware of these variables when implementing the marketing campaign for their current business needs.

Inbound Marketing creates Top of Mind Preference, while Outbound Marketing is mainly focused on Top of Mind Awareness. With inbound content marketing programs, you can move beyond
simple awareness to generate preference and implicitly brand addiction – this goal can be achieved through the positioning of a brand as the preferred choice (Martin, 2013). Inbound marketing’s biggest weakness is related to the fact that the prospect is not able to find your company online, in the context of a highly competitive keyword space. Waiting for prospective buyers to find a company online, it might lose a sale to a more aggressive traditionally minded competitor that fully exploits the traditional tools of the trade, such as the Outbound Marketing techniques.

Following the negative trends for outbound marketing, according to statistical data available on http://www.business2community.com/ (86% of the population skips TV ads, 91% have unsubscribed from email lists, 44% of direct mail is never opened, over 200 million phone numbers are on the Do Not Call List), inbound marketing is perceived as the most suitable solution, if implemented accordingly – starting from getting found online, converting a visitor to a lead, and then measuring, analyzing and refining the process and improve the results (Burdett, 2014). Even if the prospective buyer keeps the control in the interactive communication process, leading to a better positioning for inbound marketing, it will not eliminate the need for outbound marketing.

In its attempt to provide value to potential customers and create lasting connections with them, Inbound Marketing is traveling alongside online technology, meaning it is quickly becoming an integrative part of the business philosophy (Mincher, 2015). Contrary, the biggest challenges in making outgoing marketing effective are difficulty in tracking conversions and an increasingly long and constantly-evolving list of techniques to protect prospective buyers from interruptive outgoing marketing. Four major challenges are actually associated to permission based inbound marketing methods: how to attract the attention of the target audience, how to predict conversations related on a company’s online promotional campaigns, how to create and enhance online brand awareness and how to simultaneously attract new customers and develop loyalty with current ones (Quin Woodward Pu, 2015).

3. Preliminary conclusions and future research agenda

In order to achieve the main goal of the survey that we are carrying out – the identification of the propensity degree towards inbound or outbound marketing technique in the case of Italian and Romanian companies (pure players and click and mortar companies), we developed a questionnaire, based on 20 items (10 of them reflecting the inbound marketing approach, while the other 10 items outlining the outbound marketing approach). The answers to the questionnaire, filled by the representatives of 100 Italian companies (35 pure players and 65 click and mortar companies) and 100 Romanian companies (46 pure players and 54 click and mortar companies) have already been stored in a SPSS database, which constitutes the data source for their analytical approach by means of adequate statistical methods.

Our assumption to be tested outlines the propensity of pure players towards Inbound Marketing techniques and a balanced mix of both Inbound and Outbound Marketing techniques in the case of click and mortar companies. Moreover, we are also interested to investigate the culture influence upon the propensity to one or another Marketing technique.

References


37. http://www.ducttapemarketing.com/blog/2015/01/08/inbound-vs-outbound-marketing/?hvid=1Ondod

A click-and-mortar company can offer customers the benefits of fast online transactions and traditional face-to-face service and is thus potentially more competitive than a traditional "bricks and mortar" type of business, which is offline only. This type of business model is also referred to as clicks and bricks. [Important: Click and mortar is a so-called omnichannel business model that incorporates both physical and online stores.] Understanding Click and Mortar. Click-and-mortar retailers benefit from having customers browse while in the store. They also benefit from having physical drop locations for products ordered online by customers who don’t want to wait for shipped goods to arrive.