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## **LEAD GENERATION AS A KIND OF INTERNET MARKETING**

The article discusses the dynamics of Internet advertising in the domestic market and its use of promotion and marketing. The analysis of problems that have a negative impact on the development of Internet advertising in Ukraine is carried out. The basic approaches to advertising using the Internet are identified. A new approach to finding potential customers via the Internet, called lead generation, is described. The definition of the terms "lead" and "lead generation" is given. The pricing model used in the "Leadgeneration" is described. Also, the basic methods of obtaining leads are identified. The most effective tools for obtaining leads on the B2C market and the B2B market are identified. The classification of methods of leadgeneration based on the interaction with the user is described. General guidelines to use leadgeneration method are provided.

**Keywords:** lead, lead generation, CPL, Internet, Internet advertising, search engine, e-mail.

**Formulation of the problem.** A characteristic feature of our time is the rapid development of Internet technologies and their use in all spheres of activity of enterprises, including marketing. Now the Internet has become a convenient, accessible and attractive advertising platform. Network technologies allow you to use a wide range of different tools, with which the advertiser can simply remind about himself to a rather large audience of people and bring advertising messages directly to the target audience, which makes advertising more effective.

Internet representation has become not an advantage over competitors, but a necessary condition for effective work in modern conditions. Each direction of activity is to a certain extent presented on the Internet, there are also many search engines, advertising platforms and thematic portals and sites that help people find exactly the information they need. The constant growth of Internet users and the availability of easy-to-use and management tools for promoting in the network leads to an increase of the market of Internet advertising. The use of Internet advertising accompanies any modern business, regardless of its direction and size, so the research of this issue is relevant.

### **Analysis of recent publications.**

Many works devoted to the peculiarities of functioning of domestic enterprises on the Internet were published. The theme of using network technologies in the management of the enterprise in modern domestic and foreign literature is presented fairly widely. An analysis of this issue is contained in the works of such foreign scientists: D. Amor, T. Danko, D. Koziur, V. Tsaryov, V. Kholmogorov, M. Witzel, A. Kantarovich and other. Domestic scientists who studied this problem can be identified such as I. Kozak, M. Makarov, A. Bereza, F. Levchenko, V. Gujva, L. Ponomarenko and other. There are a number of unresolved issues in the use and development of network technologies in the functioning of enterprises, which determines the need for further research in this direction.

The synthesis of the approaches of scientists has become the basis for highlighting certain advantages of Internet advertising compared to other channels of advertising:

- low cost of advertising campaign;
- high efficiency and the ability to send an advertisement to the target audience;;
- the possibility of promptly making changes to the advertising campaign;

The above explains such a rapid increase in the popularity of the use of network technologies in the functioning of enterprises.

### **The Object of the research**

The object of the research is the main trends and problems of the development of Internet advertising in Ukraine.

### Setting objectives

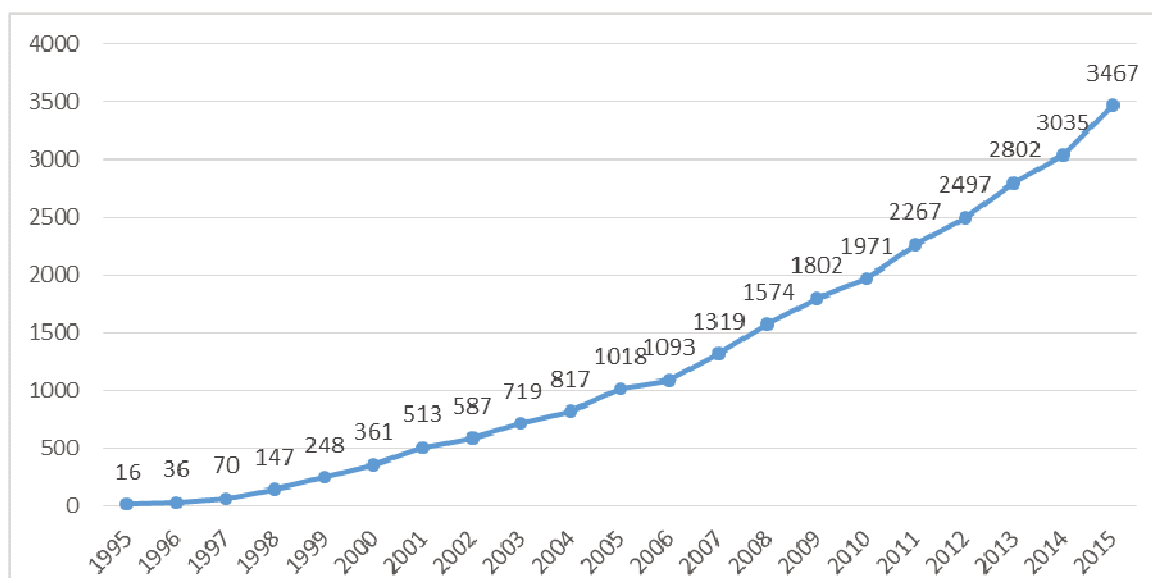
Research on the level of development of Internet advertising in Ukraine and analysis of the feasibility and main areas of using the Internet as a channel for advertising and promotion used to organize and increase sales volumes.

### Results

The emergence and development of the Internet have caused a real revolution in the organization and conduct of economic activity in all spheres. Also, fundamentally new directions of business appeared and the already existing ones changed. Achievements of scientific and technological progress have become the base on which Internet advertising is being developed. There are a number of internet sites that enable businesses, firms, and even individuals to not only promote their services or products, but also sell services and products through an online network. The effectiveness of using Internet tools can be explained by a number of factors, among which the following can be distinguished:

- openness of the Internet to new information;
- low cost relative to other advertising methods;
- a wide range of advertising tools;
- a detailed analytical base that will help you choose the most effective method and internet site for advertising;
- setting up an advertising company in the online mode and the ability to change its components and cost at any time;
- the number of Internet users is so large that the choice of the target audience can consist of a large number of consumer characteristics, while the quantitative coverage of the advertising company will be effective.

The number of Internet users around the world, and in particular in Ukraine, grows several times each year and encompasses more diverse audiences, meaning that every entrepreneur can find their target customers online. More clearly the dynamics of the number of Internet users is shown in Fig. 1.



**Fig. 1. Dynamics of growth of Internet users in the world in 1995-2015 in a million people**

Figure 1 shows that in 2008 Internet access had more than 1 billion people, and in 2011 – about 2.3 billion users. In 2015, Internet access worldwide had over 3.4 billion people. By 1996, the number of Internet users grew at a moderate pace, but since 1997 began a sharp increase.

In Ukraine, this dynamics is somewhat different, mainly due to the economic situation of the country not only the Internet, but even simple computer technology appeared in the country later than the more developed countries in the economic plan. Changes in the number of Internet users are shown in the table 1.

Table 1

## Changing the number of Internet users in Ukraine in 2000 – 2015 years

Years	Population, persons	Internet users share, %	The number of Internet users, individuals	Growth of Internet users, %
2000	49,429,600	0,4	200,000	
2001	48,923,100	0,61	300,000	+ 50
2002	48,457,000	0,83	400,000	+ 33,3
2003	48,003,000	2,08	1,000,000	+ 150,0
2004	47,622,000	3,15	1,500,000	+ 50,0
2005	47,280,000	4,12	1,950,000	+ 30,0
2006	46,929,000	5,60	2,630,000	+ 34,9
2007	46,646,000	9,02	4,207,391	+ 59,9
2008	46,372,000	18,27	8,471,954	+ 101,4
2009	46,143,000	25,92	11,960,000	+ 41,2
2010	45,962,000	29,05	13,330,000	+ 11,5
2011	45,778,000	33,42	15,300,000	+ 14,8
2012	45,633,000	36,80	16,792,000	+ 9,8
2013	45,553,000	39,51	18,101,000	+ 7,8
2014	45,426,000	44,5	20,250,000	+11,8
2015	42,928,000	50,57	21,708,000	+7,2

The number of Internet users in Ukraine grew slowly until 2002, since 2003, there has been a significant acceleration of growth rates for people using the Internet. Thus, from 2000 to 2002, the number of Internet users increased by only 200 thousand people, while since 2003, the annual increase of Internet users is more than 450 thousand people, and since 2007 – in general, more than 1 million people per year. As for 2015, there were about 22 million users in Ukraine, an increase of 7.2% compared to 2014, as shown in Table. 1.

Consequently, such a rapid growth and development of the Internet, as well as a significant annual increase in the audience that it uses, provides enormous opportunities for the development of Internet advertising and the use of network technologies in the conduct of economic activity. Internet advertising is recognized as the fastest growing segment of the market. And yet, it still could not beat the TV ad In Ukraine, thanks to the high annual growth, Internet advertising also does not lag behind traditional media carriers.

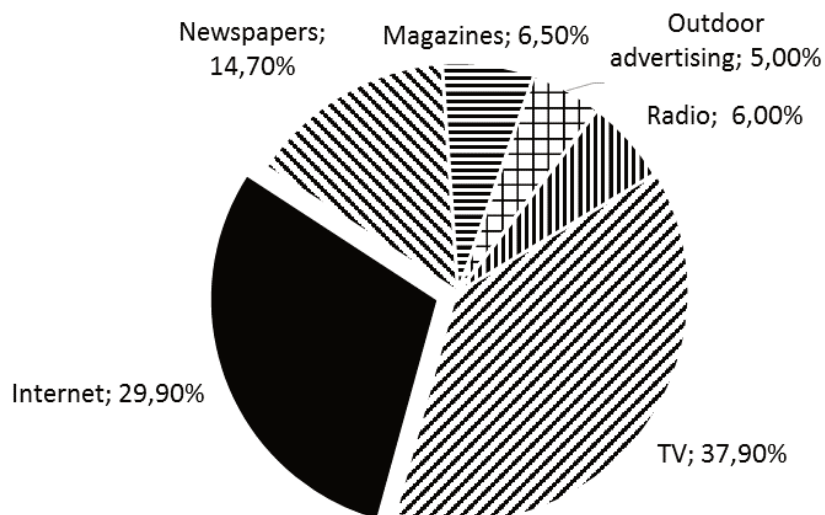
In the global advertising market, the share of the Internet as a carrier of advertising is about 30%, while the share of television advertising is 37.9% <sup>1</sup>. More clearly, these data are shown in Fig. 2.

Thus, the Internet for advertising is the second largest platform and occupies one third of all advertising platforms in the world.. But while television is still the largest platform for advertising costs, it should be expected that in the future, the Internet will be at the level of the television by the share of advertising costs.

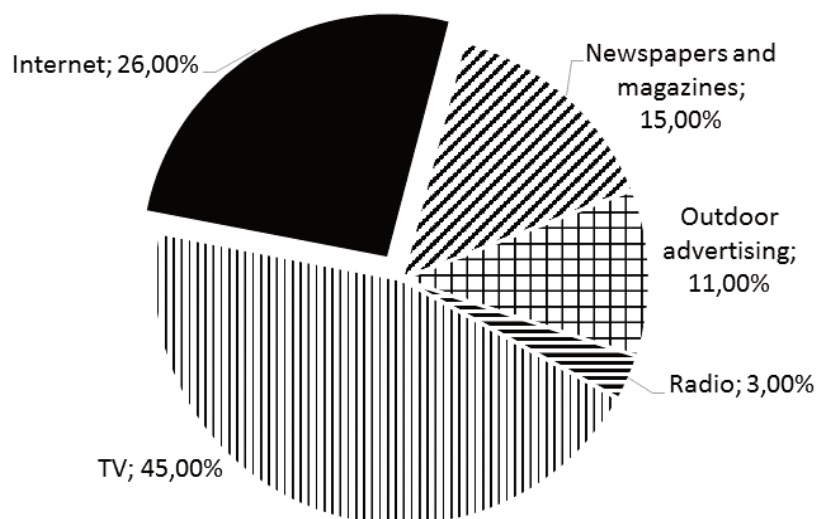
In Ukraine, at the end of 2015, the cost of advertisers to launch advertising campaigns on the Internet was about 26%, and the share of television advertising was 45% <sup>2</sup>, as shown on Fig. 3.

<sup>1</sup> Детектор Медіа. Світовий рекламний ринок зміцнюється, незважаючи на Brexit. *Детектор Медіа*. <<http://detector.media/rinok/article/118697/2016-09-12-svitovii-reklamnii-rinok-zmitsnyuetsya-nezvazhayuchi-na-brexit-prognoz-zenith/>>.

<sup>2</sup> Лазебник, М. Объем рекламно-коммуникационного рынка Украины 2016. и прогноз объемов рынка 2017 Экспертная оценка Всеукраинской рекламной коалиции. *Всеукраинская рекламная коалиция*. <<http://www.adcoalition.org.ua/adv/statistics>>.



**Fig. 2. Distribution of expenses for advertising in the world in 2015**



**Fig. 3. Distribution of advertising costs in Ukraine for 2015**

Comparing the above data makes it clear that in Ukraine, even as of 2015, the use of the Internet as a platform for advertising still lags behind the same indicator in the world.

The main purpose of an advertising campaign, as a rule, is to increase the volume of sales of goods or maintain them at the same level. Sales volumes are a universal means of measuring the effectiveness of an advertising campaign. Advertising can affect sales due to the increased popularity of a product or business. Advertising can attract the attention of the consumer and ensure the desire to buy the goods. But one should not expect that as soon as the product is presented on the Internet, it will immediately be purchased. In preparing any advertising campaign, you must first examine the consumer's need to know how and what to attract his attention. For this you can use the following network tools: banners, e-mail, etc<sup>1</sup>.

<sup>1</sup> Ярова, І. (2006). Інтернет як інструмент просування продукції промислових підприємств. *Економіка України*, 12, 48-53.

It's no secret that every company needs customers. They can be found on the Internet. In search of customers, business owners are asking professionals who can attract customers from the Internet. Until recently, the search for customers in the network called the placement of an advertising banner with a link to go to the site. But soon, only the fact of a user's transition to the website has become insufficient for the advertiser. He wanted to pay only for the successful transitions to his site, at which users make any action: leave the application, make a call from the site, register, buy or order any service. In this regard, the term "Lead" appeared – it is a potential customer that is relevant to a target audience that has shown a consumer interest<sup>1</sup>.

It is very important to note here that lead is a potential rather than an actual customer, that is, an interested person. Usually, the cost of this type of advertising on the Internet is slightly higher than the cost of a pay-per-view advertising campaign, or simply a transition to an advertisement link.. But obviously this kind of advertising on the Internet is one of the most effective.

Proceeding from this the term "Leadgeneration" – is a marketing activity for finding potential customers, which results in sellers getting contact information from potential buyers who are interested in their products or services<sup>2</sup>. Contacts can be phone numbers, e-mail addresses, or both.

Campaigns whose primary goal is lead gathering are based on the CPL pricing model (cost-per-lead, or payment for lead). As is already clear from the title, the advertiser in this model pays only for leads, regardless of how many times his ad was shown, or how many times it went to the site. User activity is counted only when he sends contact information.

The CPL model has a number of distinctions and advantages that make it optimal for certain purposes. Among such pluses:

- more accurate conversion rates than other models;
- payment is made on the fact of sending contact information;
- the received contact information can be used not only for the formation of the client base, but also for marketing research.

Thus, in order to obtain a balance between the amount of collected leads and the percentage of really interested people, use different methods and sources of leads. In the B2B segment, e-mails and exhibitions were the most popular a few years ago. Now social networks have turned out to be actual.

In the B2C segment, various researches (HubSpot 1, Hubspot 2, DMP, IDG) show roughly identical results, calling among the most successful approaches the following:

- subscription registration (for a blog, a newsletter digest, etc.);
- Getting free content (books, videos from webinars, etc.) by email;
- Participate in tests and surveys and get results at an email address;
- Discount offer or gift for registration or contact details.

These methods refer to the so-called "passive" – direct interaction with the user before the creation of the lead is absent.

As for "active" ways of lead generation, popularity is gaining a living interaction with the target audience in social networks: responding to user messages, communicating with the Target audience on thematic forums, etc. Do not forget about the proposal to subscribe to a weekly or monthly digest of the best materials.

Taking into account the above, it is possible to give the following recommendations in applying the method of lead generation:

1. choosing cpl, it is worth assessing the relevance of this model for a particular business. This is the job of a marketing manager or an advertising agency with which the company co-operates, and the decision must necessarily be substantiated;
2. choose the method of lead generation should be tailored to the specifics of the proposed goods or services;
3. it is recommended to analyze the website and make sure that users have a clear call to action;
4. It is important to create targeted actions and proposals for lead generation;

<sup>1</sup> Андреева, К.А. (2015). *Лидогенерация. Маркетинг, который продает*. Санкт-Петербург: ИД Питер.

<sup>2</sup> Genius Marketing (2015). Лидогенерация – проверенный способ «заполучить» клиента. *Genius Marketing*. <<https://geniusmarketing.me/lab/lidogeneraciya-proverennyj-sposob-zapoluchit-klienta/>>.

Additionally, the ad text should not only interest the visitor, but also limit the range of target customers, so you should pay attention to the following key parameters: ad delivery time, target sites, geographic targeting. If the ad is correct, then it can attract a new audience to the site, block you from non-target visitors, tell about the benefits of the offer and save advertising budget. The key elements of an ad are primarily a keyword, a headline, a text, an advertiser's site link, and stop words<sup>1</sup>.

Thus, before applying such a method of Internet advertising as an lead generation, it is necessary not only to select the target audience in detail, the Internet platform for advertising and the content of advertising itself, but also to choose the way of using the lead generation should be treated equally carefully. Of course, one should not forget about the optimization of the site of the company and the very page of the website, which will be a link in the advertisement. at least to pay for the transitions that were not leads does not have to, it should be understood that the effectiveness of an advertising campaign on the Internet will depend on a number of factors. The launch of an advertising campaign on the Internet in our time is not a difficult task in terms of the use of such popular Internet resources as Google AdWords, Yandex.Direct and others, but this does not mean that this complex process should be considered lightly.

### **Conclusions**

Consequently, from the above it can be argued that the Internet continues to develop and actively used in the functioning of enterprises. On this modern platform you can place advertising and promote services or products and have direct feedback to consumers and so on.. The effectiveness of using the Internet in the activities of companies, in particular marketing activities, no longer makes sense to deny. Almost all entrepreneurs from small private enterprises to such giant companies as "Nestle" or "Apple", in one way or another, use Internet resources to advertise and promote their products and services.

In addition, it can be predicted that in the near future the popularity of the use of network technologies in Ukraine will grow rapidly. The Internet has become a very useful tool for implementing marketing strategies, promotion and sales of products. With the help of the network, consumers can become closer to the producers and easier and quicker to express their wishes for the goods.

Also in the last years of the extraordinary development of Internet advertising. However, there are a number of factors that negatively affect the development of Internet advertising in Ukraine. The deepening of the economic crisis has affected absolutely all spheres of our life and economy, and hence on the Internet advertising: in recent years, the reduction by about 15%. Also, a certain feature of the domestic market of Internet advertising is that despite the democratic nature of the Internet in Ukraine until 2017 there is a monopoly of large portals belonging to a number of well-known Internet companies. So, two thirds of advertising costs on the Internet come from large foreign holdings such as Google and Yandex. But in 2017 this situation changed. In connection with the prohibition of a number of Russian Internet resources, to which, in particular, Yandex belonged, which was introduced by May 16, President Petro Poroshenko signed a decree on the application of personal special economic and other restrictive measures (sanctions).

That is, starting from May 16, 2017, the Internet company Yandex ceases to function in Ukraine, and one third of the advertising costs associated with this company tends to go to Google in the majority of cases. Thus, to date, we can talk about a monopolist in the Internet advertising market of Ukraine, which serves Google. And this means that the advertising business model can be profitable only for the largest Internet portals, and the least for the Ukrainian.

With regard to the methods of Internet advertising one of the most effective at the moment is lead generation. In particular, this method has such advantages as relatively low cost, high efficiency and others. But despite the ease of using this method to configuring an online advertising campaign, you should take it seriously., the best solution is to hire an internet advertising specialist for this (SEO-marketing specialist) or send a marketing specialist from the company to improve the skills in the field of Internet advertising.

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<sup>1</sup> Потеха, Д.С. (2014). Техніка написання об'яв для контекстової реклами. *Актуальні проблеми та перспективи розвитку маркетингового управління: тези доповідей Всеукраїнської наукової конференції Молодих учених та студентів*», 62.

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