

Internet Marketing : The New Era of Innovation In E-Commerce

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ABSTRACT

From the last few years, the internet and e-commerce have become one of the fastest growing technologies that play a significant role in our life. Now a day's e-marketing is one of the most emerging technology in IT and E-Commerce sector. Internet marketing is a new philosophy and interesting topic especially for researchers in the marketing field. In modern business practice which involved marketing of goods, services and information with using internet and other electronic means. It is a new way of marketing a product/service globally to the targeted market around the world. Internet marketing has become the commercial tool of marketing product and service. This paper introduces a new approach concerning Internet marketing in electronic commerce; showing how advertisers need this innovation to be successful. E-marketing does not consists only use to promote marketing over internet but also helps in marketing through e-mail and wireless media. This paper discussed about the top motivator factors of shopping online. The present development would be a valuable for researcher and academicians; and useful theory for practitioners, advertisers, and entrepreneurs. This paper is a secondary research regarding how E-commerce gradually forms part of our daily lives. It concerns different aspect of advertising in terms of electronic commerce.

Keywords : E-Commerce, Online Marketing, Product, Promotion

I. INTRODUCTION

Technology plays a vital role in improving quality of the services provided by business; one of the technologies which really brought information revolution in society is internet technology. In this paper we introduce the marketing concept and then consider its relationship to more recent concepts such as internet marketing, e-commerce and e-business. Marketing is an activity, set of institutions and process for creating, communicating, delivering and exchanging of the product. It involves all activities which associate with buying and selling of product or service. Even before the Internet there were many different ways to advertise, in different media such as radio, TV, newspapers, magazines, telemarketing and pamphlets. For promoting the product, the marketer should provide information to user about its product.

The information can be verbal and non-verbal. When the Internet arose, it has become commercial tool for promoting the product; a number of search options became available. Companies had the option to advertise themselves on a larger scale.

Internet marketing (IM) is also known as digital marketing, web marketing, online marketing, or e-marketing. As the name suggest, it is the advertising of products or services over the Internet. However, it also implies marketing through the wireless media and through e-mail. Electronic customer relationship management (ECRM) systems are also categorized under Internet marketing. IM can be creative, as well as, technical through its design, development, advertising, and sales over the Internet. It facilitate new types of information based process for reaching and interacting with customers like online advertising, online order talking and online customer service etc. Internet marketing is a cost effective tool where customization

becomes very easy and affordable along with very less marketing efforts.. Businesses are increasingly using the internet for commercial activities it is a effective mode of communication between businesses and customers. Internet banking is a growing mainly because more and more people use the internet every day.

E marketing also includes technical and creative aspects of the internet like development, design, advertisement and sales. It helps to find out the right consumer to whom goods and services are provided by the business. It consists of all activities, which help to attracting, finding and retaining the customer.

II. LITERATURE REVIEW

J Suresh Reddy²⁶ has published article in Indian Journal of Marketing. Title of article is “Impact of E-commerce on marketing”. Marketing is one of the business function most dramatically affected by emerging information technologies. Internet is providing companies new channels of communication and interaction. It can create closer yet more cost effective relationships with customers in sales, marketing and customer support. Companies can use web to provide ongoing information, service and support. It also creates positive interaction with customers that can serve as the foundation for long term relationships and encourage repeat purchases. Even cyber shopping allows customers to sit in the comfort of their homes and purchases their goods. One can shop any kind of product or service in the mind of the night and from any part of the world. Vikas Bondar²⁷ has published his article on “sales and marketing strategies”.Internet is a really good thing. The Internet gives people a greater amount of information as we need. It is the best way to get a comparison of the products that we need. If we are interested in buying, it is best for us to check the Web sites. Also if we would like to make our own Web page we can do this, without paying a lot of money. From where do we set all this information? The answer is from advertising, which we see, everywhere: on TV, on the Internet, in the newspapers and more. Year after year we get more and more new, interesting information and in the future the Internet use will increase more than now. This article explains how internet is useful tool for advertisement. V.Kumar and Denish Shah have published research paper entitled

“Pushing and Pulling on the Internet”The internet is fast emerging as a domain sales channel. The Internet is expanding & it influences consumer which shifts the consumer behavior. It has changed the way product awareness is created²⁸, developed new modes of product consideration. Victor Van Valen²⁹ published article “Is Your Marketing Smart?” Today advertisers not only need to cater to and directly pinpoint a precise targeted audience, but they need to customize their advertisements as well. In print mediums, you have an idea of who will see your ad. For example, you know Femina magazine would be great to target women so you can promote your new beauty product in this magazine. But when it comes to online venues, how can you target the right audience when millions are browsing? Solution to this problem is Yahoo! SmartAds product, an innovative new advertising platform that allows marketers to deliver tailored ads to highly targeted audiences. SmartAds combines Yahoo!'s consumer insights and media capabilities with new ad serving technology.It automatically converts campaign creative and targeted offerings into highly-customized, relevant ad displays.

III. OBJECTIVES

Every study has been conducted for a particular objective and the objective of this study is to know the conceptual knowledge of internet marketing and the new era of innovation in E-commerce. In this paper, we focus on the study of online marketing and behavior of consumers and to review the present status of online trading.

IV. METHODOLOGY

The present research paper is based on how to apply Internet marketing especially how to utilize it to attract more visitors to a certain website. An attempt has been made to study the internet marketing. This paper is theoretical in nature and for the data various websites has been consulted.

The Internet And Marketing Mix

Now a day, the concept of Internet marketing has expanded and brought more opportunities for companies to approach their customers. In the past, the Internet was only used as a tool to contact customers, part of direct marketing. Nowadays, the Internet,

particularly websites has been becoming a popular media for any firms to introduce their products and services. The Internet is considered as an independent and effective marketing tool.

Marketing is an arrangement that provides an opportunity of exchanging goods and services for money. Market includes both place of exchange and region in which buyer and sellers are in free competition with one another. The marketing teams (marketers) are tasked to create consumer awareness of the products or services through marketing techniques. Unless it pays due attention to its products and services and consumers' demographics and desires, a business will not usually prosper over time.

Essentially, marketing is the process of creating or directing an organization to be successful in selling a product or service that people not only desire, but also are willing to buy. Therefore, good marketing must be able to create a "proposition" or set of benefits for the end-customer that delivers value through products or services.

The Internet offers new opportunities to traditional marketing model, it is necessary to examine it based on the marketing mix, which is traditional but still applicable. The marketing mix plays an important role in IM in E-commerce; deciding what type of advertising best suit customers through the Web.

The Four Ps

Marketing mix is the combination of the product, the distribution system, the price structure and promotional activities. The marketing mix is probably the most famous marketing term. Its elements are the basic, tactical components of a marketing plan. Also known as the Four P's. Some commentators will increase the marketing mix to the Five P's, to include people. Others will increase the mix to Seven P's, to include physical evidence (such as uniforms, facilities, or livery) and process, i.e. the whole customer experience e.g. a visit to Disney World (Borden 1964). Developing technology, naturally, has an effect on all of these and internet does not mean to promote products but also in the placement, distribution and of product.

According to Philip Kotler, **Products** the solution to customers wants and needs. It refers to the

characteristics of a product, service or brand. A product is a benefit or service, which a business provides to its customers. The Internet offers options for varying the core product, options for changing the extended products, conducting research online, velocity of new product development and velocity of new product diffusion. Many digital products now can be purchased easily over the Internet via providers' website. For other products, instead of providing actual products to customers, many companies publish the detailed product information with pictures or images. The Internet provides a new tool to collect customer feedback quickly and accelerate new product development since process of testing new products is more rapid and effective.

Price is the most flexible element of e-marketing comparing to other three elements of the marketing mix, since it can be changed quickly to adapt to the market's demand. Companies can use the Internet to build differential price for different customers in different countries, based on



IP (Internet Protocol) analytic technologies. For buyers, they are able to find out the price differences by visiting companies' or price comparison sites. In addition to this, the Internet also, reduces costs and price per product by reducing operating costs of stores and number of staffs. Together with these advances, many new payment methods are created. The online payment method using credit cards is the most popular, efficient, convenient and flexible way for companies and customers. Bills can be paid at any time and in anywhere. Moreover, companies can cut costs by reducing paper works since the customers fill all the necessary information such as their own private

information and credit cards information by themselves. Beside these conveniences, online customers still have to worry about securities and privacy matters. Hence, some third parties provide services to protect consumer privacy and to secure transactions. PayPal is one of the most successful companies in this business sector.

Place This P of marketing mix is related with physical distribution of goods. it is concerned with middleman and place where the goods should be displayed and made available to the potential buyers. New method of distributing goods through online selling is offered by the improvement of the Internet. It is possible for customers to make their purchasing decisions anywhere at any time. The Internet has the greatest implications for the Place in the marketing mix because it has a large market place. Companies now can expand their business from local areas to the whole country even to international market. They also can use the Internet to exploit new markets with low cost international advertising since they do not have to establish sales infrastructure in different countries.

Promotion it is one of four variables in marketing mix. Promotion are the activities, which are taken up in marketing to sell product and services. It refers to how marketing communications are used to inform customers and other stakeholders about company and its product. The promotion is of prime importance, when a company is to launch a new product, fix its price and decide the area where it is to be sold. The online promotion mix is an extension of offline. The internet can be used to review new ways of applying each of elements of communication mix such as advertising, sales promotions, public relation and direct marketing. To promote a product, a company provides pictures, demonstration and other related information on its website free of cost.



Types of internet marketing

Search Engine Marketing (SEM) The internet has made it easier for advisor to reach large and targeted consumers. Online marketing rely on an effective web that attracts visitors, provides them with useful sources, and encourages them to reach out to financial advisor. SEM is a form of online marketing that targets the users of search engines, such as Google, yahoo, Bing. Search engine marketing or SEM consists of cumulative efforts to promote a website in paid and organic search listings. SEM is a primary driver of business growth and customer acquisition for many e-commerce stores. Search engine marketing (SEM) is a form of internet marketing that involves the promotion of websites by increasing their visibility in search engine results pages (SERPs) primarily through paid advertising.

E-mail marketing

Email marketing is a way to reach consumers directly via electronic mail. Email marketing is a popular way for businesses to reach customers. Email marketing is the use of email to promote products and service. it helps develop the relationships with potential customers and clients. Email marketing is one segment of internet marketing. With the help of E-mail, marketing a company sends a commercial message to a group of people. Most Commonly through advertisements, requests for business, sales or donation solicitation, any email communication is considered email marketing, it helps to build customer loyalty, trust in a product or company or brand recognition. Email marketing is an efficient way to stay connected with clients while also promoting business.

Social media marketing

Social media marketing is a type of internet marketing. It provides social media platforms and websites to promote a product or service and various social media networks in order to achieve marketing communication and branding goals. Social media marketing primarily covers activities involving social sharing of content, videos, and images for marketing purposes, as well as paid media advertising. SMM became more common with the increased popularity of websites such as Twitter, Facebook, and YouTube.



Blogging marketing

The term blog comes from the combinations of web and log or weblog. Blog is the informational website published on World Wide Web. Blog marketing is the process of reaching target market through use of blog. It is a process that publicizes or advertises a website, business, brand and product. Today, many business owners use a blogging platform, such as Word Press. There are free blogging platforms, such as Blogger and Wordpress.com, to maintain a professional appearance that allows for your unique product brand. Blogs are like news sites that are updated with new content.

Viral Marketing

Viral marketing, or viral advertising, is the techniques that use social networking services and other technologies to try to increase brand awareness or to achieve other marketing objectives (such as product sales) through self-replicating viral processes. It refers to how consumers spread information about a product with other people in their social networks; viral marketing is a marketing technique that induces websites or users to pass on a marketing message to other sites or users, creating a potentially exponential growth in the message's visibility and effect. A popular example of successful viral marketing is Hotmail, a company now owned by Microsoft, which promoted its services and its own advertisers' messages in every user's email notes.

The Advantages and Disadvantages of Internet Marketing

The Internet can provide timely information to customers because of its ability for instant

communication, and its availability 24 hours a day, 7 days a week. On-line marketing offers more choices and flexibility and, at the same time, eliminates huge inventories, storage costs, utilities, space rental, etc. People tend to associate Internet marketing with direct marketing because companies participating in online marketing usually shortened the supply chain and reduced commission and operating costs.

The ability to serve as both a transaction medium and a physical distribution medium for certain goods is a unique feature of Internet marketing. Companies that provide digital products or services such as software, music, news, consulting services, online ticketing and reservations, telemedicine, insurance, banking, stock brokerage, tax, and other financial service industries can best realize such advantages.

Using the Internet as the distribution channel can reduce not only the delivery cost substantially, but also ensures instant delivery of products services. Moreover, Internet research becomes an increasingly important tool during the purchasing process. Marketing departments are investing more into online marketing today because it's:

- Attractive to a significant segment of the demographics for most customer profiles. It can effectively reach the target customer.
- Faster and less expensive to conduct direct marketing campaigns
- Measurable, which means that successes are identifiable and repeatable_
- Cost effective, in the long run.

Disadvantages

There is no actual face-to-face contact involved in the Internet communication. For the types of products that rely heavily on building personal relationship between buyers and sellers such as the selling of life insurance and the type of products that requires physical examination, Internet marketing maybe less appropriate. While internet marketing cannot allow prospective buyers to touch, or smell or taste or 'try on' the products, However a survey of consumers of cosmetics products shows that email marketing can be used to interest a consumer to visit a store to try a Product or to speak with sales representatives.

Some of the disadvantages of e-Marketing are dependability on technology, Security, privacy issues, Maintenance costs due to a constantly evolving environment, Higher transparency of pricing and increased price competition, and worldwide competition through globalization.

V. CONCLUSIONS

Based on our study, the Internet not only brings different image to all the elements of the marketing mix but has brought a new way to approach potential customers in a very interesting, creative and cost effective way as well. This paper deals the conceptual knowledge of internet marketing. The present development would be a valuable addition to researcher and academicians; and useful theory for practitioners, advertisers, and entrepreneurs. Some of the disadvantages of e-Marketing are dependability on technology, Security, privacy issues, Maintenance costs due to a constantly evolving environment, Higher transparency of pricing and increased price competition, and worldwide competition through globalization. Security will not be an issue anymore because software companies, banks and credit card institutions are working hand in hand to improve Internet security. Companies need to protect themselves in three areas: data integrity, confidentiality of data and authenticity by installing firewalls or routers. Customers will look for a business on the Web since there are unique opportunities for marketing a company's service, selling products and gathering information on the Net. In the next 3 to 5 years, India will have 30 to 70 million Internet users which will equal, if not surpass, many of the developed countries. Internet economy will then become more meaningful in India. With the rapid expansion of internet, E-commerce is set to play a very important role in the 21st century, the new opportunities that will be thrown open, will be accessible to both large corporations and small companies. This is the new era of innovation; where everyone will be interacting on the Web. Live video session will be available and a prospective customer may be able to talk to a customer representative directly over the internet.

VI. REFERENCES

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