Using the Internet in the E-Marketing

Mohammad Ziaaddini[1], Shima Omidvar Abarghooie[2]

[1]Department of Management, Rafsanjan Branch, Islamic Azad University, Rafsanjan, Iran; [2]Student of Governmental Management (M.A), Rafsanjan Branch, Islamic Azad University, Rafsanjan, Iran

Abstract

In information era, the use of internet is increasingly high in business companies and organizations. Using internet makes internet business and electronic marketing. Geographical borders and time have no meaning when internet exists. Electronic marketing should be on the direction of total marketing. Design of organization is one of the important issues that can be achieved by analyzing the weakness and strength of company and having a true understanding of threads of opportunities. Internet marketing as various approaches like dependent marketing, transaction marketing, and email marketing shows the wide range and the importance of using internet. This paper discusses electronic marketing, the difference between traditional and modern marketing, the effect of internet on mix of marketing, the advantages and limitations of electronic marketing and all kinds of electronic marketing.

Keywords: e-marketing, e-business and e-marketing plan.

Introduction

The Internet and the World Wide Web have had a transformational impact on all functions of the corporation. The marketing function has, arguably, seen the greatest change. Companies now routinely use these information technologies to build brands, facilitate and track consumer communities, share pertinent information, disseminate messages, provide customer service, build promotional campaigns, and, in general, gain a competitive edge in the cluttered marketplace. Companies are even using online marketing techniques to bolster offline business components (Krishnamurthy, 2006, p: 51).

In Internet world all dimensions of human life have changed and marketing has been affected by Internet technology. Now companies try to use these technologies to improve traditional Process and make new tools in marketing level.

Background of the study

On 1989, the first commercial exchanges were done through Computer networks. 5 years later, the number of computers that were connected to Internet get increasingly more and make a chance for computers and Customers to Find more value in digital environment of business. Internet wasn't the first digital environment of business, but on 1981. France had Performed Tele Tel project to its main object was to improve the communicational services that years after that by technology progress the users were able to buy their necessary goods and services on line. When the web was introduced by Bernerzeli team, and the reminders were produce by Microsoft and a lot of companies take action to record the area and design and starting of a web base. The engineering Mohammad Bashash and Tomag Fereydoni was the most active persons that had a scientific survey about electronic marketing (Wikipedia, the free encyclopedia).

What is e-Marketing?

E-Marketing is a subset of e-Business that utilizes electronic medium to perform marketing activities and achieve desired marketing objectives for an organization. Internet Marketing, Interactive Marketing and Mobile Marketing for example, are all a form of e-Marketing (Petrovic, 2010).

In other definitions of Internet Marketing: "Achieving marketing objectives through applying digital technologies."These digital technologies include Internet media such as web sites and e-mail as

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Corresponding author: Shima Omidvar Abarghooie, Student of Governmental Management (M.A), Rafsanjan Branch, Islamic Azad University, Rafsanjan, Iran. Email: omidvar22@gmail.com

well as other digital media such as wireless or mobile and media for delivering digital Television such as cable and satellite (Chaffey, 2012).

In practice, Internet marketing will include the use of a company web site in conjunction with on-line promotional techniques. However, for Internet marketing to be successful there is still a necessity for integration of these techniques with traditional media such as print, TV and direct mail (Chaffey, 2012).

The difference of Electronic market or Physical markets

The space of electronic market is a complete market with lots of sellers and buyers from all over the world that have enough and update information about market and goods. The presence of mediators is needed in this space. These kinds of markets are completely competitive and useful. Physical markets do not have this span and have a limit space (Zargar, 2003, p: 324).

Difference between e-Business, e-Commerce and e-Marketing

E-Business is a very broad entity dealing with the entire complex system that comprises a business that uses electronic medium to perform or assist its overall or specialized business activities (Petrovic, 2010).

E-business is an overarching term that describes how an organization uses the Internet/Web to transform organizational performance. Examples of e-business initiatives include Intranets, self-paced e-learning programs for employees, online payroll services, and knowledge management systems (Krishnamurthy, 2006).

Table1. Traditional Marketing versus Internet Marketing

Dimension	Traditional Marketing	10
Time perspective	Short-term Focus	Long term focus
Predominant marketing function	Marketing mix	Marketing mix supported on: Customer Relationship Management Relationship Marketing Knowledge management Supply Chain Management
Distribution model	Traditional distribution	Disintermediation and cyber intermediation
Value Creation	Information was an element of support	Information has value, is an asset

(Tiagoand Tiago, 2012, p: 420)

E-commerce is transactional in nature and focuses entirely on the use of the Internet/Web to facilitate and accelerate commercial transactions. It is of three Types: business-to-business, business-to-consumer and consumer-to-consumer (Krishnamurthy, 2006, p: 51).

E-Marketing is also a part of e-Business that involves electronic medium to achieve marketing objectives. E-Marketing is set on a strategic level in addition to traditional marketing and business strategy.

Barwise and Farley (2005) found that managers who had adopted Internet marketing tools saw them as being cost-effective, providing increased sales opportunities, and leading to the increased effectiveness of marketing activities(Roderick and *et al*, 2007, p.6).

When compared to traditional marketing, Internet marketing offers a host of additional benefits: lower costs, closer firm and client relationships, rede- signing distribution, among others. Regardless of the concept definition, Internet Marketing has emerged as a driving force for change in firms and customer relationships, leading to the development of appropriate technological solutions to the organization and effective exploitation of existing solutions. As Internet and social network impact grows, marketing mix as a marketing support tool seems to be diminishing and technological nature tools are taking its place: customer relationship management, knowledge management, enterprise resource planning, and supply chain management[1] (Tiagoand Tiago,2012,p:420).

The properties of competition in Internet marketing

1- In Internet markets the size and bigness of a company may not be an important competitive ad-

[1]SCM

vance. The easy entrance of a profitable industry Communicational channels Internet let the newly — arrived companies to compete with bigger companies on market shares and making popularity in market.

2- Geographic and language obstacles also decrease in Internet. The expenses digital delivery has decreased very much and online ordering for companies in distance get easier.

3- The consumers have access not only on some brands, but also on most of the competitor products. Because Internet marketing decreases the expense of searching information for buyers a lot.

4- Internet marketing makes new digital channels of place that makes the emergency delivery of digital products without extra financial and time expense.

5- Servicing to customers in Internet markets has improved more andit's now as ordering and personal (Alipourshyrsavar and Rafiezadeh, 2011).

Effect of Internet in E- Marketing

Use of the Internet will enable exporting firms to reduce international search (Roderick and *et al*, 2007).

It can be expected that exporting firms are more likely to have higher levels of E-M., given that it has the

potential to reduce the uncertainty of doing business in foreign markets and increases their ability to respond to new market opportunities (Roderick and *et al*, 2007).

Through propagandistic and Progress with Internet Medias, you can reach to very good and creative marketing opportunities. By using electronic post, some savings can be made in time like designing and progress before read propagandistic and after sale. Internet marketing methods consist of dependent marketing, Email, exchanging marketing and marketing by searching motors (Krishnamurthy, 2006).

To attain a more in-depth analysis of the Internet Marketing concept evolution and integration with other technology-based components, it is necessary to research outside the marketing field. At a first glance, we can find different references to this concept in the literature, such as interactive marketing digital marketing, Internet Marketing, e-marketing and online marketing. All these terms have at least one common characteristic: the use of information technology tools to interact with consumers, enabling strategies oriented to the client and simultaneously minimizing transaction costs (Tiago and Tiago, 2012, p: 419).

Table2. Internet Impact on Strategic Dimensions and EIS employed

Strategy dimension	Internet Impact	Tools to employ
Global market	Instantaneous global coverage	Website; e-CRM
Global products and services	..."Global" posture Customized offer Global offer	Website (e-marketing-mix); e-CRM; KM; ERP; SCM
Location of activity	Elimination of the location dimension Virtual networks	ERP; SCM; email; Intranet and extranets;
Global marketing	Multilingual Site Global awareness Cultural adaptations	Website; e-marketing-mix; CRM; KM

(Tiagoand Tiago, 2012, p: 420)

E-Marketing Plan

A good e-Marketing plan will have a clear executive summary and unambiguous set of recommendations which can be understood by management and further implemented by technical staff. For this reason it is essential that e-Marketers are familiar with basic principles of the technology and tools that drive e-Marketing activities (Petrovic, 2010).

Every good e-Marketing plan must be developed in line with the organization's overall marketing

plan. E-Marketers must first understand the current situation of the company and its environment, profile, segment the target the right market and then strategically position the products as to achieve optimal response with the target market. This is generally achieved through SWOT analysis. By assessing organization's strengths and weaknesses and looking at current opportunities and threats one can devise an e-Marketing strategy that can improve the organization's bottom line (Petrovic, 2010).

A potential structure of an e-Marketing Plan:
1. -Situation Analysis
2. -SWOT Analysis
3. -Website Audit
4. -Marketing Strategy and Objectives
5. - Budget, Implementation and Evaluation
6. - Contingency Plan
7. - Conclusion.

Following are some of the advantages of e-Marketing:

Reduction in costs through automation

Use of electronic media

Faster response to both marketers and the end user

Increased ability to measure and collect data

Increased interactivity (Petrovic, 2010).

Regarding the disadvantages, we can mention the following:

-Lack of personal approach, dependability on technology

- Security, privacy issues

-Maintenance costs due to a constantly evolving environment

-increased price competition, worldwide competition through globalization(Petrovic,2012).

The types of online marketing

1- Pay per click

As a discipline, pay per click's main focus is to entice users to click on an advertisement to bring them to another destination on the web. In this regard, Pay per click is much like the internet's form of classified ads. Pay per click ads can displayed on search engines, within niche websites, or on social networks. They are targeted, either by search term, profile interest, or on the website on which the pay per click ad is displayed.

A pay per click ad is most commonly made of text or images, or a combination of both, and the pay per click model can also be applied to video(Walker, 2012).

2- SEO

Most commonly the SEO will go after keyword specific vertical searches, but the SEO may target different kinds of search, including image search, local search. Increasing a site's inbound (aka back links) is another common tactic used by the SEO to increase search rankings.

Organic search engine optimization is an approach to business marketing that carefully selects strategies and tactics for a target site in order to obtain business objectives (Petrovic, 2010).

Search engine optimization consulting can provide the secrets to gaining and keeping that momentum —

the momentum that will not only allow a company to compete within a niche, but it will allow it to conquer and control a niche. This will insure search engine rankings that will translate into profits (Petrovic, 2010).

3- Email

The email marketer uses email to enhance the relationship with its, by encouraging loyalty and repeat business. Some methods e-mail marketers will use to enhance loyalty include company newsletters that give relevant company news, exclusive discounts to those who are on the email list. One major disadvantage for email marketers is the constant evolution of spam filters in email programs.

4- Video Marketing

With the rise of YouTube, the use of video online has quickly become a popular way to market online... Common formats a video marketer will use are "How to", "Product review", and "Genuine reaction".

5- Blogging

A blogger can use a blog as a personal or company diary. A blog can also be used to cover news topics in a particular niche. Blogs are also commonly to sell affiliate advertising, provide instruction or insight.

Common blog genres include: political, travel, fashion, projectwork, education, music, and .... (Walker, 2012).

6- Article Marketing/Online PR

Practitioners of these disciplines will write short articles related to their industry to be distributed through free article distribution channels.

A.) click on the bio links to be brought back to the author's website

B.) redistribute the content and

C.) become a new.

7- Social Media

Social media marketing to communicate is designed to encourage large groups of people. Content, frequency, Timing, and how users interact with a social marketing platform specific points that everyone should consider. Joint use of social media such as: customer service, such as responding to complaints, updated radio and Television, News, Awards, Advertising and ... It takes.

8- Viral/Network Marketing

While some may argue that Network Marketing and social media marketing are the same, a network marketer knows very differently. Network marketers focus on building one on one relationship with people who are most likely to use their product or service.

The network marketer also realizes that for any piece of content to "Go Viral", the content must

not only be good, but there must also be a group of people who will interact with and share the content.

9- Location Based Marketing

The popular philosophy held by location based marketers is to reward users for "checking-in" to a company's physical location. Rewards can include discounts for the person.

10-Contextual Advertising

A contextual advertiser is the closest thing the internet has to traditional media firms, because the contextual advertiser looks for every opportunity to promote their brand.

11- Differences in contextual advertising and network marketing

The primary difference between the two is the contextual marketer is focused on sheer numbers and conversion by volume where as the network marketer chooses to build relationships with the individuals who would actually be using the product (Walker, 2012).

12- Affiliate (performance based) Marketing

The act of selling someone else's product or having someone else sells your product for you. This is the internet equivalent of having a commissioned sales job.

For that reason, selling affiliate products can prove to be an interesting and fun challenge for the person selling the product.

13- User Experience Branding (UXB)

Graphic Design, User interface design, Information Architecture and web development are all branches of this discipline.

14- Interactive Advertising

With web technologies evolving every day, an emerging group of marketers take to creating advertising that requires users to interact, typically by uploading a photo, video or audio (Walker,2012).

Impact of the Internet and the marketing mix

Philip Kotler (1991) said that marketing mixed is a set of controllable variables (tools) of marketing that the company mixed them to respond to the target market. Marketing mixed consist of all works that the company can do to affect an amount of demand for its products.

These works can be classified in 4variables as four p:

Product, a mixture of goods and services that company supply to its target market.

Price, it is an amount of money that customer had to pay for a product.

Promotion is activities that make a product available for applicants.

Place, is activities that show the value of products and encourage the customers to buy them.

One of the important process in making marketing strategy and one of main Duties of marketers is composing of marketing elements. Successfulness of marketing programs depends highly to the true composition of elements. By coming of communicational technology and electronic doing of business activities, the combined design of marketing has changed a little, as the combined elements of marketing changed basically and this change continue still.

The product can be defined as follow: anything that can be supply to market for taking the attentions or using and consuming that can satisfy the needs is called the product. The product is highly affected by the internet.

Internet has made a way for initiative in producing the products, since the companies can have a direct access to consumers and use the in formations to expand the new products. Decreasing the expense of collecting and distributing information of consumers by IT had helped to this process. Internet bases like Yahoo that are known as the threshold will help consumers to find their necessary information. Sellers should pay attention to these services and use them to give information about themselves to consumers.

Goods like computer software's, books, graphic design, film and music are some cases that will be affected by internet, since these goods can be keep as digital goods and can be transfer by internet easily, without any need to physical transmission. Also those goods that were sold by post system have a potential ability to sell and buy by internet. One of the main advantages of electronic markets is making value by giving variety to products and producing the products in different forms. Goods like music can be prepare according to the consumer's Preference and needs. For example mosaics can be supply in different kinds of sizes, in proper quality and different prices, or one can buy just one page of a magazine without any need to buy the entire magazine. Therefore internet can give a value to consumers by giving variety to products. Of course it should be note that all the products can't be selling by internet, especially those that need to face to face connection with consumer (Mirhosseiniand Azizi, 2008).

Price: price is the only factor that makes income and as Kotler (1991) has said, other factors show the cost. Decision making about price of products in internet is as important as decision making about price of products in internet is as important as decision making about traditional pricing. Internet increases the competition about decreasing the prices, Therefore it will make equal prices.

Also being able to comparing different prices in internet, has increase the competition for decreasing the prices and according to economic theories the price of good or service will get close to its final expense. Therefore, using of new price making models is necessary in internet. Also as it was said by forming of new kinds of value making in internet, traditional price making models can't answer the needs of marketers. Omitting some of the takes due to their international selling and also omitting of some intermediates had an important role in decreasing the price of products in internet, for instance Cisco company by transferring 40% of commercial activities to internet, have decreased its annual operational expenses to 270 million dollar.

With these conditions in internet environment, offices had to pay attention to other factors than price to increase their competition power. For example by making variety to products by internet, buyers will be less sensitive to price. When the presented products meet the preference of consumer, the buyer will be more satisfy and seller can receive more money from consumer.

Distribution, (place): For most of the companies, place means distribution of channels that are organizations and persons that have a role in transferring of product or service from producer to consumer. One of the main effects of internet on factor of place is increasing of its size. Everywhere that you can connect to internet in market domain, is under cover of companies. World access to internet that is one of the its special properties, has made a big consuming market for company's products. Internet enables the companies to omit some of the members of value chain. The producers could eliminate the intermediatesand retailers by having the opportunity to call directly with the consumer. For example DELL Company had sold its products from internet base; therefore it has eliminated most of the intermediates and retailers. This phenomenon that is due to electronic business is called omitting intermediate, means omitting of constructions like retailers and whole sellers and selling directly to the customer. Of course besides omitting of intermediates, another phenomena call virtual intermediates exist in internet. These intermediates that are special for electronic business are mainly about presenting goods and informational services. For example, internet bases like Yahoo that present information about different goods to customers, are in fact a kind of virtual intermediates that guide the customer to the internet base of seller. Searching motors, portal sites and … is all part of this intermediate. These intermediates enable the small producers to have an easier access to market. Another impact of internet on place factor is

decreasing of distribution expenses for digital productions that sometimes are close to zero. With these advantages, one of the main problems of marketers about place factor is not being able to have a physical access to products and sellers that is a big problem for some goods. Therefore, in this situation, physical markets like Val Mart are still popular.

Promotion (advancement and spreading): promotion has different methods that companies use the inform customers about the advantages of products and encourage them to by them. These methods are divided in 4 groups: propaganda (like not print of catalogue), increasing the selling (like distributing the discount coupon), public relation (like attending in fairs) and personal selling (like discussion on the presence of customer). Internet is a communicational technology. It is clear that internet has a deep impact on the way of promotional activities. Internet makes infinite positions for companies to propagandize their products companies can give propaganda according to the preference of customers by collecting information about them in internet. This matter is important when the customer wants and detailed information about the product.

Companies can promote their promotion programs with very less expense to all over the world by internet. But it should be note that promotion principles in internet are different from propaganda principles in traditional media like TV, radio and magazines. In internet the propaganda message is received by customer just when he/she wants, he/she can have control on the kind and time of propaganda display and desist it whenever he/she wants. Therefore, in internet environment, the customer isn't just a listener, but it is companies that have to be a listener. Therefore today most of the companies have some parts in their internet bases to connect to customers, for example discussion rooms that users can share their experience about products with other customers or discuss with company experts about the properties of products. Internet is a ideal media to make and keep a truthful relation with customers.

There are some limitations in doing promotional activities Internet.

For example the concerns about personal limits makes those customers don't give their personal information to companies. Additionally, today customers know how important their personal information is and they want the company to pay them or service them versus taking their information. So, it's clear that Internet has deep influence on mixed factors of marketing (Mirhosseiniand Azizi, 2008).

Conclusions

With due attention to impact Of internet in information era, naturally markets are affected by this phenomenon. Companies that are able to use electronic markets to get competition advantages and to get to their target, not only can be prior in the relative industry, but also can obtain some saving for their company.

Internet has changed traditional markets, markets that the main thing on them was price for customers and profit for producer, has changed to those that quality is more important than price and customer satisfaction is more important than profit.

Since correct using of internet will help to correct communication and expansion of connections in marketing and also creating and expanding new markets. Therefore, companies have to use internet marketing and reach their targets by it.

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