

# Online Marketing: Impact on society

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**Abstract:** Online marketing is leveraging the unique capabilities of new interactive media to create new form of interactions and transaction between consumers and marketers. Also it can be considered as innovative way of marketing in digital marketplace which includes online advertising, online market research, online promotions and online pricing models. To make it successful there are different strategy such as Targeting, Product Strategy, Pricing strategy, Distribution strategy and promotional strategy. This paper tries to identify and analyze the advantages and disadvantages of online marketing over traditional marketing. It also focuses to identify that how companies can be benefited with this. This paper also tries to determine the impact of online marketing on traditional market and society.

**Keywords:** Online marketing, E-commerce, E-strategy.

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## Introduction:

In this era of innovation, almost all the spheres of human life have been touched upon by the applications of ever-growing technology. E-Business is a natural extension of the internet. The concept refers to the transaction of business via an electronic means, usually the internet or any of its mediums. E-business has certain characteristics which include internet, information system for handling its business process, an online selling platform, Business models that work to compile data on various customer and market segments and then make this information available to third parties for a fee and online financial exchange facility.

E-marketing is a subset of e-business. It is the means through which a business promotes the products or services that it is offering on the internet. The practice of running an enterprise on the internet and promoting its services or products using e-marketing tools or resources presents enterprise with distinct advantages. E-marketing must be defined to include the management of the consumer's online experience of the product; from first encounter through purchase to delivery and beyond. There are two reasons for building the concept of e-marketing around consumer experiences-

1. This approach forces marketers to adopt the consumer's point of view.
2. It forces managers to pay attention to all aspects of their digital brand's interactions with the consumer, from the design of the product or service to the marketing message, the sales and fulfilment processes, and the after-sales customer service effort.

Any business that aims for development is linked to five basic marketing stages:

1. Market Research
2. Development of the product
3. Distribution
4. Pricing
5. Promotion.

On the basis of these five stages of marketing, in this paper we will be trying to discuss various issues related to marketing strategy.

## Objectives:

- To identify and analyze the advantages and disadvantages of online marketing over traditional marketing.
- To identify how the business can be benefited with online marketing (discuss different strategic issues).
- To determine the impact of online marketing on society.

## Advantages of Online Marketing:

1. **Global reach:** No geographical bar for E-Marketing. Targeted emails pave the way.
2. **Lower Cost:** Cost incurred in designing, executing, testing, sending and receiving an email is up to 78% less for a run of 5000 over paper based direct mail version.
3. **Interactive:** A business can innovatively initiate campaigns using graphics, video, music, quiz, game.
4. **Personalized:** Emails enable to personalize and greet every person which is to be targeted. It helps in creating a special bond with the prospects.
5. **Faster Response:** The business or a company get the response through e-mail within three days, with maximum responses on day one itself, while a direct mail campaign would take minimum ten to twelve days to generate any response.

6. **Simplest:** Executing an e-mail campaign is simple and can be done sitting at home without any extensive resources.
7. **Targeted marketing:** With the help of prepackaged and custom built lists one could reach only those who might require the services and product, without bothering those who do not. One can select the target customer based on geography, age, income and other parameters.
8. **Measurable Result:** In online marketing one can accurately determine click-through rate, conversion rate, to enable and to assess the success of different e-mail campaigns.
9. E-marketing modules allow organization to deliver highly personalized web offers and dynamic web surveys that are fully synchronized with marketing efforts in traditional channel.
10. Capture and analyze return on investment of marketing activities.
11. Reduction of overheads as the enterprise does not have to invest huge funds in warehousing or high office rents.

#### Disadvantages of Online Marketing:

1. Low penetration of computer technology.
2. Potential for deception.
3. Dependability on technology.
4. Maintenance cost due to constantly evolving environment.
5. Higher transparency of pricing and increased price competition.

#### How the companies can be benefited with online marketing –Various strategic issues

1. **The E-marketing planning process:** The integration of e-marketing includes specific objectives, strategies and activities. It can be a streamlining process or reinventing process. In reinventing process, the existing one is scrapped and a new one is created from scratch with a fresh look. It requires a separate e-marketing plan. Set the objectives which integrate e-marketing communications with traditional communications.
2. **Organizing and resourcing for e-marketing:** As the importance of online channels increase, the structure of the marketing organization and responsibilities may need to change to maximize the opportunities available through new media. For this whether to change the structure of the marketing organization or not, should be decided first. After it the new responsibilities for e-marketing should be identified. How to develop e-marketing specific skills within the marketing team? Does the organization have the database marketing and analytical skills to support E-CRM and e-mail marketing? Which e-marketing activities do should be outsourced?
3. **Defining the Internet value proposition:** To achieve increased customer usage of online channels (web, e-mail, wireless), a distinct, detailed proposition must be developed for these online channels and it must be clearly communicated online and offline. How to vary the elements of the marketing mix online?
4. **E-brand value:** How does the Internet contribute to and influence brands? How to extend the brand online? Should brand variants be used? How effective is the emotional connection of an online brand? How is the online brand experience perceived by customers? How is online service delivery perceived by customers?
5. **Setting the e-communications mix:** Defining the proportion of online spends on different elements of the communications mix. One needs to identify Percent of communications budget allocated to e-communications i.e. online spend Percent age on advertising, direct mail and PR.
6. **E-mail marketing integration:** It is the integration of different forms of marketing e-mail, i.e. rented list, house list e-blasts, service e-mails and e-newsletters with traditional communications, i.e. direct mail, advertising, etc to achieve maximum response. First business has to decide touch or contact strategy defining minimum and maximum number of touches per customer in a period?
7. **E-CRM:** It is related to electronic-customer relationship management. Using online channels to build and deepen relationships with customers is known as E-CRM .Key issues related to E-CRM is to manage customer data and identifying the methods through which targeting and personalizing messages for online customers is done.
8. **E-marketing automation:** E-marketing automation is developing personalized marketing messages delivered by web and e-mail in response to customer events and behaviors. For this business need to identify: How to support the sales process and relationship-building through automated e-mail dialogue based on web-based event triggers? How to build related-products personalization into the web site? How to integrate personalization technology into the existing infrastructure?

#### Impact of online marketing on society

- In this online world, a simple banner advertisement can be both an advertisement and a direct marketing service. The banner raises the passive consumer's awareness of a product. It also encourages the consumer to pursue action by clicking on it.
- Digital marketers care about the consumer's online experiences for the simple reason that all of them -- good, bad, or indifferent -- influence consumer perceptions of a product or a brand.
- The web offers companies' ownership and control of all interactions with customers and thus creates both the ability and the need to improve their overall experience.

Businesses that have successfully implemented e-marketing:

**1. Anthony Nicholas Group:** This Company deals in jewels and having discovered that the internet presents a veritable means for showing its products to its target audience, the company decided to invest in the necessary infrastructure to make this possible.

The challenge was in providing a reliable full back office system to replace the existing one. Two websites also had to be designed to cater separately for the Irish customers and the American customers. A web-based interface for customer interaction had to be developed and then supported with an accounting system that replaced the existing one, all technology based. The websites were also built to serve as marketing tools for the promotion of the products of the firm.

**2. Dubarry :** This Company specializes in footwear designed for sailing. It decided to delve into the e-business world in order to leverage on the opportunities provided by the internet to bond with its customers. The company succeeded in its objectives as a result of three factors; a critical assessment of its internal operations and how it can work as an e-business model, the possible challenges it will face as it alters its traditional business model to suit the internet and then how it can harness the opportunities therein. The website it built and uses as a platform to reach out and interact with its customers and target market has now served to reduce the administrative load involved in dealing with its various distributors. Customer interaction and also been an advantage of this switch to the new model as well as streamlining the process of ordering products from the company.

#### **Traditional marketing VS Online Marketing:**

1. Online marketing is more measurable than traditional marketing. Internet marketing allows organization to see exactly what and how much they are paying for.
2. Online marketing makes strategic decision based on facts. Traditional organizations will have a difficult time showing real data that leads to achieving the goals.
3. Online marketing is better at reaching target audience.
4. Internet marketing is a constant source as compare to traditional .If we catch an ad in passing and we missed some information we cannot go back and review it in case of traditional whereas online marketing provides a permanent address that can visit anytime.
5. Online marketing provides better word of mouth, feedback and review of the product and services are the good example of it.

#### **Conclusion**

Day by day, technology is getting sophisticated and costs are crumbling, making the internet easy and cheap to access. Eventually, even for buying a product from a shop situated near to home, the customer may use the internet to place order, and may get the product delivered immediately. The integration of electronic commerce and marketing will bring a renaissance in marketing function. Using the advantages of both Internet marketing and traditional marketing according to the goals of the company, is considered to be the most effective way of marketing. Comparing the two approaches, Internet seems to be a complementary tool to traditional marketing. There are various marketing strategy issues, which need to be answered before entering into online marketing for successful beneficial marketing.

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