



## **Internet Marketing: Opportunities and Challenges**

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### **Abstract**

Internet Marketing is becoming a hot topic in every business sector and gradually plays a very important role in a company's marketing strategy. It is also called online marketing. Internet is a global network of computers providing a variety of information and communication facilities, consisting of interconnected networks using standardised communication protocols. Marketing is the management process by which goods and services move from concept to the customer. Together, Internet marketing is a subset of Digital Marketing which uses various channels on the internet for marketing like search engines, email marketing, social media marketing etc,

The main purpose of this paper is to bring a general picture of internet marketing. This paper also presents a small comparison between digital marketing and internet marketing. Moreover, the two main purposes of this article are to explain the advantages of internet marketing and also discuss the challenges of internet marketing. It also suggests measures for improvement of this source of marketing .

**Keywords:** internet, marketing digital ,network, protocols.

### **Introduction**

Internet Marketing has emerged as an essential part of our life over the years, especially in the era of globalisation. It plays a vital role in our personal and professional life. It is the basic and fundamental part in all spheres of our lives and commercial ventures. Technology and software are changing at such a high rate that it seems almost impossible to keep up with trends. Internet Marketing thus helps to keep in pace with these dynamically changing

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trends. It is the fastest growing and developing branch of marketing because marketers are trying to reach new audiences who are more discerning, fragmented and cynical than ever.

### Background

The advancement in technology has led to one of the most dynamic and revolutionary changes in the history of marketing. Internet has been the newest and the youngest medium having been around in its current form for just about 20 years. The very first interconnected computer network was developed as a joint project between US military and several research organisations and went live in 1969. Later advances were email in 1971 and then international connections were established in 1973 with the introduction of the word Internet in 1974. By 1993, businesses started taking an interest in the internet. The debate raged about whether businesses are permitted to use internet for commercial purposes or not. This was because internet was developed mainly for the educational and non-commercial purposes. Eventually in 1990, early web giants like Yahoo and Amazon, search portals like Alta Vista, Excite and Info seek were introduced. And then, in 1998, taking search to a new level of accuracy and convenience, Google was launched. Auction sites like eBay, then began to dominate the web, making the use of global and commercial potential of the internet. In 2004, "web 2.0" was introduced which exploded into public consciousness. It helped in creating and customising personal pages which were extremely simple and were very easy for the online marketers to make their advertising and products more easily accessible in the online market. Recent years have shown a lot of advancement in web consciousness as the users have become more adept at filtering and steering online content.

### Objective of the study

- To understand the concept of the Internet Marketing.
- To briefly differentiate between Digital Marketing and Internet

### Marketing.

To analyse the need of Internet for marketing success.

To find out the advantages of Internet in Marketing.

To review the challenges of Internet when used in Marketing.

### Internet Users in India

During the past decade the number of internet users has increased at an explosive rate. According to Times of India, India has 121 million internet users by December 2011, out of 121 million; 97 million are expected to be active Internet Users, who access internet at least

once in a month. A study internet and mobile association of India (IAMAI) and IMRB said “A 100 million internet users are considered a critical landmark for the country. With this internet use in India is expected to enter a critical period of growth with the possibility of becoming the largest internet using country in the world in this decade.

The Economic Times also stated that according to the Internet World Statistics, India has achieved 10.2% internet penetration at about 12.1 crore users as of December 2011. According to the data, the internet users in India are increasing year by year and in 2012 the number of internet users was 150 million. These show that the use of internet is on a high among Indian masses. India has 13% of the internet users in Asia and 7.36% of that of the world. 70% of people who know computer have used internet which is a healthy sign.

### Internet Marketing

The concept

Internet Marketing often known as online marketing or e-marketing is essentially any marketing activity that is conducted online through use of internet technologies. It not only comprises online advertising that is shown on websites but also other kind of online activities like emails and social networking as the name suggests, it is act of promoting goods and services through internet. We can also say that it is a marketing technique where the internet is used to convey promotional messages of the buyers. Internet marketing incorporates an extensive variety of marketing components than conventional business marketing because of large variety of channels and marketing means accessible on the internet. Internet advertising just like any other method, involves advertisers, promoter and publisher. The publisher incorporates advertisements in its online contents and the advertiser provides all the advertisements which are supposed to be displayed on the publisher's content. Other people involved in this whole process may be advertising agencies, ad servers and advertising affiliates. Advertising agencies generate and place advertisement copies, ad servers deliver ads and keep track of the statistics and advertising affiliates are those who do the independent promotional work for the advertiser. There are many internet communication tools that have also brought major changes in various economic sectors like such as marketing.

Internet marketing has three fundamental principles or essentials. They are –

- Personalisation: Every customer has a different psychology from that of the others. They have different tastes and preferences. They are no longer faceless members of a broad target

audience they acquire to be addressed personally. The data and personal information present online helps the business to target the relevant people precisely and personally.

- **Immediacy:** To keep in pace with the dynamically changing web at a blistering pace, the marketers have to interact and respond to the online messages with communities as quickly as possible. This is because the online audiences have a very short span of attention and they literally expect every minute updates and information.
- **Relevance:** Relevance is the next key for a successful internet marketing process. If the advertisement online is not relevant and interesting, it will certainly be ignored by the audience. It is very important to know the ability to engage your readers. Therefore, the best way is to give them what they exactly want and at which time.

### Components of Internet Marketing

There are four components of Internet Marketing. They are:

1. **Search Engine Marketing-** This is a process which helps in promoting a website by increasing its visibility with help of certain tools such as paid advertisement, search engine optimization and other engine services that help in increasing search traffic to the websites. The most noteworthy quality of search engine marketing is that it offers a chance to its sponsors to put their advertisements before customers who are ready to buy a particular product at that moment.
2. **Social Media Marketing-** It is a platform which can be used by anyone who has an internet connection. This is done to create website traffic or creating brand awareness using social network sites. The main focus of Social Media Marketing is designing contents that are simple, unique and attractive to the customers. It helps in forming a connection or communication channel with the potential customers. This means it results in earned media rather than paid one. Some of the examples are - Facebook, Twitter, Instagram, etc.
3. **Email Marketing-** This is one of the most trusted and prevalent ways of reaching and gaining customers. Here, advertisements are done directly through giving advertisements on the Email of the customer. It involves a very low cost. It is a personalised way of connecting with the potential customers. The organisations receive a direct feedback from the customer in this case. There is also an Unsubscribe button to stop the messages. Some of the effective email marketing campaigns were done PayPal, Amazon local, JetBlue, etc.
4. **Display Advertising-** Display advertising are different from text based advertisements. They include banner of advertisements and rich media, etc. This is basically done for customer

awareness regarding brand , product or service.They are very effective in case of images or videos rather than content or text.The greatest advantages of Display Advertisement is that the brand image is implanted in the minds of the potential customers and they change to real customers.Some of the examples could be Amazon,Volkswagon and Audi with help of plateforms like Facebook ads ,Twitter ads,etc.

#### Digital Marketing vs. Internet Marketing

Digital Marketing refers to the marketing or promotion of products, services or brands using digital media or electronic media through various channels both online and offline,like social media marketing,pay per click,search engine optimization ,email marketing ,content marketing,radio advertising ,gaming advertising,etc.All these channels can be divided two subgroups- online and offline.The channels which need or use internet as thier platform come under Internet Marketing.Therefore,we can say that Internet Marketing is a subset of Digital Marketiung.There are certain offline channels of marketing which do not require internet,they use electronic plateforms only.They are called OfflineDigital Marketing.Since,it is the most common channel and the evolution of Digital Marketing was through internet.Therfore,the explanation makes it very clear that Internet Marketing comes under Digital Marketing,it is only a part of Digital Marketing and that they should not be understood as the same.

#### Need of Internet for Marketing Success

Internet Marketing or Online Marketing has become a new era in E-Commerce with very less cost per customer.And this is only in the last 10 years.Marketers attract customers easily through different kinds of eye-catching advertisements.In today's scenario,Internet is treatewd as a greater resource than traditional means of advertising.Some of the online sources are-

Emails-It is used to transfer texts and multimedia messages.

Listservs- It gives latest inforeamation sent on specific themes to groups/managers.

News groups- electronic conferencing leading to the development of ideas as well as world wide networking opportunities.

File transfer protocol-It is a high speed file transfer as a virtual fax.

World Wide Web-It is a menu driven access to host resources.

In order to prepare a website , merging expert's knowledge with other reference sources is one of the example of Internet Model which helps in retaining and attracting customers.A

well designed website leads to low sales promotion cost and hence successfully attracts global customers by introducing right advertising on internet.

#### Advantages of Internet Marketing

The advantages which come with making money online or promoting a business on internet, are many. Some of them are-

- Lower cost- It is far easier to promote products online rather than offline modes. In fact, some of the online promotion techniques are absolutely free. Marketing techniques on internet involve only a small fraction of money in comparison to the cost which the businesses spend on advertising their products via television or print media.
- Global audience- Traditional business has a restricted boundary of operation. Whereas there is an advantage of gaining global audience through online marketing. This helps the businesses to get more opportunities on global scale. So even if offline office is closed or not present there will be no adverse effect on the business. The customers can find the products online and place orders.
- Reliable Technology- Most people worldwide use the web and this is easily accessible and affordable. And technologies are getting much better and sophisticated day by day. So with technology, everything is arranged in a timely manner – emails are delivered to target audience timely and instant. With better technologies companies can create a strong brand image and thus increase sales. Nowadays the customer is busy and he/she uses his/her credit card to purchase a product. Through technology, the company can track their details.
- Convenience- Internet is the fast and flexible means of marketing. Shopping on internet is convenient as there is no restriction of time, specified products according to the demands of customer is easily available with choices.
- Communication- Internet makes a two way communication with customers on one-to-one basis. Marketing communication includes expenditure on direct responses marketing rather than old standard mass communication.
- Better customer service- The most important aim of a business is the satisfaction of its customers. Enhancing brand image, creating awareness and providing customer services are much more important than selling a product or entertaining customers. Through online marketing, the customers get an instant satisfaction of ordering, paying and delivering. They also receive a kind of acknowledgement for the deals done by them.

- Less time consuming-As there is no time limit on shopping;the customers are relieved and comfortable.Moreover,online payment makes the tiresome and time taking job of shopping,much easier and quick.On the other side , it is easier for customers to receive a kind of acknowledgement that they did not waste their valuable time.
- Competitive edge-This new era of commerce is beneficial for marketing logistics,a global presence ,to establish and maintain a competitive edge,shorten components of supply chain,for cost saving and research advantage.

#### Disadvantages of Internet Marketing

- Face to face contact is limited – This is the major drawback of internet marketing.Businesses build solely online usually do not build a strong relation with their customers.As a result,company may lose some of their customers to their traditional competitors who engage strong customer service tactics.
- Marketing complexities- The virtual nature of internet marketing creates complexities.Online Marketing does not allow the customers to touch the product before purchasing it .Hence, the customer lacks trust.Also,an uninformed customer prefers conventional buying rather than online purchases.
- Excessive dependence on technology- There are still people who are not thorough with the use of computers and internet.They find themselves outdated and a fear stays that they are unknown to this technology world and something will go wrong if they use it, makes them rely on the conventional shopping techniques.Moreover,slow internet connections may cause a lot of problems.

#### Challenges of Internet Marketing

- Building a quality website- To start an online business,this is the first step.Building a best website is not an easy task.It has to be a quality website,informative and attractive along with least complexities otherwise it might be rejected by the user.
- Creating Valuable content- Only creating a website does not help in successful running of the business.It should contain valuable contents.This requires a specific skill set. It takes a great deal of time and expertise to create a high quality contents for a website.Overcoming this challenge usually involves hiring of professionals.
- Getting audience-This process involves a lot of time posting,responding and monitoring influencers in the industry,across all social media platforms.Getting minute details of the

customers, suggesting them personalised products in an attractive way so that they become the buyers, is a very complicated task.

- Generating new leads-When a customer goes to a website for the first time, he never buys a product. The marketers have to, therefore, find an opportunity to communicate with the customers in order to sell their products. To do this, the details have to be captured and a personalised communication is required. Giving free content through exchange of emails, addresses or phone numbers is one way, leads can be generated. With this begins the journey of potential customers turning into real customers.
- Converting leads into sales-Sales in online businesses requires a great deal of credibility, trust and respect. In order to close the deal in the online market place, most small businesses have to overcome the challenging task of getting their leads to look up to them as authorities in their niche. If people in the niche consistently believe that they are learning something new from that business, they will look up to the business as authorities, trust and value in the products and invest money also.

#### Literature Review

1. Rashad Yazdanifard, Melisa Venpin, Wan Fadzilah Wan Yusoff, Mohammad Rabiul Islam, Internet Marketing: the new era of Innovation in E-Commerce, 2011 International conference of Innovation and Computer Application, Vol-9-This paper approaches marketing

#### Research Methodology

On the basis of requirements, tools available and limitations, secondary data collection method is used in this paper. Secondary data means data that are already available, that is, referring to data which have already been collected and analysed by someone else. Secondary data may either be published data or unpublished data. Following are the sources of secondary data-

Journals and Newspapers.

Various publications of central, state and local government.

Books and Magazines.

Websites.

Reports prepared by research scholars, universities, economists, etc.

Findings

Every business requires Internet in order to flourish in this competitive world. Marketing through online channels easily penetrate into the minds of the customers. The people today are technology freak. They hardly have time to go shopping personally. Therefore, they prefer easy, quick, convenient and reliable method. Internet marketing of the products provide them with all they want and at right time. Personalised products and one-to-one communication along with better customer service is all that is required.

#### Analysis and Discussions

The Internet is the trend of the generation. Everyone is aware of this fact. However, traditional marketers do not want to accept this fact. They do not want to accept the new change and opportunities. Internet has a lot of advantages- better performance, easy accessibility, low cost and many more. But these advantages can not ignore the disadvantages. There are technological barriers, cultural barriers, cultural barriers and language barriers in global market. This is why it is better to target a certain Internet consumers or make advertisements bias and multi-lingual. Moreover, the customers should be made aware of the new technology used in marketing.

#### Conclusion

The Internet network is a marketing channel used by marketers, advertisers, and society to find the right combination of marketing mix to best suit customers need. In this era, every company should have an internet access to be successful. Internet marketing helps in attracting the customers, it has low cost and is useful in every way. Moreover, technology is the want of generation. Therefore, Internet marketing will become more important in the future as more and more companies will be going global. Security will no longer be an issue as software companies and other institutions are working hard in order to improve their security features. With this pace of development in the technology sector, the time is not far when each and every person will be interacting on the web.

#### Recommendations

More emphasis should be laid on speed rather than size of the corporations for development. Marketers should have all the knowledge about Information technology in order to analyse the market, decision making and controlling and monitoring of their field in a better way. Stress should be laid on the product, service, the corporate needs and fast delivery process in order to build the loyalty of the customers towards the brand.

The marketers should need to change their strategies along with the fast changing online marketing trends.

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