

## E MARKETING –BIRTH TO PROGRESS

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### ABSTRACT

*This paper will serve the theme which tells us how the companies start to connect with people through internet. Which basic stages had to cover by website user to make their marketing strategy worldwide? Different type of strategy they follow to enter in e marketing concept. Even before the internet there were many different ways to advertise, in different media such as radio, tv, newspapers, magazines, as well as via telemarketing or pamphlets. Usually the goal was to get a company- and/or product name, a statement etc. Communicated to as many people as possible for the smallest price possible. When the internet arose, a number of search options became available. Companies had the option to advertise themselves on a larger scale. Enhancements in targeting advertising, and understanding how websites maintain visitors, became relevant. Researching consumer's behavior and buying patterns online began to interest scholars. Due to the technologies available today, as well as broadband implementations in most homes, advertisers are able to make massive leaps and create global campaigns. As every task e marketing also have to face some disadvantages with their a lot of advantages. This paper will present a flash on birth to progress of e marketing*

### **Introduction**

Marketing has changed. Traditional advertising does not work, brochure-like websites do not work, and the web has given people ultimate freedom of choice and of goods. When there are no monopolies and constrictions, interrupting people's lives is not effective marketing anymore." Damien Mulley

There are no secrets. The networked market knows more than companies do about their own products. And whether the news is good or bad, they tell everyone. Clue train Manifesto

An online marketer now needs to find where people are congregating online and needs to engage them in a meaningful way. Be it in matching with what they are looking for, watching how they interact and understand what they'd like or listening to their natural opinions on your company or market and reacting to that.

### **E-marketing**

E-marketing refers to the use of the Internet and digital media capabilities to help sell your products or services. These digital technologies are a valuable addition to traditional marketing approaches regardless of the size and type of your business. E-marketing is also referred to as Internet marketing (i-marketing), online marketing or web-marketing.

As with conventional marketing, e-marketing is creating a strategy that helps businesses deliver the right messages and product/services to the right audience. It consists of all activities and processes with the purpose of finding, attracting, winning and retaining customers. What has changed is its wider scope and options compared to conventional marketing methods.

E-marketing is deemed to be broad in scope, because it not only refers to marketing and promotions over the Internet, but also includes marketing done via e-mail and wireless media. E-marketing also embraces the management of digital customer data and electronic customer relationship management (ECRM) and several other business management functions.

E-marketing joins creative and technical aspects of the Internet, including: design, development, advertising and sales. It includes the use of a website in combination with online promotional techniques such as search engine marketing (SEM), social media marketing, interactive online ads, online directories, e-mail marketing, affiliate marketing, viral marketing and so on. The digital technologies used as delivery and communication mediums within the scope of e-marketing include:

Internet media such as websites and e-mail

Digital media such as wireless, mobile, cable and satellite

### **Objective**

. E-marketing objectives define what you want to achieve through your e-marketing campaign. They set the reasons why your business wants to go online and allow you to estimate and monitor the progress of your online marketing activities. They also provide an incentive to focus on critical areas and formulate strategies to help achieve intended objectives.

Different businesses may develop different e-marketing objectives depending on their individual circumstances. A useful framework for developing effective e-marketing objectives is the five S's framework, which includes:

Sell – using the internet to sell products and services

Serve – using the internet to serve customers

Speak – using the internet to communicate with customers (both existing and potential)

Save – using the internet to save/ reduce cost

Sizzle – using the internet to build brand identity

### **The 8 Cs of E-Marketing**

The Internet allows for the entire sales cycle to be conducted on one medium, nearly instantaneously. From making the consumer aware of the product to providing additional information to transacting the final [www.brandchannel.com](http://www.brandchannel.com) purchase, the Internet can accomplish it all. The Internet is like one big point-of sales display, with easy access to products and the ability for impulse shopping. Impulse shoppers have found a true friend in the Internet. Within seconds from being made aware of a product, consumers can purchase it online. Further, with the targeting techniques available to advertisers, consumers who turn down a product because of the price can be identified and served a special offer more likely to result in a purchase. In the right hands, with the right tools, the Internet really is an advertiser's dream come true. As opposed to the 4 Ps of brick-and-mortar marketing, the changing outlook in the area of e-marketing can be explained on the basis of 7Cs of e-marketing.

**Contract: -**

The e-marketer's first goal is to communicate a core promise for a truly distinctive value proposition appealing to the target customers.

**Content: -**

Refers to whatever appears on the website itself and on hot linked websites. If chosen appropriately, it can increase both the rates at which browsers are converted into buyers and their transactions.

**Construction: -**

The promises made by e-marketers are not unique to the Internet, but the medium's interactive capabilities make it easier for them to deliver on their promises quickly, reliably, and rewardingly. In practice, this means that promises must be translated into specific interactive functions and Web design features collectively giving consumers a seamless experience. Such design features as one-click ordering and automated shopping help deliver the promise of convenience.

**Community: -**

Through site-to-user and user-to-user forms of interactivity (such as chat rooms), e-marketers can develop a core of dedicated customers who become avid marketers of the site too.

**Concentration:**

Targeting through online behavioral profiling. Advertisers have known for some time that behavioral targeting is vastly superior to simple demographic targeting. Knowledge of a consumer's past purchases interests, likes/dislikes, and behavior in general allows an advertiser to target an advertisement much more effectively. Department stores have long kept track of consumers' past purchases. They are thus able to project what other types of products a consumer might be interested in and then send an appropriate coupon or sale offer. Credit card companies [www.brandchannel.com](http://www.brandchannel.com) are the ultimate gatherers of behavioral targeting information. They maintain vast databases of cardholders' past transactions, and they sell lists of this data to advertisers. The same type of behavioral model is forming on the Internet. Publishers

and advertisement networks monitor the items that a consumer has expressed interest in or purchased on a site (or network of sites) in the past and target advertisements based on this information.

**Convergence: -**

We will soon enter the next round of the E-marketing battle as broadband reaches the masses. The Internet will become more ubiquitous and wireless; televisions will become more interactive; video/data/voice appliances will converge; brand advertising and direct marketing practices will integrate; domestic brands, commerce and marketing will become even more global; and big marketing spenders will spend more money online. Many companies that are well positioned today will need to continue to evolve to take advantage of the opportunities. The success of Internet advertising companies will largely be driven by how they maneuver among the coming developments. Rich media, brought on by broadband, will allow advertisers much greater creativity by bringing in new types of advertising to the Internet, as well as enhancing some of the more traditional forms. Broadband technology will allow the convergence of television and the Internet. Dubbed “interactive TV,” in its simplest form, will consist of a television with some interactive capabilities. Basically, a user will see a television screen that is three quarters traditional television, but with a frame that has Internet capabilities. This frame will allow users to access up-to-the-minute sports scores or news on the Web, for example. More importantly for E- marketers, it would allow viewers to immediately leap to the website of an advertiser whose ad was being

Shown. The user could find out more information or order the product right there.

**Commerce: -**

The last emerging fundamental of e-marketing is commerce, whether it includes offering goods and services directly, or marketing those of another company for a fee, thus helping to cover the fixed costs of site operations and to offset customer acquisition.

**Costs.**

To be successful on the Internet, e-marketers will have to do more than reproduce their off-line business models on line because these business models work only at considerable scale.

Interestingly, it is

www.brandchannel.com possible for online marketers to be profitable even at lower sales volume if they exploit efficiencies in e-Marketing and synergies with the off-line business, with examples as follows. Exploiting more than one channel to close the transaction: Although early winners on the web might belong to an exclusive club of Internet start-up companies, established players in the off-line

Industry can catch them and even overtake them by offering a choice of channels. Leveraging low customer acquisition costs: Traditional brick-and- mortar companies can bring their existing customer

### **Tools using in e marketing**

Search Engine Optimization (SEM)

Paid Search

Display Advertising

Sponsorship

Advertising Networks

Affiliate Marketing

Social Networking

Blogging

Micro-Blogging

Viral Marketing

Internet marketing degree programs are relatively new for college campuses around the country, but have sprung up in response to the realization that the field of marketing is changing rapidly and it's even possible to get an online internet marketing degree. No longer are companies simply buying ad space in newspaper or taking to the streets to conduct surveys; nearly everything these days is done online. As a result, there is high demand for programs that can teach students the finer points of social media, search engine optimization and web development.

### **History of e marketing:-**

Considering the current volume of internet marketing business, it's hard to believe how young the internet marketplace is. While the timeline of internet marketing has been short, the cumulative events leading up to where we are now have impacted the entire globe faster than any marketing revolution in history.

### **In the beginning :-**

After email was invented, it was used mainly by the military and universities. Throughout the next two decades, email was used to exchange information and transfer data- it wasn't until the early 90s that business started seeing the marketing benefit in it.

### **The First Browser**

In 1990, Tim Berners-Lee invented the first "web browser" named Worldwide Web (later renamed Nexus to avoid confusion with the World Wide Web). The idea of a web browser didn't gain much popularity, however, until 1993 when the National Center for Supercomputing Applications at the University of Illinois released Mosaic, a graphical web browser that was easier to use and install. After these inventions, the Internet began booming. In the early 90s, it wasn't considered to be an advertising medium at all. Instead, the internet was treated as a tool for exchanging emails and digital information, but wasn't yet considered valuable for reaching customers. However, it wasn't long before marketing pioneers began to see the potential for internet marketing business as millions of web surfers logging on each day to find valuable and relevant information. Within just a few years, informative and educational marketing, as well as

graphically enticing banner ads began to show up. It wasn't long before results began to flood in which proved the value of the internet marketplace to even the most skeptical advertisers.

Most importantly, companies which had been spending huge chunks of their marketing budget on offline list building, began to realize that they could accomplish the same thing via email...and for much less. It wasn't long before everyone from industry giants such as Microsoft Corp. to small businesses began to build company sites and spend marketing dollars to attract qualified traffic. Next, search engine companies like Yahoo! began to create significant profits from advertising alone.

### **Mobile Marketing**

In the late 2000s, Apple popularized the development of mobile apps and third-party software with its "I" operating system. Because of this, consumers were able to choose how they wanted to consume their content and businesses began taking advantage of it by marketing their products and services through mobile efforts – a practice that is still growing today. After Google was invented in 1996, the company launched its Ad Words campaign in 2003, which was the first system that marketers could use to serve ads in response to a user's desires.

Then came the great internet marketing business bust around the year of 2000, which marked the beginning of the end for interruptive marketing such as flashing banner ads. What was happening? As interactive features were added to web pages, consumers were given the option of turning off marketing messages at will...and they did. Then entered the age of education based invitational marketing\*, which crystallized with the creation of web 2.0 technology. Suddenly, billions of "voices" began to rise all over the world, as the internet marketplace became as much a global community as it was an advertising medium.

In 1994, spending for internet marketing totaled nearly nothing, but increased to over \$300 million in 1995. Now, little more than a decade later, marketing spending and internet marketing business has exploded to nearly \$200 billion. Today, it's hard to believe in having an organization which doesn't have some kind of online presence.

"The Interactive Marketing Process on the Internet"

## **Step 1**

### **Segment and Identify the Audience**

Market segmentation is the process of dividing the market into separate and distinct customer groups. Its purpose is to determine differences among customers that may be of consequence in choosing whom to target and how--a prerequisite for product positioning.

Segmentation allows companies to identify their target audience, all of whom need to know about the existence of a better product and still need to be convinced that they need one!

Typical segmentation approaches that need to be reengineered and carried out on the Internet include the following:

Demographic approaches categorize the market in terms of population characteristics such as age, sex, income, occupation, family size or religion. The goal is to find the relationship between profits or volume and the identifiable demographic characteristics, and to use those characteristics for formulating the marketing programs. How do we do this without a centralized directory or organization keeping tabs on Internet users?

Benefit or behavioral approaches divide the market according to how people behave, their attitudes or the benefits they seek. One type of Internet behavioral segmentation is based on differentiating between people who use online firms primarily for transactions versus those who use them primarily for prospecting and discovering information.

Volume approaches distinguish heavy, medium, light or nonusers of a product category and, after determining the profitability of the product and whether its users differ in some special way, focus product sales on the right volume target. For example, marketing programs focused on business users are a response to volume segmentation.

Business specialization approaches categorize the market by type or size of industry or institution. This form of segmentation applies primarily to business or institutional markets.

In sum, segmentation means "picking your spots," focusing more on business in one part of the market than another to gain a more profitable mix. Success will depend on selecting the right segment and creating an appropriate package with the image, products and services required to meet those needs. This last step creates perceived extra value and institutional distinctiveness in electronic markets.

### Differentiation and Positioning

Central to all businesses is product differentiation--success in appealing to desirable market segments so as to maintain visibility and create defensible market positions. Differentiation is based on the view that charging a better price or achieving higher profit on products or services is dependent on the ability to differentiate oneself from the pack and forge an institutional identity. As the blurring of distinctions among firms in electronic markets increases, survival requires that you identify your unique role in the marketplace in terms of value to the customer.

Segmentation is only one technique for creating value-added differentiation. Differentiation goes beyond segmentation to other techniques--product bundling and packaging, price, service quality, delivery systems and organization, and strategic themes like rewarding customer loyalty--that create perceived extra value in the eyes of the customers and thereby establish the institutional distinctiveness required for survival.

## Step 2

### Create a Coherent Advertising Plan

The product differentiation plan should carefully lay out the advertising campaign. Online advertising is a form of investment similar to other investments to improve and expand business. The returns depend on the planning and thought that precede the actual commitment and

expenditure of advertising dollars. By first developing an effective advertising plan, firms increase the likelihood of a positive return on the advertising investment.

The first step in developing your advertising plan is to specify your advertising goals. Why are you advertising online? What do you want to achieve? Everyone wants advertising to increase business, but for your advertising plan to work you must be precise. Goals for your advertising include increasing awareness of your business, attracting competitors' customers, increasing the likelihood of keeping current customers and developing their loyalty, and generating immediate sales or sales leads.

You may want your advertising to achieve all of these goals plus some others. What is important is that you prioritize your goals. Keep in mind that advertising works best when it is developed to meet one specific goal at a time.

Once you have determined your advertising goals, select the target audience for your message. Advertising that tries to reach "everyone" rarely succeeds. Successful advertising is written with a specific customer in mind. Try to picture the customer you must reach in order to achieve your advertising goals.

Once you know who your target audience is and what they are looking for in terms of the product or service you offer, you can decide what your advertising will say. Your advertising should "speak" convincingly to your target audience, explaining the important benefits your product or service offers.

New advertising options are becoming increasingly available. In the online approach, you can place ads in newsgroups, bulletin boards, Yellow Page directories and Web pages. Where you place your advertising should be guided by a simple principle: Go where your target audience will have the highest likelihood of seeing or hearing it

Traditional advertising copy tends to be linear in nature and typically assigns the customer a passive role. Interactive advertising, in which the customer has control over what he or she sees, is known as nonlinear advertising and is made possible through the use of hypermedia that allow the reader to click on specially highlighted items to immediately access more information. The challenge in this new environment is the creation of appropriate interactive content that is compelling, informative and nonlinear. Several variations of hypermedia documents need to be developed and experimented with to determine overall guidelines for the development of effective promotional materials tailored specifically for this medium.

Interactivity alone is not enough. To support it, value-laden content is essential. The Internet community appreciates quality information that adds value, since nothing is more obvious than empty promises. So do not expect product advertising alone to be sufficient. To support content-oriented marketing, companies often publish or mail electronic newsletters that report relevant innovations or news. This way, each customer can quickly learn about and assess the comparative advantages of various products in the news.

### **Step 3**

#### **Get the Content to the Customer**

Dissemination of information about the company and its products via newsgroups, listservs and e-mail will constitute a cost-effective method to reach large numbers of individuals in various target audiences. Although on the surface this closely resembles a traditional push strategy, an important difference lies in the ability to build in valuable feedback loops.

Alongside this approach, however, a strong pull-based marketing (marketing by invitation, not intrusion) is a more effective method of marketing on the Internet. One of the essential ingredients of pull-based marketing is the skilled management of customer information and their activities on the Internet so that the most responsive customers can be identified through the use of predictive models. These models will enable you to send the right message, at the right time,

to the right people in the right form.

Feedback loops should be incorporated in the strategy to help continuously drive the marketing program to greater and greater efficiencies and productivity. These loops will capture and store respondent names, response rates to various mailings, and customer activity in terms of access logs of the interactive content stored on the Web page.

Companies must explore the accumulation of customer data through nonintrusive means. Under traditional circumstances, it is difficult for most companies, particularly for start-ups where contact costs are high, to obtain data on their customers, their interests and demographic variables. In contrast, once acquired and analyzed, online information can be immediately used to feed the modeling process and change the interactive content for greater effectiveness. The expected results of this vastly increased flexibility are greater market share, cross-selling successes, and improved customer retention and satisfaction.

#### **Step 4**

##### **Correspond and Interact with Customers**

One of the most powerful features of Internet-facilitated marketing is the variety of potential interactions possible. Among them are four levels of interaction with potential customers:

Passive interaction via anonymous FTP sites. A broad variety of information about the company, product and other related material can be placed in a public area accessible by any interested party by simply dialing in and using the user name: anonymous and password: guest. The goal of this well-known method is to provide a channel where the customer is completely unfettered to do as he or she pleases with no sales pressure.

Direct interaction (one-on-one) via e-mail or chat facility. The goal of direct interaction is to answer questions, answer requests for more information and follow up on a customer.

Group dialog between company and customers through bulletin boards, newsgroups and other forums. The goal of group interaction is to encourage discussion among customers, provide an easy way to answer questions about unanticipated problems that may occur during product usage and simply build a database of long-term, experience-based knowledge about the product and its usage. To do this, create a Usenet news group for discussion of your products. By creating your own forum, moderating the submissions (filtering out irrelevant postings) and providing high-quality information, not only about your products but about your particular commercial sector, you can establish a growing readership in much the same way that newsstand magazines function.

Video conferencing on the Internet using the Multicast Backbone facility where several distributed parties can actively participate and monitor product-related activities. MBone allows the digital broadcast of live audio, video and text with interaction among the participants through a common whiteboard. MBone is a relatively new tool and shows the potential of digital video broadcasts to subscribing audiences.

## **Step 5**

### **Learn from Customers**

Since good ideas are often a company's scarcest resource, efforts to encourage and reward their generation, dissemination and application in the further development of products will build both relationships and profits. One part of learning is evaluation. A real-world test of the marketing plan will provide estimates of marketing-plan productivity, suggestions for improving its productivity and a disaster check.

The market provides measures of consumers' responses to those elements that have been pretested--the product, the price and the communication plan. It also measures the acceptance of these measures. By measuring levels of consumer awareness, product trial, repeat purchase, market share and sales volume, the market gives some indication of the productivity of the elements of the marketing plan.

The information regarding the tracking of accesses to the company's materials over the Internet can be compared with any tangible results obtained through other channels (inquiries, contacts with distributors, end sales, references in literature). This analysis will be used to determine how the company's promotional and marketing strategy and materials can be altered to better suit the needs of the target groups they are reaching as well as to determine how best to reach the target groups not yet responding.

## **Step 6**

### **Provide Customer Service and Support**

Online customer service is an essential part of the electronic commerce chain, where people are more in touch with one another than in any other type of market. This has both good and bad consequences. Word about a new product from a small company can spread quickly and widely if there is excitement; conversely, problems can be reported with equal speed and breadth. Thus companies must be constantly on their toes when it comes to customer service.

When problems confound users, good vendors know the support they provide must run the gamut of phone, fax, CD-ROM, third-party and online services. Online services can include bulletin boards and knowledge bases provided directly by the vendor, public forums or special interest groups (SIGs) on commercial services, or newsgroups and archives on the Internet. Increasingly, however, vendors and users alike are turning to online support over other options for a variety of reasons. Going online may seem impersonal, but it's often less hassle than phoning up a technician who may or may not be there, explaining your problem to a voice-mail machine, providing documentation for your symptoms and then waiting for a reply.

Brand loyalty through customer service needs to be cultivated among online customers so that they can come back for repeat purchases. Few consumers seem to demonstrate lack of brand loyalty quite like those online. When information is needed, the customer is more interested in the source than in a particular brand or even small variations in price. So there is a definite need

to develop loyalty-building methods in the electronic marketplace. The question is how and in what form.

Loyalty and service quality are often interrelated and involve several questions: What does service quality mean in online environments? What are the dimensions of it? Is it based on the quality and speed of delivery, presentation and interface clarity and ease of usage, organization of various products on electronic shelves, and speed of transaction and settlement?

Clearly, marketing strategies and processes must undergo significant modifications to succeed online. Both marketing personnel and the IS people who support their activities will have learn about each other's skills to achieve the results that their organization desires.

**Following are some of the benefits of e-marketing for small businesses:**

Wider prospect reach – the internet has become part of everyone’s life. So for whatever products you offer, there is already an existing market on the World Wide Web. With e-marketing, it allows you to find new markets and potentially compete worldwide with only a small investment.

Cost-effective approach – A properly planned and effectively targeted e-marketing campaign can help your business reach target customers at a much lower cost compared to traditional marketing methods.

Reduction in costs through automation and use of electronic media – e-marketing presents a strong business case in cost savings, particularly in the areas of transactional costs, customer service, digital media channels, print and distribution.

24/7 marketing - with a website your customers can find out about your products and make purchases even if your physical (bricks & mortar) premises are closed or you don’t have physical premises at all.

Personalized one-on-one marketing - e-marketing allows you to reach people who want to know about your products and services instantly. For example, many people take mobile phones and PDAs wherever they go. By combining this with personalized e-marketing, you can create very influential and targeted campaigns.

Increased interactivity – e-marketing allows you to create interactive campaigns using music, graphics and videos. Through two-way communications, interactive games or quizzes, you can engage your audience and give them greater involvement and control over their web experience.

Increased ability to track results – e-marketing makes it easier to measure how effective your campaigns are. It allows you to obtain detailed information about customers' responses to your advertising, through the use of methods such as pay per click or pay per action, etc.

**Disadvantages:**

Slow internet connections can cause difficulties. If the companies build too complex or too large websites, it will take too long for users to check them or download them and they will get bored eventually...

The e-commerce doesn't allow the user "to touch" the merchandise before purchasing it. Because of this, some salesmen are starting to guarantee the possibility of returning the product. In Germany, where a law that regulates e-commerce and guarantees the customers the total refund of the money exists since 2000, the electronic commerce is very popular.

Other factor is the payment: many users still don't trust in the electronic methods of paying and give up buying online because of this.

One of the major disadvantages may be the lack of trust of the users because of the constant virtual promotions that appear to be frauds. This is an aspect that deteriorates the image and reputation of quality and honest companies.

Other disadvantage is the cash on delivery system, since it doesn't guarantee the 100% purchase of the product. This is also the case of thousands of users that dedicate themselves to daily mock big companies by ordering on the internet using false identities.

**Conclusion:**

There is no doubt about it the Internet has changed the world we live in. Never before has it been so

Easy to access information; communicate with people all over the globe; and share articles, videos,

Photos and all manner of media. The Internet has led to an increasingly connected environment, and the growth of Internet usage has resulted in the declining distribution of traditional media: television, radio, newspapers, and magazines. Marketing in this connected environment and using that connectivity to market is eMarketing. E marketing embraces a wide range of strategies, but what underpins successful marketing is a user centric and cohesive approach to these strategies. While the Internet and the World Wide Web has enabled what we call new media.

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