Strength and Weakness of Internet Marketing & It’s Impact on Consumer Behaviour

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Abstract:
Internet marketing is increasing rapidly day by day. Everyone whether Men or Women, Higher age groups or Youngster is shopping online. At present many online shopping websites are available e.g. Flipkart, Snapdeal, Amazon and Alibaba etc. and their sales are growing at faster rate because of high discount they provide or providing goods at lower rate to customers. Whether internet marketing has impact on consumer behavior or not we are going to study. In this article meaning of internet marketing and its various sources is discussed, we also described the four P’s of marketing. Meaning of Traditional marketing and Internet Marketing and the differences between them and their impact on consumer behavior is also discussed. Various tools of internet marketing and their strength and weakness is also described and how can we overcome from this means solution or suggestion part is also discussed.

Keywords: Consumer Behaviour, Integrated Marketing Communication, Marketing Mix

1. Introduction

1.1 Marketing
Marketing is a societal process which discerns consumers' wants, focusing on a product or service to fulfill those wants, attempting to move the consumers toward the products or services offered. Marketing is fundamental to any businesses growth. The marketing teams (marketers) are tasked to create consumer awareness of the products or services through marketing techniques. Unless it pays due attention to its products and services and consumers' demographics and desires, a business will not usually prosper over time.

Marketing tends to be seen as a creative industry, which includes advertising, distribution and selling. It is also concerned with anticipating the customers' future needs and wants, which are often discovered through market research.

Essentially, marketing is the process of creating or directing an organization to be successful in selling a product or service that people not only desire, but are willing to buy.

Therefore good marketing must be able to create a "proposition" or set of benefits for the end customer that delivers value through products or services.
Its specialist areas include:
  • advertising and branding
Here we will study only **Internet Marketing**.

### 1.2 Four P’s

In the early 1960’s, Professor Neil Borden at Harvard Business School identified a number of company performance actions that can influence the consumer decision to purchase goods or services. Borden suggested that all those actions of the company represented a “Marketing Mix”. Professor E. Jerome McCarthy, also at the Harvard Business School in the early 1960s, suggested that the Marketing Mix contained 4 elements: product, price, place and promotion.

In popular usage, "marketing" is the promotion of products, especially advertising and branding. However, in professional usage the term has a wider meaning which recognizes that marketing is customer-centered. Products are often developed to meet the desires of groups of customers or even, in some cases, for specific customers. E. Jerome McCarthy divided marketing into four general sets of activities. His typology has become so universally recognized that his four activity sets, the Four Ps, have passed into the language.

### 1.3 The four P’s are

- **Product:** The product aspects of marketing deal with the specifications of the actual goods or services, and how it relates to the end-user's needs and wants. The scope of a product generally includes supporting elements such as warranties, guarantees, and support.

- **Pricing:** This refers to the process of setting a price for a product, including discounts. The price need not be monetary - it can simply be what is exchanged for the product or services, e.g. time, energy, psychology or attention.

- **Promotion:** This includes advertising, sales promotion, publicity, and personal selling, branding and refers to the various methods of promoting the product, brand, or company.

- **Placement (or distribution):** refers to how the product gets to the customer; for example, point of sale placement or retailing. This fourth P has also sometimes been called Place, referring to the channel by which a product or services is sold (e.g. online vs. retail), which geographic region or industry, to which segment (young adults, families, business people), etc.

These four elements are often referred to as the marketing mix, which a marketer can use to craft a marketing plan. The Four Ps model is most useful when marketing low value consumer products.
Industrial products, services, high value consumer products require adjustments to this model. Services marketing must account for the unique nature of services. Industrial or B2B marketing must account for the long term contractual agreements that are typical in supply chain transactions.

Relationship marketing attempts to do this by looking at marketing from a long term relationship perspective rather than individual transactions.

2. Internet Marketing

Internet marketing, or online marketing, refers to advertising and marketing efforts that use the Web and email to drive direct sales via electronic commerce, in addition to sales leads from sites or emails. Internet marketing and online advertising efforts are typically used in conjunction with traditional types of advertising like radio, television, newspapers and magazines.

2.1 Specialized Area of Internet Marketing

Internet marketing can also be broken down into more specialized areas such as Web marketing, email marketing and social media marketing:

1. Web marketing includes e-commerce Web sites, affiliate marketing Web sites, promotional or informative Web sites, online advertising on search engines, and organic search engine results via search engine optimization (SEO).

2. Email marketing involves both advertising and promotional marketing efforts via e-mail messages to current and prospective customers.

3. Social media marketing involves both advertising and marketing (including viral marketing) efforts via social networking sites like Facebook, Twitter, YouTube and Digg.

3. Internet Marketing today

Throughout its history, the internet has reinvented itself many times – and the changes are far from over. The current web is dominated by socialising, cooperation, sharing and personal entertainment. It is a space both for work and play – an essential tool for virtually every business and the go-to repository for all forms of media culture products. People of all ages are spending more and more time online, and are turning to the internet for better services, convenience and life-enhancing tools: just consider how people use online shopping, online banking, web communities that cross all boundaries, instant news and updates, social networks and chat, self-expression and any of the dozens of other things that the web makes possible. 2010 was the first year where online advertising spend overtook the amount of money spent on newspaper advertising in the USA. It was the same year that online readership overtook traditional newspaper readership, which illustrates just how large an impact the internet has had on the marketing and advertising industry.

4. Global Trends

The internet marketing field hasn’t stood still. Here are some of the current trends:

- Social media marketing. Whether it is a fad or here to stay, social media has made an indelible mark on the web landscape and, concurrently, on marketing tactics. Social media marketing involves using peer recommendations, sharing, building brand personality and addressing the market as a heterogeneous group of individuals. It also uniquely encourages customers to create content and buzz around a product themselves.
Viral marketing. This form of marketing involves the exponential spread of a marketing message by online word of mouth (sometimes referred to as “word of mouse”). A major component of viral communication is the meme – a message that spreads virally and embeds itself in the collective consciousness (“Don’t touch me on my studio” is a recent South African example). Viral marketing is closely tied to social media, since social media platforms and their sharing functionality are the main way that a message is able to “go viral” online. Keep in mind, however, that viral marketing does not make a holistic online marketing campaign and should be just one of many tools used to create awareness and encourage interaction.

Brand as product. More than ever before, brands are creating personas and identities around themselves rather than the products they sell. The online space allows customers to interact and converse with the brand personally and directly.

Ad fatigue. Web users have become very familiar with online advertising and have learned to tune it out – or have even installed programs like Ad-Block Plus to block it altogether. Marketers today have to think of very innovative and eye-catching strategies to entice wary viewers.

Targeting. Virtually all online advertising is targeted to reach specific readers. Unlike the broad-strokes targeting done in traditional marketing (placing an advert in a relevant magazine, for example), web targeting can be extremely precise. With the immense amount of personal and usage data currently available, targeting can be done automatically and extremely successfully.

Golden oldies. Despite all the exciting new strategies, email and website marketing remain among the most useful and effective techniques. These strategies do, of course, use new tools and tactics (like advanced tracking, integration with social networks and customer-generated content), but their essence stays the same.

5. The Future of Internet Marketing

Naturally, it is impossible to predict what the future of internet marketing will hold, but two things are certain:

1. The field is growing and will become the largest and most important marketing sector in coming years.
2. The growth will be driven by new innovations in technology.

On top of that, web users are becoming more aware and marketing savvy, and their attention spans are shortening as desirable content becomes ever more quickly available. This market is more likely to challenge debate and denigrate tea brand – but it is also more likely to share good content and products with an exponentially growing social circle.

6. Technology and Convergence

Convergence is the process by which many technologies meld into one. Consider your cellphone: it makes calls, has a small camera, functions as a web browser and calendar and probably does a range of other software-based tasks. This is a good example of a basic convergence device: many functions are compressed into one piece of technology. Many devices are far more complex. Apple’s new iPad tablet computer performs thousands of possible function and can be used as a portable computer, document reader, web browser, media platform and so on. Convergence also happens between seemingly unrelated devices. For example, some advanced refrigerators include a small computer and internet connection: the appliance monitors what food is in stock and automatically orders the necessary replacements at an online grocery shopping site when you run low. Child-protection devices monitor a child’s location over GPS and its vital signs with a range of sophisticated equipment. Content can now move seamlessly between desktop and mobile devices. In an always-connected, converging world, marketing will have to adapt constantly and spread along these new technological lines.
7. Future Trends

7.1 Consumer Control

The internet has already affected a radical shift in the way that media and consumers interact. Traditional media have a one-to-many approach: the media outlet beams its message down to a host of passive consumers. The web, however, relies on many-to-many interaction: anybody can post content or comment on what they see, and media outlets no longer have complete power over their broadcast message. In the world where everything is social and shared, the consumer has a lot of power—and it is likely to grow. Marketing agencies foresee that they will need to hand even more control over to customers, who want to engage on deeper and more significant levels with content. The trend may go so far as letting customers create and mediate marketing content, with agencies keeping oversight and steering from the side lines.

7.2 Always on the Move

Technological devices are shrinking in size, lending themselves more and more to portability. Already, powerful computers can fit inside wristwatches and cellphones, hide in car dashboards and meld seamlessly with work and home table top surfaces. Consumers will expect to have round-the-clock access to all of their data, regardless of where they are and what device they are using. Marketing messages will have to be just as flexible. There are many opportunities here for even more specific and user-relevant content. A device with GPS will know exactly where it is and where the nearest restaurants, cinemas, shops, utilities and user’s friends are; it will store user preferences and recommend nearby locations. Large billboards can gather user data from the people in the area, average out the demographic statistics and display adverts that are most relevant to the largest number of customers who are passing by.

8. Internet Advertising

Internet advertising could be defined as payment by an advertiser for links, logos and sponsorship opportunities on a publisher's site where the contents of that already attracts visitors independent of the advertising listings. These sites are called ad placements. There is also a cost related to the creation and maintenance of Web sites. Delivering ads to internet users via websites, e-mail, ad-supported software and internet enabled cellphones. Also called an ‘ad network’, internet advertising organizations act as a middleman between the advertiser and the websites and software publishers that display the ads. They make a profit by selling the online campaign to the advertisers and paying the sites to distribute them. Such organizations may also provide software tools and/or ad servers that enable an organization to deliver the ads it generates itself.

The various forms of advertising on the Web are Banner ads, Target ads and paid links. Banner ad is a small, typically rectangular graphic image which is linked to a target ad. They basically serve as billboards to invite the visitor to click on the banner to learn more. Target ads on the other hand are Web pages enhanced by Java applets, audio or forms to a series of linked pages or to a complete corporate "Internet presence" (Hoffman, Novak and Chatterjee 1996). Paid links are a kind of advertising where paid links are included in directories which may contain a large number of paid links.

The prospect on seeing these ads "clicks through" this ad to reach the main target site of this information retrieval process. Thus interactively the prospect chooses to go to a particular site to gather information with just a small clue provided by the ad. This pattern has no parallel in traditional media as we shall see later.

The first advantage to integrating the Web into a campaign's media mix is that it adds another voice to the communication. It essentially makes the communication "louder", which makes it easier to get the consumers' attention. The Web also allows for more information to be delivered to the consumer. Unlike television and radio, there is no 30 second time limit to companies message, and unlike print
advertising, there are no size constraints. Countless bytes of data can be transferred around the world, if desired, to consumers wanting more information on company’s products and services. The only limit to the amount of information they can send is determined by the consumer him/herself.

The Web also allows for interactivity between the brand and the consumer. With technology that changes weekly, multimedia and interactivity on the web in becoming increasingly more accessible. These new capabilities allow surfers to view a product demonstration, hear product sound files, or even manipulate product or screen! This increased involvement with the brand into more product sales and higher brand equity for the company. Thanks to the Web, companies can not only send out information to consumers, they can also receive information from consumers. This allows for a consumer/brand dialogue, which helps companies to better understand their customers. The company can determine all kinds of consumer demographic information and purchasing habits through this dialogue. This will help determine whether or not the present advertising strategies are working and what future strategies should be used.

9. Marketing Point of View

The customer generally has to find the marketer rather than vice versa. This will undoubtedly change the way marketing communications are strategize. Initial presence on the Web is very relatively easy and easy to establish. Also it is international by definition.

Access opportunities are essentially equal for everyone and share of voice is essentially uniform. The Marketing communication cost structure is altered if the Web is seen as an ad medium. Initial setup costs are so low to present minimal or no existing barrier to entry. Advertisers should seriously consider the implications of a media where variable costs (costs of reaching individual contacts) tend to zero.

It provides for combination of direct marketing with store fronts and also brand awareness and attitude change through advertising.

The great advantage of the Web to advertisers is that it provides a means of identifying customers, differentiating them, interacting with them and then customizing purchasing and post purchase service. These actions increase the potential for satisfied and loyal customers. Web interactivity allows customers greater access to companies through customer discussion groups, e-mail, direct ordering and links to more information.

10. Internet Advertising in the Marketing Communication Mix

Internet advertising needs to be viewed as a tool of an Integrated Marketing Communication (IMC) strategy. A strong IMC campaign strategy focuses on the value sought by customers, ongoing database management targeting and customizing of media according to viewer preferences, and the maintenance of a consistent message strategy across promotional venues. The need for consistency suggests a coordinated endeavor between different media, formats including what is placed on the Web. A focus on media purchase and promotion on the Web will also need to rethink target segmentation strategy. Traditional media segmentation strategies may not hold up in a technology driven communications environment. New technology-based segmentation may be necessary.

The Web site is something of a mix between direct selling (it can engage a visitor in a dialogue) and advertising (it can be designed to generate awareness, explain/demonstrate the product and provide information-without interactive involvement). It can play a cost effective role in the communication mix, in the early stages of the process- need recognition, development of product specifications and supplier search, but can also be useful as the buying process progresses towards evaluation and selection. It is also effective as a tool to attain informational and transformational brand attitude change as print and television advertising do respectively. This is because of the graphical and
dynamic nature of the Web which is changing rapidly towards a more multimedia approach on a daily basis.

11. Interactive Media vs. Traditional Media

The goal of a media is to achieve:
Delivery of message to the consumer,
To maximize/optimize Reach and/or Frequency,
To minimize cost,
To be effective & efficient.

A medium should be able to make these goals possible with the best trade-off available. To be able to understand the Web's potential for use and effectiveness as advertising medium we have to look at other media available for advertisers and the Web’s potential for use and effectiveness as an advertising medium we have to look at other media available for advertisers and the Web's advantage over it and on what dimensions.

Media available to the advertisers include television, newspapers, magazines, radio and outdoor. To understand the potential and the effectiveness of the WEB and its potential we take a look at each media and analyze its strengths and weakness.

11.1 Newspapers

The major task of Newspapers is to convey urgent news of distribution, pricing and promotion information. Although large number of newspapers are local we do have some national newspapers but mostly newspaper advertising is limited to a local scale.

11.1.1 Strengths

- **Sense of immediacy:** Every day a newspaper contains something new and has a "now" quality to it. This is an important quality when one needs to communicate something immediately.
- **Local emphasis:** It has a local quality to it which is very important to all advertisers.
- **Flexibility:** They are geographically flexible in a way that they can be used nationally, regionally, locally in a media plan. Also production flexibility allows copy to be changed easily and quickly.
- **Mass Reach:** Newspapers are read by so many individuals in each market total reach per market may include many individuals in each family.
- **Catalog Value:** A newspaper may serve as a catalog for consumers who are doing comparison shopping.

11.1.2 Weaknesses

- **High cost of buying national coverage:** The cost of buying national coverage is very high. This becomes a problem launching a national campaign.
- **Small pass along audience:** Newspapers are rarely passed along to other audiences as magazines are. Relatively less people will read yesterday's newspaper and therefore it only has a day's value to it compared to magazines.

11.2 Magazines

11.2.1 Strengths

- **Selectivity:** Magazines are very successful in reaching certain kinds of selected audiences this versatility is due to the fact that there are magazines based on different topics, for special interest groups, geographic editions and allows for selective media planning.
• **Fine color Reproduction**: Many magazines are able to reproduce images with excellent color fidelity. Color in advertising is a very important factor for certain kinds of products and magazines help.

• **Long life**: Magazines usually have a long life. This effect enables to continue to ended reach long after the present campaign has formally.

• **Pass along audience**: Magazines usually have pass along audiences that increase the reach.

• **Controlled Circulation**: These magazines are targeted towards special interest groups. Advertisers can make use of this circulation to cater to these groups.

**11.2.2 Weaknesses**

• **Early closing dates**: Some magazines require advertisers to have their production done two months before the cover date. The consequence is that marketing, creative work on the campaign has to be done ahead of publication date and it is possible that the marketing situation could have changed by then.

• **Lack of immediacy their homes**: Most magazines lack a sense of urgency and immediacy. In other words readers would not look at a latest issue of a magazine until sometime after it has reached

• **Slow Building of Reach**: Because some readers do not turn to their magazines quickly reach tends to build slowly in this medium.

**11.3 Television**

**11.3.1 Strengths**

• **Sight and sound for dynamic selling**: Audio visual demonstrations are one of the best-selling methods and come very close to personal selling. It is a very effective medium for informational/transformational attitude change.

• **Flexibility**: Network TV allows offers broad national coverage while spot TV allows planners to use markets in any number of combinations.

• **Reach of both selective and Mass markets**: Television may be used to target selective audiences as well as mass using program selection. For instance during Profitable games the audience is generally male on other hand sitcoms during prime time have a mass audience.

• **Cost efficiency**: Television can be very cost effective at times. Daytime television for example has low CPT’s than fringe time. Though overall costs are

• **High, reach is large.**

**11.3.2 Weaknesses**

• **High total cost**: The cost of commercial time can be beyond the means of many advertisers.

• **Short lived messages**: Although audio visual messages have the potential for high recall, the nature of TV advertising is such that either viewer pay attention or they may miss the message.

• **No Catalog value**: It is evident that viewers do not search for commercials when they are in the market for something. They might pay more attention to a commercial.

**11.4 Direct mail**

**11.4.1 Strengths**

• **Response to advertising easy to check**: It is relatively easy to learn whether a direct mail piece was effective with the number of responses.

• **A personal medium**: Direct mail unlike advertising in most media comes closer to a person usually specifying names and addresses. Many people do appreciate seeing their names in print and may pay more attention to the offer as a result.

• **Geographic and Production Flexibility**: Direct mail can be tailored to adjust to a large market and also to a very large area as possible. Production flexibility provides for any kind of paper, ink,
printing technique to be used. Also product sampling can be done and special kind of packaging can be used.

- **Savings using bills:** No special envelope, addressing or extra postage is required when direct mail advertising is sent along with bills or other packages. Although there are creative limitations due to weight restrictions and size of the envelope this method provides for a cost effective way of reaching a target audience.

### 11.4.2 Weaknesses

- **Cost:** Direct mail is expensive due to the cost of postage. Also if production requires high quality job done very large mailings cannot affect the advantage of bulk mailing.
- **Inaccurate & Incomplete Lists:** Direct mail can work best only with accurate & complete mailing lists. Due to people moving from place to place it is difficult to maintain these lists.
- **Variance in delivery dates:** Timing is of high importance in advertising. Although large mailings may be sent out at the same time they may be delivered to different individuals at different times.

The above media are the ones which compete with the Web as an advertising medium. Other media like Radio, outdoor and other media do not affect the Web as an advertising medium as the above media. Although outdoor media can be compared on the basis liking surfing to traveling on the roads and contributing towards impulse purchases it is not the media which would really be affected by the rise of the Web as an advertising medium. Television, Newspapers, Magazines and Direct mail are the media which come close to the internet. This is because of the following reasons:

1. The internet has become dynamic & audio visual providing for effects like produced on the TV screen. Television audiences are migrating to the internet.
2. % of the people remembers banner ad from a Web site as compared to only 10 % remembering a TV ad.
3. Internet users are 34% more likely to be aware of a brand after only a single banner ad exposure and 14% more likely after two exposures than those who have not seen the ad. Studies show that consumers who visit a retailer’s website spend 33% more annually at the same retailer’s store. Online advertising ranks higher than TV ability to create brand like impression. It can provide News and information like a newspaper and on a daily basis.
4. The Web is being used to target and cater to different segments of the market and also to special interest groups. With color reproduction even better than magazines in many cases it can provide a better visual effect.
5. It comes close to the consumer as direct mail reaching them personally through other Internet tools like email and newsgroups. Also identification and measurement of media traffic on the Web is quite easy and effective due to technological advances.
6. It allows for the unique opportunity to catalog, shop and buy at the same time. This specially allows purchasers of High involvement goods to get informed with a good personal attention.
7. The explosion in niche markets, the individualization of demographics of consumers makes the Web a very valuable medium to keep track of and to invest in.
8. Target audience recognition and catering of them is done best with the Web due to its immense potential to address the search criteria of the target audience.
9. The information dissemination capability of the Web is so huge that no other media comes close to it in this respect.
10. Global reach can be obtained on the Web which no other media can ever think of accomplishing.
11. Web as a medium in addition to communicating the sales offer can also offer valuable customer service and 24 hrs.a day.
12. It also acts as a distribution channel for the software industry and could well be the same for other industries like publishing, news etc. in the near future.
13. Web contributes to Brand and Corporate Image advertising as more and more companies are setting up a corporate presence for themselves on the Web.
14. Internet traffic doubles every 100 days.

It is these above significant factors which make the advertising industry take notice of the Web as a potential massive medium. But all is not good for the Web at this point in time. Due to immense cost involved in buying a computer and connecting it to the Internet not many people have access to the Internet. But as more and more people get on to this technological marvel comparative to the invention of the telephone the industry is going to be competitive and will eventually be a mass medium. Also there is the talk about the security factor on the Web which could prove to be a deterrent in its growth. This can be overcome by the research and development by the industry gurus to get over this problem and make the Internet a safe place for commerce.

From an advertiser’s perspective audience measurement, pricing, and auditing of a medium is of utmost importance. Every new medium has to face problems relating to the above till a certain standard is reached. It is the same with the Web and different models and theories have been developed to that effect.

12. Potential Benefits of Advertising on Internet
Advertising on the internet offers potential benefits that are not available through traditional media. This new medium has caught the attention of advertising and marketing experts in several fields, and a range of research has just begun to highlight the differences between online and traditional advertising. Some of the major benefits are as follows:

1. Information Richness: The broadcast nature of television, radio, billboard, and print constrain a traditional advertisement to one short, memorable message. With the internet, the advertising message is no longer so constrained. The internet allows for communicating to consumers substantially more content rich information.

2. Ease of updating: Maintaining an online ad is less costly than maintaining traditional ads and lacks the delays of other media. Furthermore, online information can be quickly and easily changed and updated.

3. Brand Information: An online ad can gives more brand-relevant information important for building brand image.

4. Data Collection: The Company can easily and inexpensively collect detailed data about their internet market, as well as precise measures of which pages in their sites were visited for how long, how the individuals came to the site, and where the visitors originated. The internet also has the capabilities to gather consumer reactions to current products and ads as well as product and ad concepts through such means as online focus groups.

5. Global Exposure: The internet also reaches a worldwide audience, so clearly the internet expands the company’s market to include global market allowing those from around the world to visit the web site.

6. Customization: The internet’s interactive nature allows for greater flexibility than traditional media in type of information transmitted and the method of transmission. Whether the information is should be textual, graphic, video and whether a product demonstration or detailed product description is used, can all be made by the consumer rather than the advertiser.

7. Enhance Customer-Company Relations: Internet advertisements can also be used as a customer service vehicle. Relationships can be enhanced through being available upon demand all day, every day, reducing purchase uncertainty through online product trials or demonstrations.

8. Role Playing: Another important feature of internet is its capabilities of creating a more persuasive and engaging ad. Through the use of interactive games and contests, the online site can encourage role-playing.

9. Purchase Facilitation: Finally, the internet can facilitate purchase decisions not only by detailed product and purchase details, but also by giving consumers the option of buying at that moment.
from their own homes. This removes the gap between ad exposure and purchase response, creating the opportunity for the ultimate in impulse buying.

13. Benefits of Internet Marketing

Consumers are increasingly turning to the Internet for their buying decisions. This makes Internet marketing more important than ever before. According to studies, to carry out preliminary price and product research, consumers are turning to research on mobile Internet and social media before making their final purchasing decisions.

Through regular, affordable customized communication, you can build relationships with prospects and clients with Internet marketing. This serves as a stark contrast to the days of mass marketing, a tactic that is slowly going extinct. Some benefits of internet marketing are:

1. Internet Marketing is Inexpensive

Marketing products through a physical retail outlet is much more expensive than marketing them on the Internet. The recurring costs of property maintenance and rental are not relevant to Internet marketing. Plus, for display in the store, you do not need to fill your shelves and windows with stock. Consequently, you can keep you inventory costs low by ordering stock in line with demand, instead of ordering it in anticipation of demand.

2. Internet Marketing Allows for Convenient Store Hours

Without having to worry about overtime payments to workers or opening hours, Internet marketing gives you the freedom to keep your enterprise open 24 hours a day, seven days a week. Clients will also find it incredibly convenient to shop for your services and products on the Internet on their own schedule. When it is convenient for them, they can browse your e-commerce store at any time of day and place orders.

3. Internet Marketing Provides a Customized Advertising Approach

By building a profile of your customers’ preferences and buying history, Internet marketing enables you to personalize offers for them. You can make targeted offers that are a true reflection of their interests by tracking the product information and web pages that potential customers visit. Also, to help you increase the value of sales by consumers, you can get data for planning cross selling campaigns with the information available from tracking webpage visits.

4. Internet Marketing Helps us take Advantage of Social Media

Social media is growing in importance every day. Internet marketing allows you to leverage this. The link between online revenue growth and social networking was highlighted in a recent study by the Harvard Business School’s Executive Education area.

The study found that there were increased sales of about five percent generated by those consumers who reported that they were most strongly influenced by social networks. By incorporating social media tools in your Internet marketing campaigns, you can take advantage of this type of influence and watch your profits soar.

5. Internet Marketing Provides a Way to Really Build Relationships

When it comes to increasing client retention levels and building relationships with consumers, the Internet is a crucial platform. By sending a follow up email to thank the consumer and confirm a transaction, you can start the relationship out on the right foot when they make a purchase from your online store.

You can help to maintain the relationship and provide a personal touch by emailing clients regularly with special offers that are customized for them. You can also help build a sense of community on your website by inviting these customers to submit product reviews for the items they bought.
6. Internet Marketing Allows You to Reach More People
You can overcome all barriers of distance by using marketing on the Internet. Without setting up local stores, you can sell products in any part of the nation, or even beyond. This widens your target market significantly. Plus, without opening a network of distributors in various countries, you can build an export company.

14. Problems/Drawbacks of Internet Marketing

14.1 Privacy
The use of online advertising has implications on the privacy and anonymity of users. Hosting the banner images on its servers and using third-party cookies, the advertising company is able to track the browsing of users across these two sites. Third-party cookies can be blocked by most browsers to increase privacy and reduce tracking by advertising and tracking companies without negatively affecting the user’s Web experience. Many advertising operators have an opt-out option to behavioral advertising, with a generic cookie in the browser stopping behavioral advertising.

14.2 Malware
There is also a class of advertising methods which are considered unethical and may even be illegal. These include external applications which alter system settings (such as a browser’s home page), spawn pop-ups, and insert advertisements into non-affiliated webpages. Such applications are usually labelled as spyware or adware.

They may mask their questionable activities by performing a simple service, such as displaying the weather or providing a search bar. These programs are designed to dupe the user, acting effectively as Trojan horses. These applications are commonly designed so as to be difficult to remove or uninstall. The ever-increasing audience of online users, many of whom are not computer-savvy, frequently lack the knowledge and technical ability to protect themselves from these programs.

14.3 Limitations
- One of the challenges that Internet marketers face (as does the general public) is that many internet products are outright scams or promoted with deception making it difficult to know which one is worth buying. This is especially the case with products that are supposed to train or aid Internet marketers in making money. While the quality of products has improved in the past few years, ethics are often still missing in online marketing. Many so-called money making products are “empty boxes” in which there is essentially nothing there, yet a buyer is to make money by reselling this empty box to others. Pyramid schemes are also still prevalent.
- The consumer is unable to physically feel or try on the product which can be a limitation for certain goods. However a survey of consumers of cosmetics products shows that email marketing can be used to interest a consumer in visiting a store to try a product or to speak with sales representatives; from here a purchase decision can be made
- The marketer will not be able to use personal interaction to influence the audience as the marketing is completely based on the advertisement and the information that the advertisement might lead to (websites, blogs and other channels).

15. Security Concerns
Information security is important both to companies and consumers that participate in online business. Many consumers are hesitant to purchase items over the Internet because they do not believe that their personal information will remain private. Some companies that purchase customer information offer the option for individuals to have their information removed from their promotional redistribution, also known as opting out.
However, many customers are unaware if and when their information is being shared, and are unable to stop the transfer of their information between companies if such activity occurs. Additionally, companies holding private information are vulnerable to data attacks and leaks. Internet browsing privacy is a related consumer concern. Web sites routinely capture browsing and search history which can be used to provide targeted advertising. Privacy policies can provide transparency to these practices. Spyware prevention software can also be used to shield the consumer.

Another consumer e-commerce concern is whether or not they will receive exactly what they purchase. Online merchants have attempted to address this concern by investing in and building strong consumer brands (e.g., Amazon.com, eBay, and Overstock.com), and by using merchant and feedback rating systems and e-commerce bonding solutions. All these solutions attempt to assure consumers that their transactions will be free of problems because the merchants can be trusted to provide reliable products and services. Additionally, several major online payment mechanisms (credit cards, PayPal, Google Checkout, etc.) have provided back-end buyer protection systems to address problems if they occur.

16. Ethics
Online advertising encompasses a range of types of advertising, some of which are deployed ethically and some are not. Some websites use large numbers of advertisements, including flashing banners that distract the user, and some have misleading images designed to look like error messages from the operating system, rather than advertisements. Websites that unethically use online advertising for revenue frequently do not monitor what advertisements on their website link to, allowing advertisements to lead to sites with malicious software or audience-inappropriate material.

The ethical propriety of advertisers that use web searches for competitors’ brands to trigger their own ads has been questioned.

Some argue that website operators who ethically use online advertising typically use a small number of advertisements that are not intended to distract or irritate the user, and do not detract from the design and layout of their websites. Many website owners deal directly with companies that want to place ads, meaning that the website linked to by the advertisement is legitimate.

The use of technologies like Adobe Flash in online advertising has led to some users disabling it in their browsers, or using browser plug-ins like Ad-block or No Script. Many sites use centralized advertising services whose advertisement may be blocked as a side effect of security and privacy measures, because the services require JavaScript and cross-site requests to function, while such features are often not necessary to use the sites and are a potential source of vulnerabilities.

Some companies perform customer engagement studies in online marketing to insure consumer satisfaction, through the use of online compliance centers, building and deploying fraud detection tools, while inspecting websites and publishers to insure website pages offer the highest degree of information security and compliance with Can Spam Requirements.

17. Suggestions to Improve Internet Marketing
To develop a successful Internet Marketing Strategy for a limited budget as well as a big organization some suggestions are:

18. Know our Market
Your marketing strategy will never be successful if you do not have a clearly defined audience. Before you spend a dime on marketing, figure out your target market first. There’s no need to pay top dollar to hire a fancy market research firm. If you know your product, you should be able to figure out
your market yourself. For example, who will be most interested in your product? Men or women? What is their age group? What are your customer’s interests? What is their likely financial situation? Once you have a thorough profile of your customer, determining how and where to reach them is much easier. This step may take a while, and that’s OK. If you start marketing before you have a clear customer profile though, you will likely be wasting your dollars in places that will never reach your customer. Just because interest is growing rapidly, doesn’t mean your audience is the one making it grow.

19. Set and Reset Goals
Determine what you are looking to gain from online marketing. Increased awareness? Increased revenue? You will probably have multiple goals, but keep track of what they are so you can measure your success. When you reach your initial goals set new goals so your company can continue to improve.

20. Set a Budget
Now that you know who your target market is and have set goals, plan your budget accordingly. The good thing about online marketing is that you can be successful even when on a tight budget. A lot of platforms are available at no charge. However, sticking solely with free forms of online marketing might not be the best strategy for your company. Carefully determine what outlets are most necessary for your product and be willing to spend some money to get results.

21. Brand Ourselves
Set yourself apart from the competition. There are thousands of companies trying to sell products on the Internet. Thus, you need to make your brand unforgettable. This begins with your website. Your domain name should be your company’s name if at all possible. If there are other companies online with names similar to yours, you may even want to consider changing your name to one that will not be easily confused with another product. Acquiring a domain name has a fee involved, but using a hosting service is very affordable even for the smallest budgets.

The way you want your brand to be viewed by customers is really up to you. But once you figure it out be consistent and stick with it. Having a professional website and a strong social media presence is important here, but you should also take the time to interact with potential customers and build relationships with them. The main cost involved in this step is just the man hours put into the process, which will drastically be reduced when you’ve established your brand.

22. Search Engine Optimization
When someone enters a search query into a search engine about something relevant to your company, obviously you want to be one of the first results displayed. So how do you make this happen? Essentially, you need to make your website more appealing to search engines. Do this by using keywords that are commonly searched, back-linking your site, customizing the headline and description, etc.

23. Conclusion
Few things have dramatically and immediately impacted our lives and the way many businesses operate more than the development of the Internet. The ways that some marketing activities are performed have changed as businesses have turned to e-commerce. The Internet provides opportunities for an organization to enhance its business in a cost-effective and practical manner. That is, the Internet can be used to conduct marketing research, reach new markets, serve customers better, distribute products faster, solve customer problems, and communicate more efficiently with business partners. The benefit of Internet marketing includes the improved flow of information, new products and customer services, improved availability, improved market transparency. To design and implement a successful e-marketing program, a number of theories, applications, and technologies
must be carefully analyzed and understood. In this article the investigator is going to consider the best Internet marketing ways for the success of business. The main objective of this project is nothing but understanding the impact of Internet on different marketing areas such as product development and service provision, promotion, pricing and distribution channels. In the project it is demonstrated that when manufacturers connect directly with consumers and shorten the distribution channels, inefficiencies can be eliminated, product delivery time can be decreased, and manufacturers can build closer relationship with consumers. Consumers use the Internet to reduce costs, find products otherwise unavailable, or increase their shopping convenience. Online consumers expect easy, understandable, and secure ordering and payment systems. Customers want assurance that orders will be filled immediately. E-commerce creates value for customers in many ways. Customers are treated as a market of one. They can access a greater variety of products, often at lower prices. The study suggests that businesses should pay special attention to the impacts of the Internet and its uses in marketing to be successful and profitable.

- The Internet is really changing market.
- From website designing, through search online advertising, e-mail marketing and so on.
- They are presenting a vast new array of opportunities to get in front of consumers and deliver marketing messages.

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