

# Marketing on the Internet – The Indian Scenario

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## Abstract

The Internet is becoming one of the fastest growing technologies that are playing a significant role in the daily lives of human beings. Marketing over the Internet is also gaining strength day by day. The Internet is slowly gaining popularity in third world countries, such as India, as well. This paper attempts to begin a discussion on how the Internet evolved at a turbo charged pace from a network of computers to the world's truly first international market; the consumers in the Net market place; how a company can add value to its operations by using the Net; and more specifically, how India can use the Net as the gateway to globalization and to what extent this process has already begun.

## Keywords

Internet Marketing, E-Marketing, E-Commerce, Online Marketing, SEM

## I. Introduction

Khan and Mahapatra (2009) remarked that technology plays a vital role in improving the quality of services provided by the business units. One of the technologies which really brought information revolution in the society is Internet Technology and is rightly regarded as the third wave of revolution after agricultural and industrial revolution. The cutting edge for business today is e-Commerce. The effects of e-commerce are already appearing in all areas of business, from customer service to new product design. It facilitates new types of information based business processes for reaching and interacting with customers like online advertising and marketing, online order taking and online customer service etc. It can also reduce cost in managing orders and interacting with a wide range of suppliers and trading partners, areas that typically add significant overheads to the cost of products and services [Rajiv Rastogi]. Businesses are increasingly using the Internet for commercial activities. The ubiquitous nature of the Internet and its wide global access has made it an extremely effective mode of communication between businesses and customers [Rowley (2001)]. Thompson (2005) introduced that the growth of Internet technology has enormous potential as it reduces the costs of product and service delivery and extends geographical boundaries in bringing buyers and sellers together.

Devendra et. al., (2012) defined that electronic commerce, commonly known as e-commerce or eCommerce, consists of the buying and selling of products or services over electronic system such as internet and other computer network. Intent is the technology for e-commerce as it offers easier ways to access companies and individuals at very low cost in order to carry out day-to-day business transactions. Search engine marketing (SEM) is a form of web advertising that companies use to promote their products and services on search engine results pages (SERPs). SEM is focused on the effective use of search engine advertisements (a.k.a., sponsored results, sponsored links) that appear on the SERP. SEM which allows firms to target consumers by placing ads on search engines has proven to be an effective audience acquisition strategy. Unlike traditional online advertising, advertisers pay only when users actually click on an ad when successfully implemented,

SEM can generate steady traffic levels and tremendous return on investment (ROI).

Boughton (2005) remarked that most online advertising campaigns have two main objectives: brand development and direct response. Selecting an appropriate marketing channel ultimately depends on which strategies will provide the greatest ROI. Firms that offer products and services through the Web clearly stand to gain from Internet advertising because their prospective customers are already online. Non web-based companies may choose online marketing in order to increase exposure and promote brand. SEM allows companies to closely track their ROI from an audience acquisition standpoint. SEM delivers ads to users who are already searching for the products or services that an advertiser is offering, meaning that theoretically, they are only receiving qualified traffic. Unlike traditional banner ads, advertisers are charged based on the number of clicks they receive, not on the number of impressions (number of times an ad appears). Furthermore, many marketing campaigns place a great deal of importance on branding. PPC ads can be very effective in terms of driving home a brand name because they appear alongside search results for thousands of different search terms. SEM is a form of Internet marketing that involves the promotion of websites by increasing their visibility in SERP through optimization (both on-page and off-page) as well as through advertising (paid placements, contextual advertising, and paid inclusions) [Search Engine Land 2007].

This paper deals the conceptual knowledge of search engine marketing or e-commerce, literature review, current and future aspects of e-commerce in Indian context. This paper discussed about the top motivator factors of shopping online. The present development would be a valuable addition to researcher and academicians; and useful theory for practitioners, advertisers, and entrepreneurs. The further research areas are; the quality of sponsored ad text, ad position, Search Engine Optimization (SEO), PageRank, yellow pages, bid management etc.

The Internet is an increasingly expanding medium of interaction that has virtually eliminated geographical boundaries and overcoming previously existing obstacles of global business. It can be considered to be an accidental mega-market born out of technology and that of economic needs. The Internet, the single most sophisticated on line service, is relatively simple and immediate to use; however, these attributes may not enjoy a perceived status of usability for those new to and somewhat hesitant of advances in computer technology. The Internet today offers India best opportunity to expand its market on an even more global scale. This network of computers represents a perpetually open market without geographical barriers to prevent any business from reaching customers all over the world via a virtual market where trade, transactions, cash and commodities flow in the form of electronic consumption.

The boom in computer, telephone and television technologies has had a major impact on the way businesses produce and market their products. As technology has delivered new and better foods, clothes, housing, vehicles and entertainment possibilities, our lives have changed dramatically. Telecommunications is the driving force that is simultaneously creating the huge global economy and

making its parts smaller and more powerful. At the heart of this phenomenon is the Information Superhighway and its backbone, the Internet.

Philip Kotler, one of the most prominent figures of marketing, warns that even though the alert marketers see this technology as producing an endless stream of opportunities, taking advantage of it entails walking a thin line (i.e., companies must avoid jumping in too soon -- before the market is ready -- or too late -- after the market has been conquered (Kotler 1997).

The Internet is an inter-networked system of computers linked by telephones that allow free flow of information from one part of the network to any other, provided the information is packaged according to certain conventions. It was born out of a vision of universal connectivity and global community. Created as a data link among a sprinkling of academic communities, the Internet has fast been embraced by business. Companies are using it to link employees in remote areas, stay in touch with customers and suppliers, and distribute sales information more quickly, as well to sell and distribute goods and services.

The Internet began to grow dramatically in 1994 with the advent of a new, more user friendly application -- The World Wide Web -- which provides company's access to millions of new customers at a fraction of the cost of print or television advertising, and in many cases, distribution. The Web uses a technology called hypertext which allows users to leap from one computer data base to another by simply clicking on highlighted images or text. It employs easy-to-use browsers to capture the public's imagination with the promise of a navigable world of a seemingly infinite amount of information. The World Wide Web's popularity, in turn, has caused the entertainment media and the communication industries to reevaluate their business models. The use of the Internet to carry real time data, such as voice and video, in addition to traditional forms of data, which lent them more readily to packet switching technology, is on the horizon (Lewis and Lewis 1996).

The number of computers in the world grew from less than half a million two decades ago to 200 million in 1996. The number of websites is doubling every 53 days and the number of non-U.S. users is projected to grow from an estimated 40 million in 1997 to 500 million in the year 2000. In India, the Internet subscribers in August 1995 were only 703, but by June 1998 the number had grown to 1,20,000 (Outlook 1998). However, Jay Forrester, the inventor of random access memory, expects that for at least three four generations, people will use computers for what they've always done, only faster (Advertising and Marketing 1997). A profession, no less than a craft, is shaped by its tools. The profession of marketing, its theories, practices, and even the basic sciences that it draws upon, are determined by the tools at its disposal at any moment. When the tools change, the discipline adjusts, sometimes quite profoundly and usually quite belatedly.

## II. Literature Review

Literature on web theory is scant because it is a relatively a new area and the technologists at the forefront of Web design are typically not sufficiently academically inclined to formulate the relevant theories (Day, 1997). While previous research has examined Internet usage (Teo, Lim, & Lai, 1999), commercial websites (Gonzalez and Palacios, 2004), website design (Kim, Shaw, & Schneider, 2003), website effectiveness from the consumers' perspective (Bell & Tang, 1998), pricing paid placements on search engine (Sen et. al., 2008), and bidding (Bernard and Simone, 2011). This form of online advertising emerged in 1998 [Fain and Pedersen 2006], rapidly has become the central business model of

the major search engines [Jansen and Mullen 2008], and is one of the most rapidly growing segments of the online marketing area [SEMPO Research 2009]

Search engine has become a necessity for people to surf the web [Hsien-Tsung Chang, 2011]. It is a simple user interface is designed. Any user simply fills in several fields and the system makes the decision about what to find, where to search and how to look at. The threshold of search is lowered. SEM is an internet marketing model aiming at promoting the ranking of websites in the search engine's search results page which can make a web site introduce into more web users and website traffic [iProspect 2008]. Li-Hsing HO et. al., (2011) explained about exploration of SEO technology applied in internet marketing, Kesharwani and Tiwari (2011) studied the importance of website quality towards the success or failure of any e-vendor. Khan and Mahapatra (2009) studied that the quality of internet banking (i-banking) services in India from customer's perspective. Malhotra and Singh (2007) carried out a research to find the i-banking adoption by the banks in India. Thus, it is high time that India should act fast and decisively in order to use the growing electronic trade to our advantage.

## III. Impact of Internet on Marketing

Clearly, marketing's tool kit is experiencing an unsettling amount of change. The boom in direct and database marketing, the dawning of electronic commerce, new ways to automate sales force management and the sudden blossoming of the World Wide Web all suggest that the discipline is under pressure to redefine itself. The stock market is well aware that something important is developing; venture capitalists and technology companies are making large bets; and students at business schools, alert to any hint that their investment in the development of personal skills might have to pay off in a changed environment, show particular interest in new methods of market making. Mass marketing concepts and practices are taking advantage of new ways to become more customized, more responsive to the individual.

The challenge facing the companies today is how to take strategic advantage of these opportunities to build more desirable products and services, build brand equity and increase revenues and profits (Taradar 1998). The Internet represents new opportunities for the marketers and sales people because it provides a wide reach for all marketing efforts conducted on it. International markets can be opened up at low costs. Advertising and promotion costs in other countries can be significantly reduced, if not eliminated.

With the use of the Internet there can be continuous customer support. Services can be made available through interactive e-mail systems on the net. This saves time and money. In addition, feedback (i.e., research data) from the marketplace can be likewise collected on an on-going basis, and in many cases, in the form of "real-time" data. New products and services can be tested through interactive questionnaires on the Internet. This feedback forms the basis of market identification and segmentation that enables marketers to better position their products.

## IV. Increased Interactivity

The term interactive, as we interpret it, points to two features of communication:

1. The ability to communicate to an individual/business or an entire marketplace, and
2. The ability to gather and remember the response of that individual in a way that takes into account the context of his or her unique response.

Thus, we see interactivity as a tool that allows good marketing to become good conversation. Interactivity has already made major inroads into marketing budgets in the past decade in the form of direct mail, catalog retailing, telemarketing, and the incorporation of response devices into broadcast advertising. Developments in data storage and transmission, however, hold out the promise of new and better interactive tools to manage relations with customers to link the networked corporation to its channels and its collaborators. For example, when a broadcast advertisement elicits a response such as a toll-free call, which is then stored in a computer database and which triggers a personalized direct mailing, it represents a form of low-tech interactivity. A sales representative calling on customers is also engaging in low-tech interactivity. The web, however, promises high-tech interactivity. When a consumer visits a website, many cycles of messages can be exchanged in a short time. Then, when the consumer visits sometime later, the dialogue can resume where it left off. The web medium is as subtle, flexible, pertinent and persuasive as one-to-one dialogue. It boasts a better memory than the most diligent salesperson and has none of the salesperson's distaste for repetitive tasks. Direct marketing and distribution channels, aided by electronic commerce can be used to substantially augment sales through conventional retail and distribution systems. Interactivity is a powerful hook, which enables the customer not just to passively view the pages, but also to answer questions, play games and involve him/herself with the website. Interactivity can be leveraged by ensuring that the website is designed to accept feedback, usually in the form of electronic questionnaires which visitors can fill in on screen, so that companies can tailor their content according to their customer's needs.

## **V. The Market-Space and Cyber Consumers**

The mega-network is now a mega market. The frontiers of the net are dotted by shopping windows wherever in the world there is a computer, a modem and a telephone line. Cyber space is fused with market and the result is -- the market space. This market space is truly global with its main commodity -- data -- not be restrained by international borders, no custom duties, no import barriers. While the old net viewed surfers as mere cyber-pros, business is looking at them as customers who can visit this market space simply by switching on their computers and using their modems to connect to the net. The customers come and go in this cybermart at the click of a mouse. Seated at their computer terminals all over the globe, ordinary people -- who use soap, drive cars, and eat breakfast in everyday life -- are being converted into cyber-consumers as soon as they enter the market-space.

## **VI. Internet Marketing Mix in the Indian Scenario**

### **A. Product**

We now examine some of the ways in which marketers can, and some already have, enhanced and extended the traditional elements of marketing by using the Internet as a marketing tool, particularly in the Indian scenario. Adding product value through information, a product is more than just the physical entity. Relevant information about related topics also adds to the product's value, and make it easy for the customer to make brand and product choices. A marketer can use the website to provide information about the product, and topics related to the product group in which it competes. For example, car manufacturers could give information about travel destinations, diaper companies about childcare, pharmaceutical companies about health care and various

disease states, and so on. Such techniques of providing useful, related information are used in building brand equity by forging relationships, whereby existing and potential customers begin to identify the brand with that particular product category or certain activities.

Brand and site loyalty are developed by providing current and continually evolving information, as this gives visitors an incentive to revisit the website. The concept here is that the website is similar to a magazine which people read and marketers use to communicate product and nonproduction information - it is a living document which needs to be updated, in synchronization with the overall marketing strategy of the company.

Many companies actually allow potential customers to design their own products through interactive websites, within certain specification limits. These orders are then automatically registered and routed to the logistics department. Product choice and convenience of ordering can give customized products (Taraifdar 1998).

As far as Indian companies are concerned, exporters and manufacturers of physical products - from commodities to handicrafts, from leather to tea, from seafood to tobacco - can use the market space to contact customers, but not to deliver their wares. So, the net need not define their product strategy. However, marketers of products that can be digitized and distributed directly over the net can cash in on the cyberspace by designing appropriate offerings. Pure information relating to the Indian markets, the economy and the stock markets are hot among the users of such data, who routinely use the net as their primary shopping spot. The Internet can be the delivery vehicle for providing business information.

Information products like newspapers and magazines from the country are already on the web. Although most of them are free at the moment, the trend is being set by on line publications from the US and UK that charge users a fee to access their news articles and data banks. There are many takers all over the world for Indian news and this market is growing day by day; hence, these services would help develop an information-market that the Indian companies can exploit. Information sellers like the Mumbai (an Indian city formerly known as Bombay) based Center for Monitoring Indian Economy (CMIE) are running websites which surfers can access for data on the Indian economy. Indian advertising agencies also have web-sites that open up their detailed information bases and full range of services to paid subscribers is pointing to the future.

Among the other ideal products for the cyberspace is software. Since software, like information, can be downloaded directly over the net, the acts of marketing, sampling and selling are fused together seamlessly in the cyberspace. Indian software companies targeting global buyers can use the Web effectively to advertise and vend their products. Some companies like the Infosys and the National Institute of Information Technology (NIIT) are already doing this. Educational courses are Web compatible, too. Aptech is planning to conduct online examinations for students, and for delivering online courses through multimedia. The NIIT is starting the Net varsity with its just-in-time training modules. The Indian government set up a web site on August 9th, 1998, giving consumers over the world a chance to access information about the different tourist places in the country, about Indian history, etc.

### **B. Price**

The economics of manufacturing products for the cyberspace is unique, primarily because a product has to be created only once and

stored digitally. The cost of the product tends to be comparatively low because an on-line marketer avoids the expense of maintaining a store and the accompanying costs of rent, insurance, and utilities. Digital catalogues can be produced at price much less than the cost of printing and mailing paper catalogues. As in any other competitive new market, demand and supply, rather than the cost-plus formula will determine the price. The real innovation, however, will be the fact that sales will typically be in small units rather than complete packages - one item of information instead of the entire database; a small application instead of the entire program; individual songs rather than the entire album; one training module instead of the entire course. That is why NIIT's Netvarsity is able to sell its training modules at prices as low as USD\$2 each (Shankar 1998). In addition, the reduction in cost expenditures normally incurred in marketing a product globally (e.g., advertising and sales-teams in multiple markets - nations), can be reduced, if not eliminated, by via the reallocation of these activities on the net; and thus, result in a lower cost, and thus, price, or a higher unit profit contribution.

### C. Promotion

For promotion, the Internet's big technical advantage over conventional forms of media is that the cost of reaching out to each additional person keeps crashing as the web widens. Signals are carried by phone lines at a speed which keeps bills low. The web acts as a cyberspace version of yellow pages. It transcends borders letting a PC user in America access an information docket from a website in India. Marketers should consider the world's net surfing community as a market in its own right. The findings of a Nielson survey says that surfers, as a consumer group, are richer and younger than most people, they are likely to be early adopters of new products and services (Prabhakaran 1996). Indian marketers are therefore now realizing the use of the net to reach global audiences. Many agencies in India are putting in a lot of money to make their popular sites. Specific industries that they are attracting for this purpose are tourism, real estate, publishing, financial institutions and air-freight services - all in the business of exports. The Paper Products Ltd., a packaging company has a home page on India Log, a site offered by Progressive Science Information Pvt. Ltd. (PSIP) whose server is located in the U.S. The most common kind of an ad is a 'banner'. This small patch of text-visual space can be placed as a side column along with other information, or made to creep on to the PC user's screen whenever he initiates a 'search'. This website has already attracted advertisers such as the Malhotra Group and the Ion Exchange Ltd. (Taraifdar 1998). Advertising on the net has been given the name 'webvertising'. Since webvertising is interactive, it can be used to send purchase order forms back and forth, so an advertiser can correlate his ad spend with the sales achieved. The Malhotra Group has reported orders worth a daily average of Rs10,000 (approximately US\$ 250) for its Lazer blades through the Internet. Yet, the web might take years to become a big force in Indian advertising, mainly due to the very few telephone lines available for it by Videsh Sanchar Nigam Ltd. (VSNL) -- thus, limiting the surfer's style. There are only 80 lines supporting Bombay, which has 56 per cent of the total surfers in India. But some of the space sellers in India have bypassed the Indian telecommunication tangle by setting sites in places outside India which have high speed links. This obstacle, however, should and is being diminished as more businesses are realizing the potential for growth in this market. For example, Indian advertisers, have realized that for corporate advertising outside the country, the website is the best option -- in terms of

cost versus benefit (i.e., reach). It is like a permanent face of the company to the world. There is no limit to the amount of information one can give. So, to woo foreign institutional investors who need information about banking and finance in India, having a web site is ideal - thus, the pressure to expand this availability of this technology is increasing.

Customer service and product support has become a strategic lever for competitive advantage. The Internet makes it possible for companies to run 24-hour service centers for their customers across the globe. Customers can log into predetermined websites and request for maintenance and service, giving details of their problems. Complaints get logged into the company's database and request can be served on-line, especially if the product is software or any consultancy service.

### D. Place

In regard to 'place' variable of the Marketing Mix, the most powerful boost to international marketing comes from the fact that the Net makes the physical distance between the buyer and the seller immaterial for digitized products (e.g., software, information, etc.). As for the distribution of tangible - not digitized products - the net can serve as a coordination tool to achieve higher efficiencies. No longer do Indian companies targeting global customers need to set up expensive distribution channels - usually the highest entry-barrier in open markets - in different countries. One website, located in any computer in the world, can service consumers all over the world. Previously, distribution and payment were not integrated on the net and payments had to be made in the real world either through cash or credit cards. Now even that has been simplified with secure on-line payment systems, emerging in the form of credit cards and electronic cash. Another obvious 'place' use of the Internet is that products can be sold anywhere in the world, 24 hours a day, through interactive selling. It takes less time and capital to set up a virtual shop, complete with advertising and merchandising. Small companies can have as much as a presence as the larger ones, their effectiveness being limited only by the creativity of the site design and the convenience which can be provided to the customer.

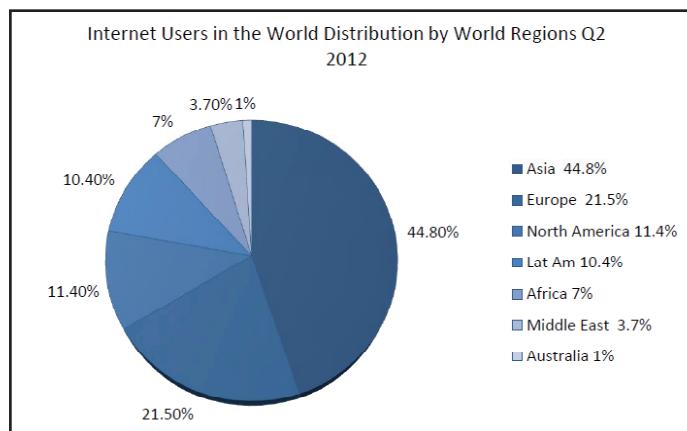
## VII. Types of E-Commerce

Waghmare G.T. (2012) has defined the following types of e-commerce:

1. **B2B E-Commerce:** Companies doing business with each other such as manufacturers selling to distributors and wholesalers selling to retailers. Pricing is based on quantity of order and is often negotiable.
2. **B2C E-Commerce:** Businesses selling to the general public typically through catalogues utilizing shopping cart software. By dollar volume, B2B takes the prize, however B2C is really what the average Joe has in mind with regards to ecommerce as a whole for example indiatimes.com.
3. **C2C E-Commerce:** There are many sites offering free classifieds, auctions, and forums where individuals can buy and sell thanks to online payment systems like PayPal where people can send and receive money online with ease. eBay's auction service is a great example of where customer-to customer transactions take place every day.
4. **Others:** G2G (Government-to-Government), G2E (Government-to-Employee), G2B (Government-to-Business), B2G (Business-to-Government).

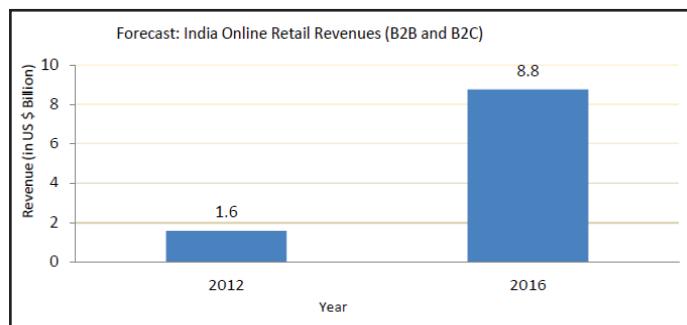
## VIII. E-Commerce in India

The internetworldstates.com shows that Asia has 44.8% internet users in the world distributed by world regions 2012.



Source : Internet World Stats - [www.internetworldstats.com/stats.htm](http://www.internetworldstats.com/stats.htm)

Waghmare (2012) pointed out that many countries in Asia are taking advantage of Ecommerce through opening of economies, which is essential for promoting competition and diffusion of Internet technologies. Large enough to have a critical mass of 10 to 20 million users to be able to make an impact on e-commerce and e-governance. In the next 3 to 5 years, India will have 30 to 70 million Internet users which will equal, if not surpass, many of the developed countries. Internet economy will then become more meaningful in India. With the rapid expansion of internet, Ecommerce, is set to play a very important role in the 21st century, the new opportunities that will be thrown open, will be accessible to both large corporations and small companies. A recent report by the Internet and Mobile Association of India (IMAI) reveals that India's e-commerce market is growing at an average rate of 70 percent annually, and has grown over 500 percent in the past three years alone [geocart.com]. Zia and Manish (2012) proposed that ecommerce revenues in India will increase by more than five times by 2016, jumping from US\$1.6 billion in 2012 to US\$8.8 billion in 2016



Source: Forrester Research Online Retail Forecast 2011 to 2016

Economic times (2013) stated that the next billion users will come from emerging markets, with at least a fourth from "India". Half of those without net access now live in just 5 countries: India Indonesia, China, Pakistan & Bangladesh. Another newspaper Times of India (2013) written that leading online stores such as Indiatimes Shopping, Jabong and Myntra say that almost half, and in some cases more than half, of their sales now come from tier-II and tier-III towns and cities. E-commerce in the country grew 128 per cent year-on-year last year, with 25 per cent traffic coming from places outside the top 20 cities, it says.

## IX. Shoppers in Metropolitan India

Zia and Manish (2012) found that, currently, shoppers in metropolitan India are driving ecommerce: These consumers are primarily buying travel, consumer electronics, and books online. And although spending per online buyer remains low, some 59% of online consumers in metropolitan India already make purchases online at least monthly.

## X. Shoppers in Non-Metropolitan India

Consumers in nonmetropolitan areas will also help fuel growth; unlike online consumers in cities, they are more likely to shop online for goods that are unavailable at local stores. Zia and Manish (2012) estimated that eCommerce retailers in India are expanding their offerings to the online population outside metropolitan India and are investing heavily in the infrastructure to support these cities.10 Online apparel retailer Myntra.com is already seeing demand for its products outside metropolitan India: 50% of its sales are outside India's 10 biggest cities. To widen their reach, for example, multiple retailers are building warehouses outside central locations; testing shipping options that work in rural areas; offering payment options like cash on delivery (COD) that provide options for the unbanked; and subsequently marketing these to semi-urban and rural consumers.

Moreover, Aditya Kulkarni , Product Manager at Google (Jan 15, 2013) pointed out that India maybe behind the curve on the numbers, but they are growing fast, and when they reach the 200-300 million online shoppers, you can safely assume that there will at least be as many e-Commerce players in India as there are in China. That is to say, there will be at least 10-20 successful, large and growing e-Commerce companies in India over the next few years!. I think the successful companies of tomorrow are going to look different from the ones that are on the top now. There's going to be 100-200 million new e-Commerce customers that are going to be up for grabs in the next few years. Another way to look at it is that in 80% of the e-Commerce shoppers of 2016 still are available to be nabbed by e-Commerce sites. And they're going to come from predominantly two categories. First, from Tier-2 and Tier-3 cities as the logistics and connectivity there improve and second, young people that get jobs/pocket-money and start shopping online

## XI. Major Search Engines in the Market

By distinct search engines, means that search engines, portals, and websites who have alliances and who solicit bids for paid placements from a single source are treated as one search engine. For instance, by successfully bidding for a paid link with Overture exposes a seller to traffic from several websites, including MSN, Yahoo!, AltaVista, InfoSpace, AlltheWeb and NetZero. There are various search engines by content/topic such as Baidu (Chinese, Japanese), Bing, Blekko, Google, Sogou (Chinese), Soso.com (Chinese), Volunia, WireDoo, Yahoo!, Yandex (Russian), Yebol, and Yodao (Chinese). Among PPC providers, Google AdWords, Yahoo! Search Marketing, and Microsoft adCenter are the three largest network operators, and all three operate under a bid-based model.

## XII. The Advantages and Disadvantages of Internet Marketing

Melody and Robert (2001) remarked that the Internet can provide timely information to customers because of its ability for instant communication, and its availability 24 hours a day, 7 days a week [Lane, 1996]. On-line marketing offers more choices and

flexibility [Lamoureux, 1997] and, at the same time, eliminates huge inventories, storage costs, utilities, space rental, etc., [Avery, 1997]. People tend to associate Internet marketing with direct marketing because companies participating in online marketing usually shortened the supply chain [Edwards, et al., 1998] and reduced commission and operating costs. The ability to serve as both a transaction medium and a physical distribution medium for certain goods is a unique feature of Internet marketing. Such advantages can be best realized by companies that provide digital products/services such as software, music, news, consulting services, online ticketing and reservations, telemedicine, insurance, banking, stock brokerage, tax, and other financial service industries. Using the Internet as the distribution channel can reduce not only the delivery cost substantially, but also ensures instant delivery of products/services.

Moreover, Ruckman (2012) suggested that Internet research becomes an increasingly important tool during the purchasing process; more marketers are seeing the advantages too. It's a win-win situation. Marketing departments are investing more into online marketing today because it's:

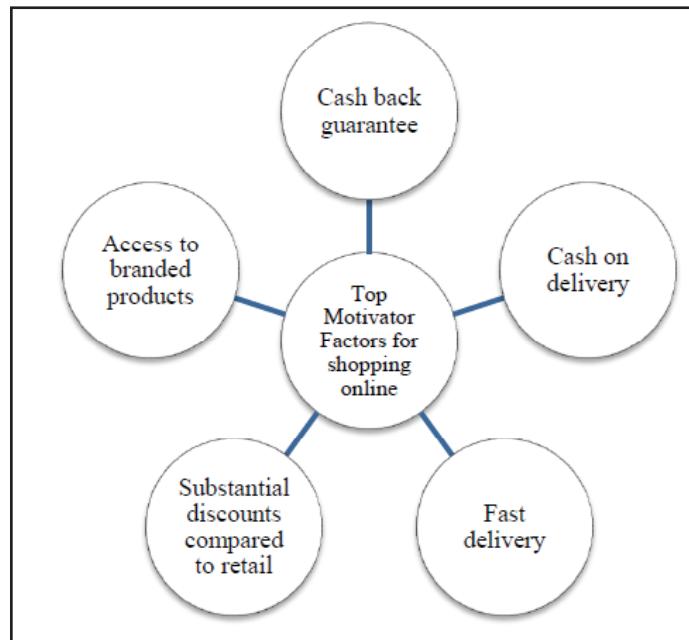
- Attractive to a significant segment of the demographics for most customer profiles. It can effectively reach the target customer.
- Faster and less expensive to conduct direct marketing campaigns
- Measurable, which means that successes are identifiable and repeatable
- Open 24-hours a day
- Cost-effective, in the long run.

### **Disadvantages:**

There is no actual face-to-face contact involved in the Internet communication. For the types of products that rely heavily on building personal relationship between buyers and sellers such as the selling of life insurance, and the type of products that requires physical examination, Internet marketing maybe less appropriate. While internet marketing cannot allow prospective buyers to touch, or smell or taste or 'try on' the products, However a survey of consumers of cosmetics products shows that email marketing can be used to interest a consumer to visit a store to try a product or to speak with sales representatives [Martin at el (2003)]. Some of the disadvantages of e-Marketing are dependability on technology, Security, privacy issues, Maintenance costs due to a constantly evolving environment, Higher transparency of pricing and increased price competition, and worldwide competition through globalization.

### **XIII. Top Motivators For Shopping Online**

Times of India (February 12, 2013) has published that top motivators for shopping online which include cash back guarantee, cash on delivery, fast delivery, substantial discounts compared to retail, and access to branded products, while barriers include inability to touch and try products before purchase, fear of faulty products, apprehension of posting personal and financial details online and inability to bargain.



Top Motivator Factors for Shopping Online

### **XIV. Conclusions and Recommendations**

This paper deals the conceptual knowledge of search engine marketing or e-commerce, literature review, current and future aspects of e-commerce in Indian context. This paper discussed about the top motivator factors of shopping online. The present development would be a valuable addition to researcher and academicians; and useful theory for practitioners, advertisers, and entrepreneurs. Some of the disadvantages of e-Marketing are dependability on technology, Security, privacy issues, Maintenance costs due to a constantly evolving environment, Higher transparency of pricing and increased price competition, and worldwide competition through globalization. While considering the aforesaid limitations; advertisers and end-users can effectively use this modern platform to make life easier and faster. In the next 3 to 5 years, India will have 30 to 70 million Internet users which will equal, if not surpass, many of the developed countries. Internet economy will then become more meaningful in India. With the rapid expansion of internet, Ecommerce, is set to play a very important role in the 21st century, the new opportunities that will be thrown open, will be accessible to both large corporations and

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