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Summary

The foundation of the Internet has offered new advanced business transactions and models for the world economy. Internet marketing is born to adapt to this rapid development of online business. Especially, online advertising has been achieving many successes. According to IDC, the total worldwide spending on Internet advertising will reach USD 65.2 billion in 2008, which represents nearly 10% of all ads spending across all media. It is predicted that this number will be over USD 106 billion in 2011. Internet marketing is defined as the application of the Internet and related digital technologies in conjunction with traditional communications to achieve marketing objectives (Chaffey, D., Ellis-Chadwick, F., Johnston, K. and Mayer, R. 2006, 8). In reality, there are some alternative terms for Internet marketing such as e-marketing (electronic marketing) or digital marketing even though they have a broader scope since they include electronic customer relationship management systems (e-CRM systems) as well.

Keywords: Internet marketing; e-marketing; customer relationship management systems; multi-channel marketing; online sales;

How important is Internet marketing to the success of an organization? There are no exact answers for this question. It depends on the nature of one company business line. There are many companies currently using the Internet as their main business transaction such as DELL, AirAsia, et. However, companies such as UPM, the world's leading forest products producer only uses the Internet as a media to introduce the company and its products to customers via its website. Besides that, during the whole purchasing decision making process, customers not only use the Internet in isolation to search for products but other media such as print, TV, direct mail and outdoor as well. These media still play an extremely important role for the marketers to communicate with customers, for example, direct or face – to – face marketing more or less helps marketers build up the trust in customers and encourage them to purchase the products. Therefore, it is better to use the Internet as part of a multi-channel marketing strategy which “defines how different marketing channels should integrate and support each other in terms of their proposition development and communications based on their relative merits for the customer and the company.” (Chaffey et al. 2006, 5)

The 21st century is predicted to be a century of technologies when everyone, every company, every organization apply them to make their works become much easier

and more effective. The popularity of using the Internet, together with the improvement of computer hardware and software industries, completely boost the development of e-marketing in the whole process of buying from pre-sale to sale to post-sale and further development of customer relationship. New comers in this area have to consider very carefully the use of these modern channels. Since, the role of Internet marketing is to support the multi-channel marketing which is the combination of digital and traditional channels at different points in the buying cycle (Chaffey et al. 2006, xiv - xv). They have to understand which the main marketing channel is and which the supportive marketing channel is. Below is some results drawn from different articles and researches which touch upon different parameters that make many companies pursue Internet marketing.

What are factors which drive many companies to apply the Internet marketing and how does the size of a company relate to these drives? Bengtsson, Boter, Vanyushyn (2007, 27) who conducted a survey with various Swedish companies of different sizes, give their readers a set of quite satisfactory answers to these questions. Depending on the number of employees, the authors categorized them into three different sizes: small, medium and large (turnover and profit should be taken into consideration). They figure out that different factors drive different size companies to adopt Internet marketing including willingness to cannibalize, entrepreneurial drivers, management support, and market pressure. Besides that, they also find out which of these factors drive what size of companies.

Nowadays, many companies have to take the pros and cons of Internet marketing channels and traditional marketing channels into consideration seriously to decide which channel is suitable and more effective for their companies. By comparing and contrasting between companies' motivations to choose between Internet channels and traditional channels, Jaeki Song and Zahedi F.M (2006, 222-238) in their study “Internet marketing strategies: Antecedents and implications”, indicate that Internet marketing is another good choice for any companies. And what attracting customers is a reasonable price provided by companies. The results are only drawn from some successful websites. Failure websites, the reasons of failure, and many risks that consumers have to face when using Internet marketing for example Internet security, scammers etc. also need to be discussed.

When entering an Internet marketing zone, a company should recognize some important issues such as different target customers, another way to contact customers, Internet security, new competitors, etc. According to Chaffey et al. (2006, 20), to be successful in Internet marketing, a stra-

tegic approach is needed to manage the risks and deliver the opportunities available from online channels. Based on their experiences of strategy definition in a wide range of companies, they suggest a process for development and implement Internet marketing with different separated steps: Defining the online opportunity, selecting of the strategic approach and delivery result online. The authors also affirmed that the key strategic decisions for e-marketing are the same as strategic decisions for traditional marketing including selecting target customer groups, specifying how to deliver value to these groups. Segmentation, targeting, differentiation and positioning are all keys to effective digital marketing.

Online sales are not only saving a huge amount of money by reducing store operating costs but also decrease remarkably the fuel consumption needed for traditional sales that contribute a lot to the environment protection program. This was once discussed in details by Chen, Christine Y. and Greg Lindsay in their article "Will Amazon (.com) Save the Amazon?" (2000, 224-225). According to the authors, Internet marketing not only contribute to save space by promoting paperless office but provide easy shipping of products than tradition sales channels as well. When a company advocates for its customers, the customers will in turn advocate for the company. In other words, to be successful, a company has to apply any means to satisfy its customer's interests. By using variety of examples, he proved that many firms of different sizes and business fields were using many techniques to fulfill customer's needs and interests. However, factors such as costs, quality and diversification of commodities should be taken into consideration to have a precise picture of how to advocate customers in general. Chiu Yu Bin, Lin Chieh Peng and Tang Ling Land (2005, 416-435) in their work named "Gender differs: assessing a model of online purchase intentions in e-tail service" figured out how important the role of gender was in online retailing. They concluded that female consumers tended to give lower evaluation to the effortlessness of online purchasing than male consumers. It means that if a company wants to retain and increase number of male customers, it should pay attention on user-friendliness seriously. According to Chiu et al. (2005, 416-435), the right products should be offered to male consumers whenever they order them and companies should respond to inquiries in a timely fashion. This will more or less strengthen the male customers' attitudes and intentions of purchasing. To increase a number of female customers, companies should provide them with a fashionable user guide, for instance, they can attract these target customers with the effectiveness of visual effects and wonderful background music.

In fact, customers also have their own opinions and attitude towards Internet marketing. There are some works which concern what would interest consumers to pursue e-marketing and be willing to use it as well as what would prevent them from using it. In an effort to understand New Zealand consumers more, Chung W. and Paynter J. (2002, 2402-2411), based on their work, drew a conclusion that

it was a must for companies to have privacy policy statements under their website to protect consumer privacy information, to make sure that their customers' information cannot be misused. Some solutions were also discussed in this study to protect customers' privacy. For the authors, solutions such as legislation, self regulation and technical solutions had be combined together to maximize its effectiveness.

The fact is that any consumer is influenced by different factors in his or her decision making process of purchasing products or services. According to George Joye F (2002, 165-180), many customers feel confident to make an order only when they have made a few purchases. They are afraid their privacy can be revealed and misused without their acknowledgment. If buyers do not trust the company which provides online sales services, they will never want to make any online buying decisions. In addition, e-marketing helps consumers to have more different means to search for products' designs, functions, features, specifications, prices etc. so they can compare and contrast products and services before giving their final decisions. Davidson Alistair and Copulsky Jonathan (2006, 14-22) found out that online customers would purchase via the Internet with web maven reviews influencing their mind set. Kim D.J, Kim W.J and Han J.S (2007, 591-603) with their study about online travel agency service came to conclude that the top priority factor which affected customers' decision making in purchasing was lowest price, security, ease of navigation of the website and fast loading time of the website. External factors such as third party recognition also are very important. A company and its website can gain customers' trust easily if a recognized third party certifies that the website is secured. In addition, guarantee terms also contribute to build trust in customers' minds. However, the study can bring more precise results if the participants come from different group ages.

According to Liebermann Yehoshua and Stashevsky Shmuel (2002, 291-300), the factors which can prevent customers from using and believing in e-commerce include: Internet credit card stealing, fear of supplying personal information, pornography and violence, vast Internet advertising, information reliability, lack of physical contact, not receiving Internet products purchased, missing the human factor when Internet purchases are made, Internet usage addiction. The participants for this study come from different genders, group ages, high/low education background, and different marital status. Other variables are also examined for example Internet user/non user, bought online/not bought online and heavy/light Internet user. The purchasing habits of male customers are partially different from female customers. This is also true in e-commerce. Male consumers prefer fast loading speed websites, secured websites (their privacy is better protected). Meanwhile, female customers have confidence to purchase via the Internet mostly because they listen to other females. This can be considered as a big difference between males and females in perceiving Internet marketing.

Based on our study, the Internet not only brings different image to all the elements of the marketing mix but has brought a new way to approach potential customers in a very interesting, creative and cost effective way as well. Moreover, according to many articles by different researchers, it figures out many parameters that make companies and consumers pursue Internet marketing. The Internet absolutely has been offering new opportunities to adapt to the marketing mix. Instead of providing real products, companies use pictures of products with full descriptions to encourage the customers to be confident to make a purchasing decision. Besides that, companies not only are able to reduce product prices by passing by store space and staff costs but also provide customers with new methods of payment. In addition to this, using the Internet also creates a new method of distributing products. About the Promotion element of the marketing mix, it has been diversified in many aspects by Internet applications. Nowadays, there are more and more companies using Internet marketing as a new communication channel to attract customers. Companies of different size can be driven by different factors. Particularly, using Internet marketing contributes a lot to the environmental protection. Besides that, they have to study how to be successful when applying Internet marketing as well as analyzing the advantages and disadvantages of Internet marketing in order to decide what is their main marketing channel between traditional and Internet marketing channels. In fact, this digital marketing forces companies to pay more attention on how to protect their customer privacy and to build confidence in their customers so that they do not hesitate in making purchases. Moreover, companies must understand that like traditional marketing, understanding gender as a factor in purchasing behavior plays a very important role in the success of Internet marketing. To customers, their privacy is one of the most important issues that influence on whether they make online purchasing decisions or not. They are also interested in evaluating the Internet merchants based on competence through professional websites, security and integrity. During the whole decision making process of purchasing, the consumers are affected by a number of factors such as lowest price, security, ease of navigation of the website, fast loading time of the website, especially reviews from web mavens. Internet credit card stealing, fear of supplying personal information, pornography and violence, vast Internet advertising, information reliability, lack of physical contact, not receiving Internet products purchased, missing the human factor when Internet purchases are made, Internet usage addiction are serious problems that prevent consumers from purchasing online. In addition to that, a big difference between males and females in perceiving Internet marketing is another important parameter which needs to be understood precisely.

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