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Scope of E-Marketing in India

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INTRODUCTION

DEFINITION OF E-Marketing

Electronic marketing is rapidly transforming the way hospitality and travel organizations conduct business. Electronic marketing is normally associated with Internet marketing. Internet marketing captures data which feeds into the firm's database; the database is used to generate profiles and lists, which enable the firm to have effective direct marketing campaigns; and two of the media for direct marketing are the Internet using e-mails and CD-ROMs with hyperlinks to the Internet. Underlying electronic business are two phenomena: digitalization and connectivity. Digitalization consists of converting text, data, sounds, and image into a stream of bits that can be dispatched at incredible speeds from location to another. Connectivity involves building networks and expresses the fact that much of the World's business is carried over networks connecting people and companies. These networks are called intranets when they connect people within a company; extranets when they connect a company with its suppliers and customers; and the Internet when they connect users to an amazingly large information superhighway."

How Electronic Marketing will Change Marketing

Marketing Activity	Traditional Marketing	Cyber Marketing
Advertising	Prepare print, video, or voice copy and use standard media vehicles such as television, radio, newspapers, and magazines. Usually only very limited information can be presented.	Design extensive information and put it on the company's Web page; CD brochures linked to your site; distribution of public relations information over the Internet.
Customer Service	Provide service five days a week, eight hours a day in the store or over the phone in response to customer calls; provide on-site visits.	Provide seven-day, twenty-four-hours service response; send phone, fax, or e-mail solutions; allow customers to co produce their customer service; access to frequent guest diner and flyer information over the Internet.
Selling	Phoning or visiting prospects and customers and demonstrating product physically or by projective equipment.	Videoconferencing with prospect; showing the product on the computer screen; enabling customers to purchase their own hospitality and travel products.
Marketing research	Use of individual interviews, focus groups, and mailed or phones surveys.	Use of newsgroups of conversation and interviewing, e-mail questionnaires; access to focus groups over the Internet.

Selling

Hotel, cruise, and airline companies are using the Internet to distribute their products directly to the customer. On-line travel agencies as well as discounters sell a variety of travel products through the Internet. One of the advantages of the Internet as a sales channel is that the customer does the work. The availability of technology to the typical customer has enhanced the opportunities for self-service. For example, a good Web site allows airline customers to choose their flight, select their seats, and make arrangements for special meals. A passenger that wants to explore all options and take twenty minutes to book a reservation can do this on the Internet; thus, the airline does not have the expense of an employee personally going through all the options with the passenger, making the Internet is an effective and efficient way of taking reservations. Internet technology can enhance customer satisfaction as it allows customers to access services when and where they want without the complications of interpersonal exchanges.

One important aspect of an Internet site is to enable customers to contact the company and talk with an employee. American Airlines has found that in addition to a telephone number, a Web chat option is useful for clients using their home phone line. If they have a question, they can contact a representative without going off line. LowAirfare.com features working with a live agent on its site. Agents can assist several on-line customers at one time. While one customer is reviewing his or her options, the agent works with someone else. By providing personalized service through text chat, Low Airfare is able to keep 92 percent of those who begin a transaction. This is a much higher average than most travel online agents.

The Internet is also a good way to get rid of excess capacity. For example, Continental Airlines sends messages to its frequent travelers referring them to the Web site for specials. They can distribute low fares over the Internet, rather than advertise them publicly and set off a potential price war with a competitor. Airlines give the option of listing flights from lowest price to highest price. Thus, price-sensitive travelers can choose the flights where the airlines need customers. Cruise lines and hotel chains also list "specials," hoping to attract price-sensitive customers to fill up their ships and cruises.

Restaurants use their sites to sell merchandise such as gift cards and to take reservations. Dunkin' Donuts is known as much for its great coffee as it is for its donuts on the east coast of the United States. In the past Dunkin' Donuts could only distribute their coffee through their stores. Now they have an Internet site that allows them to sell their coffee to customers who have moved from the East Coast and find themselves without a Dunkin' Donuts near them. Their site features coffee "subscriptions," allowing customers to receive two pounds of coffee delivered to their door on a monthly basis.

Red Lobster sells both live lobsters and complete lobster bakes on its Web site. Morton's Steak House makes its custom-crafted wood-handled steak knives available. Even individual restaurants and smaller chains can sell merchandise over the Internet. For example, Cheeseburger in Paradise on Maui sells clothing.

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Communication

One of the important uses of the Internet is communication. It can provide color views of the destinations and its related activities. The activities may be listed on a menu; thus, someone wanting water sports, hiking, art museums, or historical tours can click on the appropriate menu item and get the information needed. Information is presented in a way that will make potential customers want to come to the destination. A destination marketing organization (DMO) must work to see that the official site is well situated in the main search engines, so that it comes up when someone searches for information on the destination. If the DMO does not do a good job at managing its presence on search engines, a site not portraying the desired image of the destination may be the top one in the search engine. The task of managing the placement of a site near the top of the search engine lists is becoming more difficult as more and more engines are selling placements. Thus, one must pay to be at the top. Marketing Highlight 16-1 looks at some of the issues of designing a Web site for a tourism destination, as well as managing the destination's Web presence.

Web sites for hotels have the chance to communicate information to a number of different segments. The home page, can provide information targeted to reach a number of different audiences. For example, a food and beverage director of a hotel can develop a special site for banquets and catering. In addition to being linked to the home page, these specialized sites can be submitted to search engines. Thus, someone looking for a place to hold a banquet can come to the hotel's banquet site directly. Remember that all a company's potential markets may not think of them as a provider of the service they desire. It is up to the company to communicate directly with the markets they wish to serve. Focus groups are a good way to evaluate the content and accessibility of sites designed for different clientele. Someone using an Internet site should be able to access the page with the information they need in three clicks or less.

Hyatt hotels home page provides an example of a home page that is well indexed. From the home page, the user can go to a specific type of Hyatt (i.e., Park Hyatt), make a reservation, check on special offers, or order a gift certificate. For professional users there is a Press Room, a section for Travel Professionals, and a Meeting Planning Index. Each section provides information that will be relevant to the user.

Providing visual information on the Internet is certainly more cost-effective than printing and mailing out brochures. Many hotels offer visual tours and some chains, such as Courtyard, offer visual tours of the different types of hotels they have such as classic, downtown, and vacation hotels. Those hotels with a focus on meetings may use one of the meeting software packages such as MeetingMatrix, Optimum Settings, or Room Viewer, allowing the meeting planner to diagram the rooms with their desired set-up and e-mail it to the hotel and facilitating communication between the meeting planner and the convention service manager at the hotel.

The Internet allows companies to have a global reach. Someone from England traveling to Malaga, Spain, can find out about tourist attractions, places to stay, and places to dine. The English traveler does not have to know Spanish, as smart hospitality and travel companies will translate their information on their sites into the languages spoken by their target markets.

The Internet is an excellent medium to communicate what products are offered and the benefits of those products. However, information that is communicated should be accurate. Showing seven-year-old photos that were taken after a hotel's last renovation will not create trust with the buyer if they do not accurately represent the present condition of the hotel. Discussion with meeting planners has revealed they do not trust information received over the Internet. They view it much the same way as they view information received in an advertisement. They know the seller created it, and they are skeptical. However, once they find out through use of the product that the Internet is an accurate portrayal, then they view the Internet site as providing

accurate information. When this happens they make greater use of the information and services the site provides. The Internet also provides the opportunity for interactive communication between the customer and the business.

Three Basic Principles of Electronic Marketing

1. **Build and actively manage a customer database.** In this era of scarce customers, companies need to capture the names of and as much useful information as possible about potentially valuable prospects and customers. A rich customer database can provide the company with a strong competitive advantage. The company can search and rate different groups and individuals for their probability of responding to a given offer or highly tailored offers. A database permits a company's targeting to be super efficient.
2. **Develop a clear concept on how the company should take advantage of the Internet.** A company can develop a presence on the Internet in at least seven ways. The company can use the Internet to do research, provide information, run discussion forums, provide training, carry on on-line buying and selling (i.e., e-commerce), provide on-line auctioning or exchanging, and even deliver "bits" to customers.

The company's Web page must be appealing, relevant, and current if it is to attract repeat visits. Companies should consider using state-of-the-art graphics, sound, and video. They should add weekly news or features ("coming next week: Chef Lambert's summer barbecue recipes"). The site can be developed to provide valuable help, such as links to a map showing the location of the hotel or restaurant. Virtual Vineyard provides product expertise and a personal connoisseur to recommend choice wines, Holiday Inn books rooms over the Internet, and Chili's tells where its restaurants are located.

The company must view its Web page critically and ask a number of questions: Why would someone want to surf to our site? If I view the site using the equipment my customers use, does the site load quickly or is a customer likely to leave while they are waiting for graphics to load? What is interesting about our page? Why would someone want to return to our page? Why would someone want to advertise on our page?

3. **Be easily accessible and quick in responding to customer calls.** Customers have high and rising expectations about how quickly and adequately they should receive answers to questions and complaints sent in by phone or e-mail. Make sure the Internet user can communicate directly with the company on-line. People like to be able to communicate with other people. One advantage of the Internet is that we can communicate automatically. The computer can be programmed to book reservations, select and confirm seat assignments on airlines, and send confirmations of reservations, changes in flight plans and other information to the customer or per sportive customer. However, when the user has a question that the computer can answer or they have a problem they would like to discuss, they should be given a phone number to call and an automatic e-mail option. Too many sites have the goal of having 100 percent electronic communication, and they do not include telephone contact information. When designing a Web site, one must not forget the customer and the importance of communicating with the customer in the method they desire. Often the preferred method for some communication is not electronic.

Web Site Development

A company's Web site must project its brand image. People coming to the company's site may not know anything about the company. They may have simply found the site on a search engine. Thus, the site should convey what the company is and what the company has to offer. It should be easy to navigate. Users are not going to wait for graphics to load; if they take too long, they will exit. It is important to access your Web site the way that most customers will access it. If most of your customers are individual consumers, access the site from a modem. Some sites offer a choice of formats, a simple version for low-tech users and a version with enhanced graphics for those who have the technology. The site should also be organized so the users can quickly get to the information they need. Table 16-3 is a summary of the advice of Internet marketing experts regarding the design of a Web site.

The Internet is an excellent medium to communicate what products are offered and the benefits of those products. However, information that is communicated should be accurate. Showing seven-year-old photos that were taken after a hotel's last renovation will not create trust with the buyer if they do not accurately represent the present condition of the hotel. Discussion with meeting planners has revealed they do not trust information received over the Internet. They view it much the same way as they view information received in an advertisement. They know the seller created it, and they are skeptical. However, once they find out through use of the product that the Internet is an accurate portrayal, then they view the Internet site as providing accurate information. When this happens they make greater use of the information and services the site provides. The Internet also provides the opportunity for interactive communication between the customer and the business. Basic principles of electronic marketing are explained in Table 16-2.

Business-To-Business E-Commerce

Business-to-business e-commerce accounts for the majority of Internet commerce. This is in part due to the size of business-to-business transactions and the efficiencies the Internet offers businesses. In the hospitality industry, the Internet is being used to create marketplaces where companies wanting supplies can be matched up with sellers of those supplies. The marketplaces match multiple purchasers with multiple sellers. These electronic hubs go by the name of vortexes, butterfly markets, or net market makers. In the absence of these hubs, each buyer and seller would have to first identify each other and then contact each other. This process would have to be repeated each time a transaction took place. With the electronic hub, the searching and contacting is done automatically. The buyer receives the benefit of receiving offers from multiple companies, and the seller has the advantage of being linked with multiple buyers.

In addition to the marketplaces, the Internet facilitates one-to-one relationships between a buyer and a seller. Food supply companies and office supply companies use the Internet to receive orders from customers. As the Internet matures, its importance to the hospitality and travel

INDIAN OVERVIEW

The Indian private sector has already recognized the attractive economics of e-business. Clearly, the opportunity (and the need) for Indian businesses to get onto the e-business power curve is really quite high. Needless to add, that the potential exists. The size of the transactions were over the net was Rs10 crore, a piddling size when compared to the world, which is expected to cross \$900 billion by the year 2007.

Unlike in the past, where existing attitudes have posed major challenges to adopting a new way of life, with the Internet it has been rather a smooth sailing, thanks to the extraordinary levels of Internet awareness in the country.

As a result of this, companies have been more open to taking studied chances, as is evident. Here, we are not just talking of companies that have static web sites but those which conduct commerce on the net like Color Plus, India Book Shop, bababazaar, Rediff-on-the-net and Shoppers Stop, selling from books and shirts to vegetables and soaps.

The lack of infrastructure was a serious impediment, but bottlenecks are soon being removed. With several private value-added networks (VANs) coming up and with the reach of Internet expanding, this is becoming less of a problem.

In fact, collective experience indicates that firms can deploy e-commerce solutions over the current infrastructure and realize significant benefits from them. To be fair, this is one area that has received focus from the highest levels and there is feverish activity to build bigger bandwidth and crucial payment gateways, which will enable online credit card authorization

Indeed, there is much at stake for, say, an automobile company or a fast-moving consumer goods company which has multiple offices with different manufacturing sites and warehouses etc across the country. Infact, Dynamix-a software infrastructure solutions company, is in the process of helping TELCO to replicate the Ford "just in time technology" The recent announcement of Hindustan Lever indicates that soon all of its cosmetic line will be made available only on the net, with one center in each city acting as demonstration/guidance center.

The country needs to get its legal, legislative, regulatory, infrastructure and manpower ready for ebusiness. We already see some of this readiness, and hence, India is ready to boom in ebusiness. While the air of optimism persists, the fact remains that in India Electronic Data Interchange (EDI) has not really taken off. Therefore, doubts persist whether corporate and government in specific will adopt and accept this as quickly as is made out. One of the main reasons is the high entry cost of EDI because of which companies fight shy of trying out.

E-business really means, the extension of business systems and providing an easy-to-use interface between the external world and the organization, while increasing reach. Where one can complete the transaction online and integrate the supply chain into transaction management process.

Within 30 years, the Internet has grown to the Information superhighway. Just as the railroads of the 19th century enabled the Machine age, and revolutionized the society of the time, the Internet takes us into the Information age, and profoundly affects the world in which we live. Today, some people telecommute over the Internet takes us into the information e.g. and profoundly affects the world in which we live. Today, some people telecommute over the Internet, allowing them to choose where to live based on quality of life, not proximity of work. Many cities view the Internet as a solution to their clogged highways and fouled air. Schools use the Internet as a vast electronic library, with untold possibilities. Doctors use the Internet to consult with colleagues half a world away. And even as the Internet offers a single Global Village, it threatens to create a 2nd class citizenship among those without access.

The ratification of financial transactions reconciled without paper via the internet by the Reserve Bank of India. A critical issue, it is expected to be resolved once the government passes the Electronic Support Act and the Information Technology Bill. Institutions such as RBI and SEBI are considering various ways to make usage of electronic systems mandatory for areas such as interbank settlements, payment of dividends etc. These bills also contain a comprehensive range of provisions that are expected to usher in e-business in India.

To add to this government incentive has been minimal in the past. However, the fact that EDI-related issues are being addressed by the government, is again indicative of the change in the offing. For instance, government agencies like ports are moving to exchanging documents through EDI and are planning a complete move to accept documents in only EDI. Similarly, a major pilot project in the auto industry was successfully completed last year by ACMA (Auto Component Manufacturers Association), paving the way for its wider acceptance.

Welcome to the new invasion of technology in the Indian banking system.

In developing countries like India with a vast majority of the population living in poor conditions, technology plays an important role. Technology to the extent that it helps to reduce costs is a welcome I India. This could be explained by the fact that to process a banking transaction manually it costs around Rs30-40 where as the same transaction on the Internet would cost Rs.7-8.

In countries like India technology acts as a leveler that removes inequality between people of different income groups. For example poorer people who visit banks for their regular banking activities feel that an unequal treatment is meted out towards them as against their richer counterparts, especially with the insignificant sums of tier transactions; while the same people feel more at ease with an ATM that shows no emotion and all clients are treated alike.

Internet hits the Indian banking sector

Today you send an email or pick up a telephone and your banker lands at your doorstep. Welcome to the new invasion of technology in the Indian banking system! The liberalization and the technology-invasion have worked wonders for the banking sector, say bankers. If ICICI has shown what technology can do for banks, others have quickly realized the potential and are fast trying to catch up with it. Is technology then the new driver in the Indian financial system? When all the banks and financial institutions are offering the vanilla product, the differentiation had to come from service. This automatically put pressure on the institutions to adopt technology as their USP. According to industry estimates, some of these new banks on an average send out 500 emails on a daily basis regarding new products, services, or other routine matters.

Internet banking is fast catching up. Banking will never be the same again in India.

Welcome to the new invasion of technology in the Indian banking system.

ICICI announced a tie-up with a Compaq-led consortium for setting up the country's first payments gateway to facilitate secured on-line B2B and B2C e-commerce transactions.

This will be the first payment gateway tailored to meet Indian requirements and will not be subject to all the regulatory concerns that cloud other non-India based payment gateways. The gateway offers the flexibility of multiple payment modes including credit, debit and smart cards, direct bank debits and e-cheques. The ICICI e-commerce payment gateway will launch a state-of-the-art internet payment system and is set to open the world of e-commerce to many more merchants, consumers and businesses in India by significantly lowering the cost and complexity of enabling secure transactions over the Net. The customers credit card number will be protected through hardware cryptographic devices so that the only information available to merchants is a code. This will substantially reduce the capital costs of merchants.

MOVING "TOWARDS E-BUSINESS....."

The statistics show that 90% of all new businesses fail. We believe that is a direct result of the failure to plan. Take the opportunity to plan and increase your chances of success. While preparing for this topic there were several examples as well as case studies that we reviewed. These like most others left us starry eyed. They seem to have this effect on most people our age. But E-Business is not only success stories. There are several stumbling blocks that young entrepreneurs have to face. There are several startups that do not meet the "eyeball".

Here we have tried to explain the tribulations that go into creating a ".com" and "moving towards the e-business". We have made a comprehensive but necessarily an exhaustive e-business model.

There are 4 types of businesses that can be carried out over the Internet. They are:

1. **B 2 B** : that is Business to Business transactions that take place on line. For example "dell.com". This company sells computers to several other enterprises via the internet thus eliminating the middleman and reducing costs by a great deal.
2. **B 2 C** : that is Business to Consumer transactions that enable companies to get in touch with, service and make sales to their customers via the world wide web. For example "rediff.com" which sells everything right from music to books on the net.
3. **C 2 B** : that is Consumer to Business transactions where in the consumers specify their requirements and the business tries to meet them. Thus the consumer gets the best bargain and businesses face fair competition. Eg "priceline.com"
4. **C 2 C** : that is customer to Customer transactions where in customers trade within themselves through auctions. Eg. "Ebay.com"

With the changing times in the age of net, e-business cannot be just restricted towards being merely a B2b and B2C but with time it has also grown and is clearly even developing as C2C and C2B.e.g. ebay .com and price line used by various airlines like delta.com. The prices of tickets are no longer fixed but depend upon the place, time of booking, destination etc. and not necessary that the price paid by the passenger boarding the flight will be the same as the rest of the passengers. In fact, now it is the customer who makes the offer and the organization has to make the counter offer.

The basic question to ask is **whether to go online or offline?**

You could judge your business on these criteria-

1. Whether the decision is an information intensive purchase decision?

This will help in a way e.g. say a commodity like matchbox there is hardly any need for any information before hand while purchasing one. hence, e-business would not be advisable.

2. Price, selection and frequency of change in the product?

A product like a personal computer which keeps on innovating very fast due to technological advancements, it is extremely important to have latest information and hence e-business is important.

3. Will customization aid the user?

In products where customization is important then business on the net is very useful. Take the example of Levis jeans, they offer you the option of designing your own jeans and have them custom made to your choice.

4. For sale of the product, is the touch and feel necessary?
5. Is there a need for new channels of distribution?
6. Is the product of the nature of a slow moving commodity?

For products like antiques, paintings etc. it is preferable to go on net since there are larger prospective customers that can be tapped at reduced costs.

7. What category of customer is the target?

In India nearly 70% of the users are in the age group of 25-40 years. Hence if it is a product that appeals to this segment e-business is the right option.

The First move towards e-business-“the idea”

1. You need a clear “Value Proposition”. Unambiguous and clear picture of your idea helps reduce cost and cycle time, increase productivity and increase bottom lines. You have to analyze what you are offering your customer in terms of value!!!! An idea which has no impact on society is not a good idea.

A good idea is one which is

- a. Scalable: this kind of an idea has a lot of scope and can expand across markets.
- b. Malleable: it can adapt to new markets and can forgo what it had initially started with. It allows you to move across related businesses with ease.
- c. It should not be averse to the constant addition of new features to attract eyeballs.

“Profit is an opinion. The only real happiness is cash flow.”

Narayan Murthy

- d. Unique and probably offers you “the first mover advantage”.
- e. “Be distinct in the market place” you have to prove you are better than the others and in what way?
- f. Your idea should have a wide application. **CLEAR FOCUS IN A WIDE MARKET IS THE NAME OF THE GAME**

2. Create a clear revenue model You should show source of revenue. Whether it is from sales, advertising, franchise or whatever may be the case. The source must itself have growth powers at least for the next 10-15 years.

3. “Keep the HR ratio low ” . i.e. Hype to reality. If you are unable to live up to the standards created your credibility is lost.

4. Patent the idea: “The world is your oyster and entrepreneurs are global people”. If not in India patent your idea with an international authority, it may cost a bit more but it is worth it as against the risk of losing your brainchild.

5. Try and get a digital certification. It helps you to certify the real identity of the merchant. There are only 2 companies that provide digital certification ie. Verisign and Thawte. The former does not give certification to Indian companies and the later is soon going to be taken over by the former. So, in this case one could

- A. Set a subsidiary in the USA.
- B. Take up secure space with another company
- C. Tie up with a US agent, which charge a high price per transaction.

“Anyone who thinks the customer isn't right, should try doing without them for ninety days.”

6. Know your client .On the Internet it is very easy to lose customers. Your client would most probably be from a higher income group and therefore usually a well read and opinionated bunch. These are the kind of people who get you other customers by their word of mouth publicity. A single dissatisfied client can spell disaster as seen in the case of Walmart: the superstore. One dissatisfied customer started a site called “Walmartsucks.com” as a sign of protest against the company and to date this site has attracted the several aggrieved customers of the store and has a million hits a day!

7. Know your competition. E-business faces competition from the real as well as the virtual world. Your competitor is just a click away. You have to be constantly alert and aware of the features being offered by him in order to keep your “critical mass” and retain your “first mover advantage”.

8. “Build a good team”. Your team should have mutually exclusive and collectively exhaustive skills. Team members should be experienced, energetic and enthusiastic. Get members from every field to make up for each other's deficiency.

9. The team should have a shared vision. “Aspirations that can be achieved asymptotically” Microsoft has a shared vision of one P.c. for every task. This is a vision, which also serves as a continuous ongoing ambition.

10. Identify a clear leader. There should be no diffused authority. There should be only one leader, some one who brings more value to the table than the others.

11. **Have a clearly defined value system.** A value system is like the rudder in the ship to show you path in times of tribulation.

"Even if you're on the right track, you'll get run over if you just sit there." -Will Rogers

12. **The most important decision. SHOULD YOU GO IN FOR VENTURE CAPITAL?**

OPPORTUNITIES

- Liberalization of telecom sector
- Rapidly growing industry.

THREATS

- Instability of government and the erratic government policies
- Fast technological obsolescence
- Lack of telecom infrastructure
- Slow down of Indian economy

OBJECTIVES

- To study the feasibility of e-commerce for a wide range of activities such as advertising ,marketing, customer services etc.
- Exploring the cost aspects of marketing on the network
- Past and future trends of e-commerce & internet marketing at a globalised level in terms of business volume, usage pattern and consumer inclination towards using e-commerce.
- To identify the market, product and make an in depth comparison of the same on certain parameters, which will be defined in the due course of the proposal.
- To ascertain potential market and competition.
- Ascertain the consumer preferences and satisfaction factor.
- To highlight the perception of the consumers for the internet.

SCOPE OF THE STUDY

Information technology and technology in general creates advantages and disadvantages. Technology can be used, abused, misused, misunderstood, mistaken and maltreated. As there are a lot of advantages of Internet technology, at the same time it can obviously hinder marketers from their tasks.

The Internet can also hinder marketers in many other ways. Some of them are as follows:

- Failed expectations - slow downloading and slow access, useless material; slow customer service response
- Global complications
- No PR gatekeeper
- Security - credit card fraud; infiltrators and vandals; database abuse; rogue sites; viruses
- E-nasties - fakemail; hatemail; mailbombs; unwanted enrolment
- Dumb search engines
- Unaudited audiences
- Exhausted audiences - addicted; depressed; overloaded
- Cyberskivers
- Trademark hijacking
- Tax complications

Failed expectations

Slow access (getting on-line), slow downloading, incomplete sites, slow customer service responses, combined with a plethora of useless information, all create a certain sense of disillusionment and an overriding feeling of failed expectations. The Internet does not live up to its promise currently.

The lack of cable infrastructure combined with the lack of high-speed modems and super fast PCs means that many users cannot download information quickly. It can take up to ninety minutes to download three minutes of music. Digitized photographs can take three minutes to download onto a PC. On top of this, the explosion in users and the subsequent growth of traffic is threatening to clog the system making it difficult to access popular pages at peak times or even get onto the Internet in the first place.

Certainly the incomplete web sites with pages 'under construction' and slow access combined with slow downloading means many users are switching off and not returning again. There is a real lack of 'net savvy' with lots of poorly designed web sites built without any underbid instructional ~ blueprints. Poor quality materials and difficulties of downloading images, video clips; incorrect information, malicious information and useless information are also some of the reasons for disappointment.

Global complications

The global nature of the Internet presents two problems in marketing: branding and compliance. Moving into new media requires more than placing an existing brand on a web site.

No PR gatekeeper

Customers and competition are watching you! Different audiences can access the same message,. Different audiences or 'publics' have access to the same information on most web sites. This means that a pressure group has access to the same information which the shareholders might see, unless the site has exclusive areas or 'members only' areas which are only accessed by member passwords. This demands new thinking on the part of the public relations team who previously could act as an information gatekeeper and tailor messages specifically for the local community, employees, customers, shareholders, pressure groups, regulatory body's etc.

Security - credit card fraud

Nothing is 100 percent secure. Internet is also not an exception. Credit card fraud, infiltrators and vandals, database abuse and rogue sites all present serious problems to marketers. Because of the security risk involved in giving credit card details over the Internet, many customers are hesitating and not following their electronic enquiries through to purchase. The Internet gives rise to new unfounded fears since many customers are happy to release their credit card details over the phone.

Hackers can break into a site and change the content put up a rogue site or satirize your web site. With a click, hackers can copy a web site into their directory and alter words, logos or images. Users might mistakenly access the satirical site when looking for the real site

E-nasties

There are other nasties out there on the Internet including Fakemail, Mailbombs, Unwanted Enrolment and viruses.

Fake email messages seem humorous but can have a devastating effect on some of the recipients. Fakemail messages can come from anyone. All recipients are informed that they have won, been promoted, sacked, seconded etc. Nasty messages, or hatemail, are not quite the same as the 'traditional' fakemail since hatemail is real email sent by very angry people to very real people. Worse still are the Mailbombs. 100 megabytes of messages and mailbombs have previously brought one organisation's computer system to its knees and led to the organisation's Internet supplier suspending its access.

The big worry for anyone using the Internet is catching a virus that will eat into our files and destroy everything. Downloading multimedia presentations opens up the receiver's computer to the dangers of collecting a virus. A virus can destroy files and sometimes hiding until it is released later at a specific time.

Dumb search engines

When searching for a particular brand, person, item or subject a user can call up a search engine and key in a word. Some search engines search according to the number of references a particular site might have. So, if a competitor wanted to grab all the Internet traffic aimed at its competitor, they could, insert thousands of tiny words almost invisible to the eye. The tiny words could be laid out to form an overall pattern or image, which looks innocent but in fact uses the competitor's name on their site. Another naughty approach is to insert a word repeatedly in the background in the same colour as the background color, thereby becoming invisible to the eye but visible to some search engines.

Un audited audiences

As with any medium, marketers are interested to know about the audience. Measuring audience sizes currently presents marketers with a problem: many sites report the number of 'Hits'. The problem is that one person can roam all over a particular web site and register a click for each page, even registering a click if they go back to a page already opened. Measuring user hits can be misleading, since one user counts as multiple hits when accessing multiple files or pages on the same web site.

Exhausted audiences

Information fatigue is all around us. In fact information fatigue syndrome contributes to stress, which increases illness and ultimately poor performance and absenteeism. There is too much information out there. Almost 100 books are published daily around the world. How to find the relevant information, the accurate information, the easily updateable information, is now compounded by Information Addiction. In the vast cyber world, users can eventually get lost confused, frustrated and increasingly anxious and might just switch off.

Self service customer service

Won-designed Web sites can offer round the clock service for customers who have access to the Internet. In fact customers can service themselves. FAQ's (Frequently Asked Questions) can be answered on line instantaneously, clearly and in a polite, friendly and personal manner. It is possible to build in personalized messages to the customer to check to see that everything is now all right.

Self service customer abuse

Any customer service can damage customer relations if the responses are slow, ineffective or non-existent. The problems are aggravated, however, when already agitated customers with problem cannot get through or cannot get a clear or friendly answer. This is particularly true of the Internet. On the Internet, expectations of speedy responses are high. Only one third of the companies bother to respond within 24 hours, and some, including Mobil, Nike and US Airways, didn't bother to respond at all. Their Web site has generated dissatisfied customers because their problems had apparently been ignored. You don't have to be abusive, to customers to insult them; a lack of response will suffice. However it isn't hard to improve as most organisations are starting from a relatively low level of customer service on the web.

Self-service cost savings

Self-servicing customers save the organization time and money; for example, Sun's round the clock technical document facility, which allows customers to help themselves, has decreased customer calls by 20 percent. Paul McFarland reinforces this idea by adding a 'zero cost way to promote a Web site to an absolutely key target audience' - use the record message on the switchboard's automated operator system. When calls are intercepted before reaching the operator, the system tells callers which numbers to press for various departments. The Web address should also be given out and call us advised that they can also send an email, order brochures and annual reports, request press information, find answers to FAQ's (frequently answered questions) on the Web site if preferred,

Cyber-skivers

Surfing, browsing and wandering around the Internet can cost time and money: executive time and phone bills as well subscription bills. Nielsen Media Research revealed that employees from Apple Computer Inc, AT&T and IBM collectively spent 350 eight-hour workdays visiting the soft porn web site, Penthouse, in one month.

Trademark hijacking

Internet domain names have a country of origin attached to them e.g. addresses ending in 'UK' and 'IE' is United Kingdom and Ireland respectively. So Microsoft will register their 150 domain names (one for each country). Companies that don't register their names complete with the country of origin suffix leave themselves vulnerable to local laws of name ownership. The Asian country Turkmenistan has become another country Keen to sell Internet domain name. Not all countries allow this kind of trademark hijacking.

Tax complications

A problem that won't go away. Where should taxes be paid for goods and services provided over the Internet? In which country does the transaction occur?

FUNDAMENTALS OF EFFECTIVE MARKETING ON THE INTERNET

The Internet provides an excellent communication tool that lets you reach tens of millions of professional users. The problem is that although this might seem like a marketing dream, you have to tread very carefully and observe the Internet rules of etiquette. Following are few rules to make marketing effective on the Internet so as to compete in the market.

Provide a service

In order to attract new visitors and to keep regular visitors coming back, you need to provide the visitors with a service. The best way to ensure success is to include all the information a visitor might want, provide timely or updated information to keep them coming back, and make sure that the site is well designed and fast to download so that they are not put off by slow speeds.

Timely information

To make sure that your site is a regular stop for visitors, make sure that you include updated and timely information about your products or services or information that might be useful to your visitors.

Feedback

Keep the Web site interactive and try encourage visitors to provide feedback and the service or to provide new information.

Global requirements

Make sure that you provide relevant information for your global audience. Think about how the needs of a local customer might differ from a visitor on a different continent. This can be, as simple as including information on your worldwide distributors or providing pages that are translated into different languages.

Integrate Internet Marketing

Try and integrate Web site marketing efforts and budget within the overall marketing for the company. If you are a huge company, make sure that everyone in the department knows about the Web site and how it works. If you are a small company, you will find it useful to write down your marketing tasks - for traditional and Internet marketing - together with an agenda for actions, costs and results.

Participate on the Internet

One of the best forms of marketing is to go out and be heard. With the Internet this means someone should participate in newsgroups, answer e-mail messages and ensure your 'Web site is up to date.

Neat design

Keep the design of your Web pages neat and ensure that there are not too many large image files that would take a long time to download. For example, if you have spent a lot of effort creating a rich site you could spoil it with too many graphics that take minutes to download.

Don't abandon other channels

Treat the Internet as a new opportunity rather than as a replacement for existing marketing and advertising. It is not worth developing a Web site at the expense of print advertising or mail shots - these traditional marketing methods can be measured and will reach existing customers.

Increase the number of visitors

There are many ways of increasing the number of visitors that come to look at your Web site. Some require effort on your part, others are simple and need only forward planning. Here are the best ways you can improve the traffic to your site.

- Use newsgroups to reach-an audience
- Link to related sites
- Swap banner advertising
- Announce your Web presence
- Use signature flies
- Provide something for the visitor
- Select an effective domain name
- Register your Web site with search engines
- Submit your Web site to magazine reviews

Correlating Internet with Marketing and Advertising

www.toyota.com few years ago, no one would have known what this meant. Today, companies ranging from industrial giants to emerging startups are using the Internet as a marketing-and-advertising medium.

Entrepreneurial companies, in particular, can benefit tremendously from the use of the Internet as a marketing, promotional, and advertising tool.

On the Internet, you can create a Web site to attract customers and clients. You can advertise your site with so-called "banner ads" on other sites. You can increase traffic through the smart use of promotions. You can use e-mail to round out your electronic business-building efforts. These four steps comprise the building blocks of advertising-and-marketing on the Internet. Taken together, they are unleashing the fastest-growing marketing opportunity since the coming of television a half century ago. What follows is a discussion of each.

Build a Web Site

The starting point for any company interested in using the Internet as a marketing vehicle is your own Web site. Several years ago, building a Web site was a mysterious and complex task. Today, an entire industry has grown up around Web-site development, and the Web is a well-accepted new medium of communication.

For companies, a Web site is becoming as common as a printed brochure, although with substantial benefits, such as lower distribution cost, worldwide access, and the ability to communicate with customers (this is called "interactivity") and create a "community." While building a great Web site can be expensive, it gives you access to many more prospects for a price that is comparable to developing a print-marketing campaign.

In addition to creating your own Web site, it is critical that you publicize the existence of your Web site. Many small companies overlook this and forget to include their Web-page addresses on printed materials, business cards, and advertisements. Publicizing your site on the Web is also important.

The most effective way to do this is to get your site listed on a variety of "search engines," or places people go on the Web to search for specific Web sites, such as Yahoo! (www.yahoo.com), Lycos (www.lycos.com), and Excite (www.excite.com). There are a number of products--including Web-based ones such as Submit-It (www.submit-it.com)--that help you get listed in these search engines.

Advertise Your Site

Once you've got a Web site up, the most common way to advertise your site (and hence, your business), on the Web is through something called a "banner ad". A banner ad is the image that you see at the top of a Web site that says something like "Click here to fly to Jamaica," (which might be a banner ad for an airline or a travel service).

Putting a banner ad for your Web site on someone else's Web site accomplishes two things. First, it gives your Web site and your products or services visibility on other sites on the Web. Second, it drives traffic to your site through users "clicking" on your banner ad and going to your Web site. Other Web sites charge you to put a banner ad on their sites. Not surprisingly, high-traffic sites such as Yahoo (www.yahoo.com) charge substantially more than low-traffic sites.

If you want help getting your ads placed for a reasonable cost on other people's Web sites, there are a number of "ad networks" that help promote banner ads. These include Link Exchange (www.linkexchange.com), DoubleClick (www.doubleclick.net), and SOFTBANK Interactive Marketing (www.simWeb.com). In addition, a number of advertising agencies are now helping companies--including small and medium-sized ones--develop banner-ad campaigns to compliment their print and other media campaigns.

The most common measure of effectiveness--and thus, the basis for pricing banner ads--is something called a "CPM", which stands for "cost-per-thousand impressions." This represents one thousand people actually seeing your banner ad.

However, the real measure of effectiveness is something called a "**click-through**." It's one thing to have people see your banner ad; it's another to have them actually click through to your site. This is what you really want to have happen, so you should make sure you measure your click-through rate, as well as monitor your CPM, as part of assessing your electronic advertising campaign.

Use E-Mail and Promotions

Another powerful, but somewhat controversial source of Internet advertising and marketing, is the use of e-mail. I'm sure many of you have gotten unwanted e-mails telling you about amazing new products, suggesting money-making schemes, or simply clogging up your e-mail inbox with garbage. This Internet equivalent of junk mail is called "spam" (named after the famous luncheon meat). Spam is often perceived as an offensive use of the Internet.

However, there are non-spam ways to use e-mail effectively as a marketing tool. Direct-marketing companies, such as Make It So (www.makeitsoinc.com), help you plan and execute "friendly" direct-marketing campaigns on the Internet. If you have an audience of people that is interested in receiving information about your company and products on a regular basis (for example, the audience that would be interested in getting your company newsletter), companies such as Email Publishing (www.emailpub.com) can help you with this task. In other words, use e-mail to round out your electronic marketing efforts by targeting specific groups of prospects.

Finally, many business owners overlook linking the Web to promotions for their companies. When you run a promotion for your company, such as a two-for-one special, or a give away of products or services, you can often link this to your Web site to expand the scope of the promotion. Since the Web is fast becoming the most widely used interactive medium, it is a great extension of the non-Internet promotion that you are doing. Companies like Yoyodyne (www.yoyobiz.com) specialise in bringing promotions to the Internet. So build a Web site. Advertise it with banner ads. Link promotions to your electronic home. Use e-mail, albeit judiciously. Once you've done all this, you will have created something you wouldn't have known could exist in the distant past of two years ago:

INTERNET- A NECESSITY TODAY!!

We live in the information age, where knowledge is the power. The Internet helps in three ways:

To get information

- To provide information
- To compile information
- To get information: One can get information about people, products, organizations, research data, electronic versions of printed media etc from the Internet. One will be amazed at the amount of information available through the Internet. To make all of it more easily available to users, programs such as the Gopher were developed to help present material in some logical fashion. The most recent and very successful attempt at presenting information over the Internet is the World Wide Web (WWW).

- Providing information: Most of what you want to provide could be considered as global advertising. The best and most inexpensive way to let people know who you are, what are you doing/have done, and how. For an organization or institution, setting up a home page is a good way to let the world know what its product and services are. The Internet also helps disseminate information.

Compiling information: This is obviously a special case of getting information. It is possible to get specialized information from the web. If, for instance, you wanted to pole the readership for a magazine or conduct a survey to detect the pulse of a selected community, web provides you an opportunity. Using forms, e-mail, etc., you can conduct surveys and get opinion of people across the world. There are hundreds of discussion groups and list servers, where one can post a question and get answered by hundreds of people who participate in these discussions.

Entrepreneurial companies, in particular, can benefit tremendously from the use of the Internet as a marketing, promotional, and advertising tool.

On the Internet, you can create a Web site to attract customers and clients. You can advertise your site with so-called "banner ads" on other sites. You can increase traffic through the smart use of promotions. You can use e-mail to round out your electronic business-building efforts. These four steps comprise the building blocks of advertising-and-marketing on the Internet. Taken together, they are unleashing the fastest-growing marketing opportunity since the coming of television a half century ago. What follows is a discussion of each.

LITERATURE REVIEW

ELECTRONIC COMMERCE

Time is money. And probably the quickest way to save time and create business, thereby generating income, is through e-commerce. The success of e-commerce has led to its implementation in many important business sectors. The ability to conduct critical back office transactions in a fast, secure and reliable way has become as major part of the manufacturing, retail and transportation industries. It is rapidly being adopted in other vertical market sectors.

Electronic commerce is a big picture phenomenon destined to change business habits in more than one way. Driven by the Internet (also called Internet Commerce'), electronics commerce is rapidly emerging as an entirely new method to conduct business and interact with suppliers, partners, and clients. Applying all elements of this new model brings new dimensions of speed efficiency, spontaneity, interactivity, pervasiveness, and cost reduction. Jay M. Tenenbaur, chairman and founder of Commerce Net defines electronic commerce as "the opportunity for companies to electronically exchange information and services that are important to business. E-commerce includes the creation of an open marketplace." Randall Whiting, president and CEO of CommerceNet states that "E-Commerce is about a global electronic marketplace that enables all members of a value chain to interact spontaneously for mutual benefits. It provides an environment where customers are empowered to control the buying process more effectively, receiving and accessing personalized information. It provides a platform for complete relationship management not just a one time transaction."

TYPES OF ECOMMERCE

The two main forms of e-commerce are EDI and Internet-based e-commerce. Internet commerce largely consists of web-based e-commerce. Today, EDI features and technologies differ from those offered by Internet commerce, but these differences will become less pronounced as Internet commerce matures and as traditional EDI utilizes new Internet-based technology.

Electronic Data Interchange (EDI) Historically, the main form of e-commerce has been EDI. EDI is a form of program-to-program communication that lets business applications in different organizations exchange information automatically to process a business transaction.

EDI typically has the following characteristics:

- Direct application-to-application exchange of information
- Well-defined, tightly specified message formats and industry standards
- Store-and-forward messaging to transport messages through an intermediary over a VAN
- Batch oriented rather than messages operation

Internet Commerce

Internet commerce revolves managing and conducts a business transaction using the Internet. Web commerce, a subset of Internet commerce, goes beyond using the Internet as a transport mechanism and presupposes that participants have web access. Typically, the web browser is used as a software client for interactive access to a web server implementing e-commerce. Currently, web-based e-commerce is the most widely used form of Internet commerce.

Components of the transaction may include catalog display, ordering, order fulfillment payment processing and back-end integration. Internet commerce embraces all stages in the trading cycle, from information exchange and relationship building negotiation and contract agreements to transactions and fulfillment logistics.

ELECTRONIC DATA INTERCHANGE AND THE WEB

EDI and the WEB

Sender and Receiver	Computer-to-Computer	Person-to-Computer
Business relationship	Established business partner relationship	Established or brand new relationship
Transaction volume	High	Low to moderate
Regularity	Regular replenishment	Irregular or adhoc
Primary hub use	Purchase orders to suppliers	Open selling to distributors
EDI and Web work together	Transmit shipping data	View inventory and shipping

Advantages of Internet-Driven Electronic Commerce over EDI

Internet-Driven Electronic Commerce is running at a rapid growth. What Internet commerce offers which EDI commerce does not? There are four important characteristics, which makes Internet commerce so popular than EDI. These are as follows:

- **Interactivity** - One can interact with a remote person in a variety of ways, such as by e-mail, voice, or video, while doing a transaction.
- **Spontaneity** - There is no need for establishing lengthy predetermined procedures in order to engage in a relationship or transaction.
- **Pervasiveness** - Because of the spread of Internet access, it already has many potential ready users, both as consumers and as businesses.

The creation of a marketplace- The Internet is both a marketplace and a delivery vehicle. By reaching the markets, you make them available.

MARKETING WITH INTERNET

The Internet provides an endless array of both useful and useless type of information. You can discover how many cans of Coke are left in a Coke machine the on side of the world; watch live coffee being brewed in a coffee pot; or make contact with old friends and new friends, tour a museum, explore libraries and encyclopedias all on -line.

There is no doubt about it; the Internet has its good and bad aspects in ethical, moral and social perspective. Equally in marketing, the Internet has its positive and negative features. Internet can help marketers in more ways than one.

Both the organization's own web site and other organization's web sites and associated technologies can help marketers in many ways, from gathering research, to database building, relationship management customer service, new product development internal communications, cost reduction and last but not the least promotion, selling and distribution.

PROSPECTS OF INTERNET IN MARKETING

1. Marketing research

- Market information
- Competitor information
- Customer information
- Miscellaneous information
- Collect cost saving ideas

2. Database Building

- World-wide club
- Dynamic relationship marketing

3. Customer service

- Self servicing customers
- Self service customer abuse
- Self-service cost saving

4. New product development

- Collecting new ideas
- Tailor-made, products

5. Internal communications

- Intranets
- Extraneous

6. Cost reduction

- Print and distribution
- Phone calls
- Customer service
- Collecting cost saving tips
- Revenue generation

7. Distribution

- Products
- services
- Purchases

8. Selling

- Few fairy tale sales stories
- New markets
- Small value, big turnover
- Sales management tool

9.

- Have a presence
- Interactive advertising
- Creative sponsorship
- Sales promotions
- Public relations
- Database marketing

There is a lot of marketing research which can be collected on the net ranging from market analysis, to customer interviews, through to creative ideas. The net provides a bountiful channel for customer research.

As with any marketing intelligence and information system, the defining of what information is needed is the crucial first stage. The next stage, is finding or sourcing the information and logging these sources for future use. Next is filling it - a skill not taught in universities. Finally, the information is used to reduce risk and take better decisions. The problem is that there is more information available today than ever before. The Internet adds a huge resource, so huge that some feel that the Internet alongside other new sources provides too much information for the average manager to cope with. Having said that the net still provides a fast and sometimes free resource. It is worth getting to know what is available. Keeping a log of useful sources is essential.

Market information

The Internet provides a rich resource for research. From government reports and statistics to tourist's boards, newspapers to journals, a vast amount of background market information is freely available. Commercial sources also offer a wide array of information, which must be purchased. It is possible to tap into news groups and discussion groups asking if anyone knows where specific types of information might be found. Members are usually happy to help their net colleagues by pointing them in the right direction. Many newspapers, journals and press clipping services offer search facilities so

those articles about specifically named companies, brands, products, industries and individuals can be tracked. Some services are free and others charge for certain sections.

Competitor information

Whether your own company or a competitor's, the net reveals all. Well, as much as an organization wants to reveal when it puts up its own site on the Web. An organization's Web site provides useful information. The first port of call for competitor information is often the competitor's Web site as it reveals some thing about the organization, its employees, and its culture, internal newsletters, new products, new visions and sometimes- hard information such as financial results. Carrying out word searches for brands, competitors or even your own organization can reveal what others are saying about your organisation. Some organisations constantly monitor relevant news groups and discussion groups for any comments about their brands/organisation. There are also several information organisations on-line that charge per inquiry for delivering an origination's financial results and analysis of results on-line. Monitoring an organization's own web sites visitors can also reveal which competitors visit which pages of your site. Incidentally, monitoring the most popular pages may reveal product preferences among customers and therefore give clues about which products might be worth supporting with heavier promotional spends.

Customer Information

On-line feedback from customers visiting a web site provides the opportunity of carrying out a continual focus group. The net can provide a continual dialogue between customer and company. This does not replace regular face to face focus groups but it does add a rich layer of information. The web visitors become collaborators in the creative process e.g. a McDonalds on-line visitor's question: 'Why didn't I get a shamrock on St. Patrick's Day?' prompted a possible new promotional idea for next year. The power of good branding on the net is apparent particularly when more McDonalds customer feedback revealed 'seeing your logo on the Net made me hungry'.

Miscellaneous Information

On-line research can collect information and ideas about new products, new promotions and even cost saving ideas.

ART OF DATABASE BUILDING

captured either With thousands, hundred of thousands and sometimes millions of interested visitors entering a particular web site, several opportunities arise: Trapping their data onto a database and developing a dialogue, which supports a relationship marketing strategy. The full details of the visitor are usually through registration (when entering the site) or other form filling activities required for competitions, free gifts and further information.

World-wide club

Today's database and relationship marketing technique help to build sophisticated membership clubs. 'In today's global village there is something intensely satisfying about forming a part of a world-wide club and discovering shared interests with someone on the other side of the planet... tribal instincts are still strong ... we still all want to share a sense of society and community'. The Internet provides this opportunity.

Dynamic relationship marketing

Marketing now has the opportunity for Dynamic Relationship Marketing to move away from mass images and move towards tailored messages (mass customization) and direct feedback delivering a dreamlike dialogue between the brand and the customer. It has been suggested that brands should be seen as places, opens ended, and multimedia and based on a sense of community. Discussion groups, member involvement and speedy response all help to create a sense of involvement and a type of 'active ownership' of the brand itself

Dynamic relationship marketing encourages mass customization, which not only reduces operating expenses; it offers a permanent advantage. The first competitor to implement 1:1 marketing will steal an advantage. And if the relationship is invested in and nurtured carefully it will literally be extremely difficult, if not possible, for the losers in this competition to catch the winners.

ESSENCE OF CUSTOMER SERVICES

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IMPORTANCE OF THE STUDY

As the organizations don't have fully activated sites from the perspective of e-commerce due to technological bottlenecks they measure the efficiency of their sites through number of hits. Cost per thousand impressions (CPM) is used for this purpose. The pricing of banner ads are also on the same basis, it is not dependent upon the timing but is priced according to 'per thousand page views' which is a flat rate of around 500Rs (i.e. the host site will receive Rs 500 for every 1000 hits from the organization who is advertising). This study will help marketers in the following ways:

- Study will guide marketers to make necessary changes in marketing strategy.
- Study will assist marketers in making search engine optimization decision.
- This study will be helpful in taking decisions related to websites.
- Study will provide a framework to marketers for making wide range of decisions relating to customer satisfaction

ANALYSIS

This analysis provides a comprehensive overview of the scope of e-marketing in India, addressing its current landscape, key drivers, challenges, sectoral applications, regulatory environment, emerging trends, and socio-economic impact.

1. Current Landscape of E-Marketing in India

India's e-marketing landscape is characterized by rapid growth and significant potential. The digital marketing market in India was valued at approximately USD 5.15 billion in 2024 and is projected to surge to USD 72.10 billion by 2034, exhibiting a remarkable compound annual growth rate (CAGR) of 30.20%. Digital ad spending alone is anticipated to exceed INR 1.2 lakh crore by 2025, with projected revenue reaching US\$ 32,328.8 million by 2030, growing at a CAGR of 15.3% from 2025.

Key digital marketing channels dominating the Indian landscape include:

- **Social Media Marketing (SMM):** Platforms like Instagram, Facebook, and YouTube are pivotal, with social commerce (in-app shopping) gaining significant traction.
- **Search Engine Optimization (SEO) and Search Engine Marketing (SEM/PPC):** Essential for visibility on search engines, driving organic and paid traffic.
- **Content Marketing:** Includes blogs, articles, videos, and infographics, offering value to target audiences.
- **Email Marketing:** Remains a cost-effective channel for direct communication and customer retention.
- **Influencer Marketing:** Leveraging individuals with a strong online presence to promote products or services.
- **Display Advertising:** Visual advertisements on websites and apps.
- **Mobile Marketing:** Given India's smartphone penetration, mobile-first strategies, including app-based marketing and in-app ads, are crucial. Smartphones account for 53.9% of digital advertising revenue in 2024.
- **Video Marketing:** Short-form video content on platforms like Instagram Reels and YouTube Shorts is particularly effective.

2. Primary Drivers of E-Marketing Growth

Several factors are fueling the exponential growth of e-marketing in India:

- **Soaring Internet Penetration:** India boasts the second-largest online market globally, with approximately 900 million internet users. Internet penetration reached 55.3% of the total population in 2024, projected to reach 900 million by 2025.

- **Widespread Smartphone Adoption:** The availability of affordable smartphones and economical internet plans has democratized access to online platforms. Mobile devices contribute to 75% of e-commerce volume in India.
- **Booming E-commerce Market:** India's e-commerce market reached around \$147.3 billion by 2024, growing at 23.8% year-on-year, and is expected to reach \$363.3 billion by 2030. This growth directly necessitates robust e-marketing efforts.
- **Favorable Demographics:** With over 65% of the population under 35 years old, India possesses a large, digitally native, and receptive audience for online marketing.
- **Rise of Digital Payments:** The widespread adoption of UPI (Unified Payments Interface) has streamlined online transactions, fostering greater trust and convenience for e-commerce.
- **Government Initiatives:** Programs like 'Digital India' and the 'Open Network for Digital Commerce (ONDC)' are actively promoting digital literacy and e-commerce adoption.
- **Increasing Digital Literacy:** Efforts to enhance digital literacy, particularly in rural areas, are expanding the online consumer base.
- **Influencer Marketing:** The growing credibility and reach of social media influencers significantly impact consumer purchasing decisions.
- **Shift in Consumer Behavior:** A growing preference for online research, reviews, and purchases, driven by convenience and wider choices.

3. Challenges and Barriers to E-Marketing Adoption

Despite its immense potential, e-marketing in India faces several significant challenges:

- **Digital Divide and Infrastructure Deficits:** While urban areas have robust internet connectivity, rural regions often suffer from limited access, slower speeds, and unreliable infrastructure, hindering widespread e-marketing penetration.
- **Digital Literacy Gap:** A significant portion of the population, particularly in rural and semi-urban areas, lacks the necessary digital skills to navigate online platforms effectively, limiting their engagement with e-marketing initiatives.
- **Language Barrier:** A substantial challenge for e-marketing efforts. While English dominates online content, a large segment of the Indian population prefers consuming content in regional languages. This necessitates localized content strategies.
- **Trust and Security Concerns:** Concerns about online payment security, data privacy, identity theft, and potential fraud remain prevalent among consumers, impacting their willingness to engage in online transactions and share personal data.
- **High Competition and Ad Fatigue:** The increasingly crowded digital space leads to intense competition among marketers. Consumers are also prone to ad fatigue, making it challenging to capture attention and deliver impactful messages.
- **Lack of Awareness and Training:** Many small and medium-sized enterprises (SMEs) and even some marketers lack adequate awareness and training in effective e-marketing strategies and the utilization of various digital tools.
- **Inconsistent Customer Behavior:** Diverse demographic and socio-economic profiles across India lead to varied online behaviors, making it complex to develop universally effective e-marketing strategies.
- **Cost of Paid Advertising:** While offering targeted reach, paid advertising models can be expensive, posing a barrier for budget-constrained businesses.
- **Counterfeit Products:** The presence of counterfeit products in the online marketplace erodes consumer trust and brand reputation.

4. Application and Scope of E-Marketing Across Various Sectors

E-marketing's reach in India extends across diverse sectors, transforming how businesses engage with their customers:

- **Retail:** E-marketing is the backbone of India's thriving e-commerce retail. Strategies include:
 - **Social Media Marketing:** Engaging customers through visually appealing content, contests, and direct interaction (e.g., Myntra, Nykaa).
 - **SEO and SEM:** Optimizing product listings and running targeted ads to drive sales (e.g., Amazon India, Flipkart).
 - **Email Marketing and CRM:** Nurturing leads, abandoned cart recovery, and personalized offers.
 - **Content Marketing:** Product reviews, style guides, and how-to videos.
 - **Mobile/App-based Marketing:** Push notifications, in-app promotions, and seamless mobile shopping experiences.
 - **AI and Data-driven Personalization:** Tailoring product recommendations and promotions based on Browse history and purchase behavior.
 - **Social Commerce:** Enabling direct purchases within social media platforms (e.g., Meesho).

- **Finance (BFSI):** E-marketing is crucial for customer acquisition, retention, and building trust in the financial sector.
 - **Content Marketing:** Explaining complex financial products through accessible blogs, videos, and infographics (e.g., Scripbox's educational content on investment).
 - **SEO & SEM:** Driving traffic for specific financial products like loans, insurance, or investment platforms.
 - **Social Media Marketing:** Engaging with customers, addressing queries, and building brand credibility (e.g., HDFC Bank's active social media presence).
 - **Email Marketing:** Sending personalized financial advice, policy updates, and promotional offers.
 - **Data Analytics and AI:** For personalized product recommendations and risk assessment.
 - **Regulatory Compliance:** Ensuring all marketing communications adhere to strict financial regulations (e.g., disclosures for investment products).
 - **Case Examples:** Fintech platforms like **Rain** use digital channels for loan disbursement and customer engagement. **MoneyOnClick** leverages online presence for quick loan applications. **Triti** uses digital tools for SME credit. **deAsra Foundation** uses digital channels to guide aspiring entrepreneurs.
- **Education (EdTech):** The EdTech sector has witnessed a surge in e-marketing, driven by online learning.
 - **Hyperlocal SEO and Regional Language Content:** Targeting students in specific regions with content in their native languages (e.g., Unacademy's focus on regional language educators and localized content).
 - **Influencer Marketing:** Collaborating with educators and successful students to promote courses.
 - **Video Marketing:** Online tutorials, demo classes, and testimonials on platforms like YouTube.
 - **Social Media Marketing:** Engaging with students, parents, and educators on relevant platforms.
 - **Performance Marketing (PPC):** Running targeted campaigns for course enrollments.
- **Healthcare:** E-marketing in healthcare focuses on patient engagement, awareness, and trust.
 - **Content Marketing:** Providing reliable health information, tips, and explanations of medical conditions through blogs and articles.
 - **SEO (including Local & Regional Language SEO):** Optimizing for local searches ("doctors near me") and providing information in regional languages.
 - **Social Media Marketing:** Raising health awareness, running campaigns on specific diseases, and engaging with patients (e.g., Apollo Hospitals' social media campaigns).
 - **Email Marketing:** Sending appointment reminders, health newsletters, and preventive care tips.
 - **Influencer Marketing:** Collaborating with healthcare professionals for credible health advice.
 - **Mobile Marketing:** Telemedicine apps, appointment booking apps, and health tracking apps.
 - **Video Marketing:** Explaining medical procedures, doctor interviews, and patient testimonials.

5. Regulatory Environment and Government Initiatives

The Indian government is actively shaping the digital landscape through various policies and initiatives:

- **Digital Personal Data Protection Act, 2023 (DPDP Act):** This landmark legislation significantly impacts e-marketing practices by:
 - **Mandating Explicit Consent:** Requires clear and affirmative consent from individuals before collecting or processing their personal data.
 - **Data Minimization and Retention Limits:** Limits the collection and retention of data to what is necessary for the stated purpose.
 - **Data Principal Rights:** Grants individuals rights such as access, correction, and erasure of their data.
 - **Data Breach Notification:** Mandates reporting of data breaches to the Data Protection Board and affected individuals within 72 hours.
 - **Consent Managers:** Introduces the concept of 'Consent Managers' to facilitate user consent.
 - **Prohibition on Targeted Advertising to Children:** Stringent provisions regulate the processing of children's data, prohibiting targeted advertising.

- **Appointment of Data Protection Officers (DPOs):** Mandates DPOs for significant data fiduciaries.
- **Open Network for Digital Commerce (ONDC):** An ambitious initiative by the Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce. ONDC aims to:
 - **Democratize E-commerce:** Create an open and interoperable network for digital commerce, moving beyond platform-centric models.
 - **Empower Small Businesses:** Enable small merchants and kirana stores to participate in the digital economy without relying on large e-commerce giants.
 - **Lower Customer Acquisition Costs:** By promoting open protocols, it aims to reduce the cost of customer acquisition for sellers.
 - **Bridge Regional and Linguistic Gaps:** Facilitate inclusion of businesses and consumers from diverse regions and languages.
 - **MSME-TEAM Initiative:** A sub-scheme under the Ministry of MSME to onboard 5 lakh MSMEs onto the ONDC platform, providing financial aid and hand-holding for digital transformation.
- **Digital India Program:** A flagship government program aimed at transforming India into a digitally empowered society and knowledge economy. It focuses on:
 - **Digital Infrastructure:** Providing high-speed internet access.
 - **Digital Literacy:** Promoting digital education and skills.
 - **Digital Services Delivery:** Making government services accessible online.
- **BharatNet Project:** Connects 250,000 Gram Panchayats with high-speed optical fiber network, improving rural internet access.
- **Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA):** Aims to make 60 million rural households digitally literate.
- **Jan Dhan-Aadhaar-Mobile (JAM) Trinity:** Has played a crucial role in promoting financial inclusion and direct benefit transfers, laying the groundwork for digital transactions.

6. Emerging Trends and Future Opportunities

The e-marketing landscape in India is continuously evolving, with several key trends shaping its future:

- **Hyper-personalization with AI and Machine Learning:** AI algorithms are enabling marketers to deliver highly personalized content, product recommendations, and advertisements based on individual user behavior, preferences, and demographics. This goes beyond basic segmentation to offer truly unique experiences.
- **Rise of Social Commerce:** Social media platforms are increasingly integrating e-commerce functionalities, allowing users to discover, browse, and purchase products directly within the app. This creates a seamless shopping experience and leverages the power of social influence. Livestream shopping, in-app product feeds, and direct messaging for sales are growing.
- **Dominance of Regional Language Content:** With the next wave of internet users emerging from Tier 2 and Tier 3 cities, there's a significant shift towards consuming content in regional languages. Marketers are increasingly creating localized content (text, audio, video) to connect with these audiences authentically, recognizing that 90% of Indian internet users prefer content in their native tongue.
- **Voice Search Optimization:** The growing adoption of voice assistants (e.g., Google Assistant, Alexa) is leading to an increased focus on optimizing content for voice search queries, which are often longer and more conversational.
- **Interactive Content:** Quizzes, polls, augmented reality (AR) filters, and interactive videos are gaining popularity, offering immersive and engaging experiences for users.
- **Video Marketing Expansion:** Short-form video content (Reels, Shorts) continues to be highly engaging, and longer-form educational and entertainment videos are also gaining traction.
- **Influencer Marketing Evolution:** A move towards micro and nano-influencers for more authentic and targeted campaigns, as well as a focus on performance-based influencer marketing.
- **Augmented Reality (AR) and Virtual Reality (VR) in Marketing:** Though nascent, AR/VR offers immersive product experiences (e.g., virtual try-ons for fashion, virtual tours for real estate).
- **Data-Driven Marketing:** Increased reliance on analytics and data insights to refine marketing strategies, optimize campaigns, and measure ROI.

7. Urban vs. Rural E-Marketing Strategies and the Digital Literacy Gap

The stark contrast between urban and rural India necessitates differentiated e-marketing approaches:

- **Technology Adoption:** Urban areas exhibit higher smartphone penetration, broadband access, and readiness to adopt new digital tools. Rural areas, while growing, still face challenges with consistent connectivity and access to advanced devices.
- **Digital Literacy:** A significant digital literacy gap exists, with urban populations generally having higher digital skills and awareness of online platforms. Rural populations often require more basic and vernacular guidance. Government initiatives like PMGDISHA are working to bridge this gap.
- **Content Creation and Language:** Urban e-marketing often leverages English and modern, fast-paced content. Rural strategies demand localized content in regional languages, simpler messaging, and culturally relevant narratives. Visual and audio content is particularly effective in rural areas where text-based literacy might be lower.
- **Platform Preferences:** While urban users are on mainstream platforms like Instagram, Twitter, and LinkedIn, rural users may be more active on platforms like ShareChat, Moj, WhatsApp, and Facebook, especially for local community groups.
- **Challenges in Rural E-Marketing:** Infrastructure limitations, limited digital payment adoption, lack of trust in online transactions, and a preference for traditional retail channels pose significant hurdles.
- **Targeting and Personalization:** Urban campaigns can leverage sophisticated data for highly personalized targeting. Rural campaigns might focus on broader community-based targeting, word-of-mouth amplified by digital channels, and local influencers.
- **Solutions for Rural Inclusion:** Leveraging government initiatives like BharatNet, promoting feature phone-compatible e-marketing, utilizing assisted e-commerce models (e.g., common service centers), and developing voice-enabled interfaces are crucial.

8. Potential for E-Marketing to Foster Economic Growth and Digital Inclusion for SMEs

E-marketing offers immense potential to drive economic growth and foster digital inclusion, particularly for India's vast SME sector:

- **Enhanced Market Access:** E-marketing breaks geographical barriers, allowing SMEs to reach national and even international markets previously inaccessible through traditional channels.
- **Increased Brand Awareness and Visibility:** Digital platforms provide cost-effective ways for SMEs to build brand presence and compete with larger players, fostering recognition and trust among a wider customer base.
- **Cost-Effective Marketing:** Compared to traditional advertising, e-marketing offers more affordable options like social media marketing, email campaigns, and SEO, making it feasible for SMEs with limited budgets.
- **Direct Customer Engagement:** E-marketing enables direct interaction with customers through social media, messaging apps, and review platforms, leading to better customer service, feedback, and loyalty.
- **Data-Driven Decision Making:** SMEs can leverage analytics tools to understand customer behavior, optimize campaigns, and make informed business decisions, leading to higher efficiency and profitability.
- **Driving Sales and Revenue:** By attracting online traffic, generating leads, and facilitating online transactions, e-marketing directly contributes to increased sales, turnover, and profits for SMEs. Studies show MSMEs extensively using the internet experience higher profits and export more.
- **Job Creation:** The growth of the digital economy and increased adoption of e-marketing by SMEs stimulate demand for digital marketing professionals, web developers, content creators, and logistics personnel, leading to job creation.
- **Digital Inclusion:** E-marketing empowers SMEs, including those in Tier 2 and Tier 3 cities and rural areas, to participate in the digital economy. Government initiatives like ONDC and MSME-TEAM actively support this by providing training, financial aid, and platforms for digital onboarding. The widespread use of digital payment methods like UPI by MSMEs further underscores their digital inclusion.
- **Innovation and Competitiveness:** Exposure to digital tools and global best practices encourages SMEs to innovate their products, services, and business models, making them more competitive.

FINDINGS

This section synthesizes the key findings regarding the extensive and evolving scope of e-marketing in India, drawing from various market analyses, industry reports, and academic studies.

1. Robust Market Growth and Expanding Digital Footprint

E-marketing in India is experiencing **explosive growth**, positioning itself as a cornerstone of the nation's digital economy. The market, valued at approximately **USD 5.15 billion in 2024**, is projected to reach an astounding **USD 72.10 billion by 2034**, reflecting a CAGR of over 30%. This expansion is evident across key digital channels such as Social Media Marketing (SMM), Search Engine Optimization (SEO), Content Marketing, and

Mobile Marketing, with **smartphones driving over 50% of digital advertising revenue**. The shift towards platforms like Instagram, YouTube, and the rise of social commerce signifies a dynamic and consumer-centric digital advertising ecosystem.

2. Powerful Drivers Fueling E-Marketing Adoption

Several interconnected factors are propelling this rapid growth:

- **Massive Internet Penetration:** India's status as the **second-largest online market globally with nearly 900 million internet users** provides a vast audience for e-marketing initiatives.
- **Affordable Smartphone Adoption:** The widespread availability of budget-friendly smartphones and low-cost data plans has made digital access ubiquitous, especially for e-commerce.
- **Booming E-commerce Sector:** With India's e-commerce market projected to reach **\$363.3 billion by 2030**, digital marketing becomes indispensable for customer acquisition and retention.
- **Favorable Demographics:** A large, digitally native youth population (over 65% under 35) is highly receptive to digital marketing messages.
- **Digital Payments Revolution:** The success of platforms like UPI has fostered trust and convenience in online transactions, directly benefiting e-commerce and digital advertising.
- **Proactive Government Initiatives:** Programs like 'Digital India', 'BharatNet', and 'ONDC' are actively fostering digital literacy and a conducive environment for online businesses.

3. Navigating Significant Challenges and Barriers

Despite the optimistic outlook, e-marketing in India faces notable hurdles:

- **Persistent Digital Divide:** While internet penetration is high, significant disparities exist between urban and rural areas in terms of reliable internet access and quality infrastructure.
- **Digital Literacy Gap:** A substantial portion of the population, particularly in rural regions, lacks the advanced digital skills needed to fully engage with sophisticated e-marketing content and platforms.
- **Language Barrier:** The dominance of English content in many e-marketing efforts overlooks the vast majority of Indians who prefer regional languages, necessitating extensive localization.
- **Trust and Security Concerns:** Online fraud and data privacy concerns, although being addressed by legislation, still create hesitation among some consumers regarding online transactions and data sharing.
- **Intense Competition and Ad Fatigue:** The crowded digital space leads to high competition for consumer attention and an increasing prevalence of ad blockers, reducing marketing effectiveness.
- **Lack of Awareness and Training:** Many SMEs still lack the fundamental understanding and resources to effectively implement digital marketing strategies.

4. Transformative Impact Across Diverse Sectors

E-marketing has profoundly reshaped operational strategies across various Indian sectors:

- **Retail:** It's the cornerstone of online retail, leveraging social media for direct sales (e.g., Meesho), SEO for product visibility (e.g., Amazon India), and AI for personalized shopping experiences.
- **Finance (BFSI):** E-marketing builds trust and drives customer acquisition through content marketing (e.g., Scripbox for investment education), targeted advertising for financial products, and AI-driven customer segmentation. Fintech companies extensively use digital channels for customer onboarding and loan disbursement.
- **Education (EdTech):** The sector thrives on e-marketing, utilizing hyperlocal SEO, regional language content, and influencer collaborations (e.g., Unacademy's expansion into vernacular learning) to reach diverse student demographics.
- **Healthcare:** It facilitates patient engagement and awareness through informative content marketing, local SEO for clinic visibility, social media campaigns for health awareness, and mobile apps for appointments.

5. Evolving Regulatory Landscape and Enabling Initiatives

The government's role is pivotal in shaping the e-marketing ecosystem:

- **Digital Personal Data Protection Act, 2023 (DPDP Act):** This act mandates explicit consent for data processing, outlines data principal rights, enforces data retention limits, and prohibits targeted advertising to children, significantly impacting how marketers collect and use personal data.

- **Open Network for Digital Commerce (ONDC):** This revolutionary initiative aims to democratize e-commerce, empowering small businesses by creating an open, interoperable digital network, thereby reducing customer acquisition costs for sellers and bridging regional gaps. The **MSME-TEAM Initiative** further supports onboarding 5 lakh MSMEs onto ONDC.
- **Digital India Program:** Broader government efforts like BharatNet and PMGDISHA are enhancing digital infrastructure and literacy, indirectly expanding the addressable market for e-marketing.

6. Emerging Trends Point to a Dynamic Future

The future of e-marketing in India is characterized by several key trends:

- **Hyper-personalization via AI & ML:** Advanced AI algorithms are enabling marketers to deliver highly tailored content and product recommendations based on individual user behavior.
- **Explosion of Social Commerce:** Social media platforms are becoming direct shopping destinations, offering seamless in-app purchasing experiences, driven by high user engagement and mobile-first consumer behavior.
- **Regional Language Content Dominance:** A significant shift towards creating content in regional languages (e.g., on platforms like ShareChat and Moj) is crucial to connect with the next wave of internet users in Tier 2/3 cities, acknowledging their preference for vernacular content.
- **Voice Search Optimization:** Growing adoption of voice assistants is driving the need to optimize content for conversational voice queries.

7. Differentiated Urban vs. Rural Strategies

Effective e-marketing in India requires a nuanced approach, recognizing the urban-rural divide:

- **Technology & Infrastructure:** Urban areas have advanced connectivity and higher digital literacy, while rural areas demand simpler, mobile-first, and often offline-friendly strategies due to infrastructure limitations.
- **Content & Language:** Urban marketing can be more sophisticated and English-centric. Rural strategies necessitate **vernacular content**, visually appealing and easy-to-understand formats, and leveraging local nuances.
- **Platform Preference:** While urban users are on mainstream platforms, rural audiences might prefer community-focused apps, WhatsApp, and platforms supporting regional languages.
- **Government Initiatives:** Schemes like BharatNet are crucial for bridging the rural digital divide and enabling greater rural participation in the digital economy.

8. Enabling Economic Growth and Digital Inclusion for SMEs

E-marketing offers transformative potential for India's vast SME sector:

- **Enhanced Market Access & Competitiveness:** SMEs can transcend geographical boundaries, reach national and global markets, and compete more effectively with larger entities at a lower cost.
- **Cost-Effective Marketing & Direct Engagement:** Digital channels provide affordable avenues for brand building and direct customer interaction, fostering loyalty.
- **Data-Driven Decision Making:** E-marketing tools empower SMEs with actionable insights, leading to optimized campaigns and improved profitability.
- **Digital Inclusion:** Initiatives like ONDC and widespread digital payment adoption (e.g., UPI by MSMEs) are actively integrating small businesses into the digital economy, fostering increased sales, turnover, and employment opportunities, thereby contributing significantly to overall economic growth.

RESEARCH METHODOLOGY

- Objective of the Research accomplished
- Research Design
- Data Collection
- Questionnaire
- Sampling Procedure

Objective

The objective of research is to find out the market share of different music system player

& to find the perception.

This is in fact management problem. This management problem has to be translated into research problem. Then the process involves collecting, analyzing and reporting the information specified in the research problem. Identifying and researching one problem may lead to the recognition of other problem and to additional research to help in solving them.

In order to fulfill the objective of the research a set of questionnaire was developed. The questionnaire was designed in such a way that it could be helpful to solve the research problem i.e. to find out the market share and to find out the preferences of consumers in this industry.

The objectives of our research are to:

- ✚ To identify the market, product and make an in depth comparison of the same on certain parameters, which will be defined in the due course of the proposal.
- ✚ To ascertain potential market and competition.
- ✚ Ascertain the consumer preferences and satisfaction factor.
- ✚ To highlight the perception of the consumers for the internet.
- ✚ Gather useful information and provide a critical analysis through the use of various techniques.

RESEARCH DESIGN

We carried out the research using a combination of primary and secondary data. Thus we design our research on a combination basis of

- ➔ Exploratory Research design
- ➔ Descriptive Research design

EXPLORATORY RESEARCH

As I was unaware of the market for Internet, exploratory research helped me to gather information from the secondary resources. I referred to various magazines, websites and industry association reports etc. and was able to gather information on the scope of e-marketing.

DESCRIPTIVE DESIGN

After conducting the exploratory research, for further concrete details regarding scope of e-marketing I resorted to the Descriptive Design of market research. Under this I have analyzed the consumer behavior on different parameters. The Descriptive design has given me a better insight of scope of e-marketing by bringing to the fore many minute details regarding the consumer preferences. It has further helped I in a careful analysis of the secondary data and also refining the desired data by making the objective clearer.

I conducted the Descriptive Design using the following method

QUALITATIVE METHODS:

1. Focus Groups

QUANTITATIVE METHODS:

1. Survey

Data Collection

The whole research based on primary data as well as secondary data.

Primary Data: Primary data collected through the questionnaire from the various users & non-users of Internet

Secondary Data: Secondary data collected through the magazines, newspapers, shopkeepers' catalogue and the advertisement.

Questionnaire:

Sampling Procedure

Sampling is a necessary and inseparable part of human affair. I sample the kind of performance and service we can expect from internet, a wine by a few sips and a restaurant by a first meal and a new acquaintance by an initial meeting. If all possible information needed to solve a problem could be

collected, there could be no need to sample, I can rarely do this, however because of limitations on the amount we can afford to spend, the time we can take or other reasons, we therefore must take sample

Census versus Sample

It is sometime possible and practicable to take a census; that is to measure each element in the group or population of interest.

Survey of industrial consumer or of distributor of consumer products are frequently in the form of a census. More often than not, however one or more of number of reason make it impractical or even impossible to take a census. These reasons involve consideration of cost, time, accuracy and destructive nature of the measurement.

Cost and Census versus Sample

Cost is an obvious constraint on the determination of whether a census should be taken. If information is desired on grocery purchase and use behavior (frequencies and amount of purchase of product category, average amount kept at home, and the like) and the population of interest all house hold in India the cost will preclude a census being taken. A sample is the only logical way of obtaining new data from or population of this size.

Time and Census versus Sample

The time of cost we have just considered is an out lay cost. The time involved in obtaining information of either a census or sample involves the possibility of also incurring an opportunity cost.

Accuracy and Census versus Sample

The time of cost we have just considered is an out lay cost. The time involved in. obtaining information from either a census or sample involves the possibility of also incurring an opportunity cost.

Accuracy and Census versus Sample

A study using a sample may involve sampling error. Therefore other thing the equal, a census will provide more accurate data than a sample but it is costly and time consuming.

STEPS IN SAMPLING PROCESS

<i>Steps</i>	<i>Description</i>
1. Define population	The population is define in terms of (a) element (b) Units (c) Extents (d) Time.
2. Specify sampling frame	The means of representing the element of the population e.g. telephone directory, Map.
3. Specify Sampling	Unit for sampling which holds the sampling household elements e.g. city block, household.
4. Specify sampling method	The method by which the sampling unit to be selected is described i.e. probability / non-probability.
5. Determine Sample Size	The number of elements of the population to be sampled is chosen.
6. Specify sampling plan	The operational procedure for selection of sampling units are selected.
7. Select the sample	The office and field work necessary for the selection of the sample are carried out.

To solve my research problem, a census of all the consumer of music system in Delhi & NCR is taken

Sample size:

- 100.
- It is based on the convenient sampling.
- Reasons for selecting convenient sampling.
 - Time constraint
 - Resource constraint
 - Cost constraint

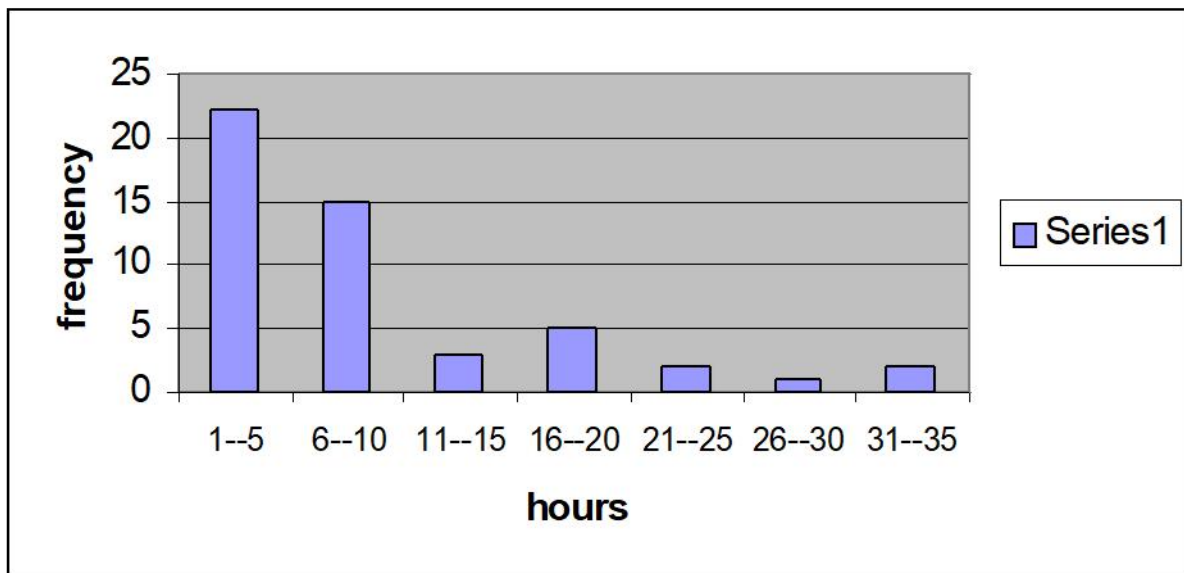
ANALYSIS OF DATA COLLECTED

Ques: 1 How would you like to make purchase?

MODE	PREFERENCE			
	First	Second	Third	Fourth
Directly from shop	88 %	4%	2%	6%
Through mail order	2%	16%	44%	38%
Through Net	8%	50%	16%	26%
Through phone	2%	30%	38%	30%

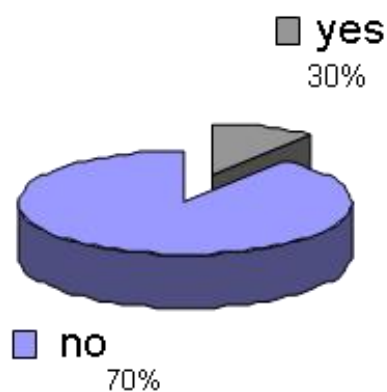
Remarks: In the first mode the 88% customer should prefer the first preference to the direct buying from the shop and, in the second mode the 44% customer prefer the third preference buying from the mail order, and in the third mode the 50% customer is would prefer the second preference buying through online and, the last mode the 38% would prefer the third mode of buying through phone.

Ques: 2 For how many hours on an average you surf the net in a week?



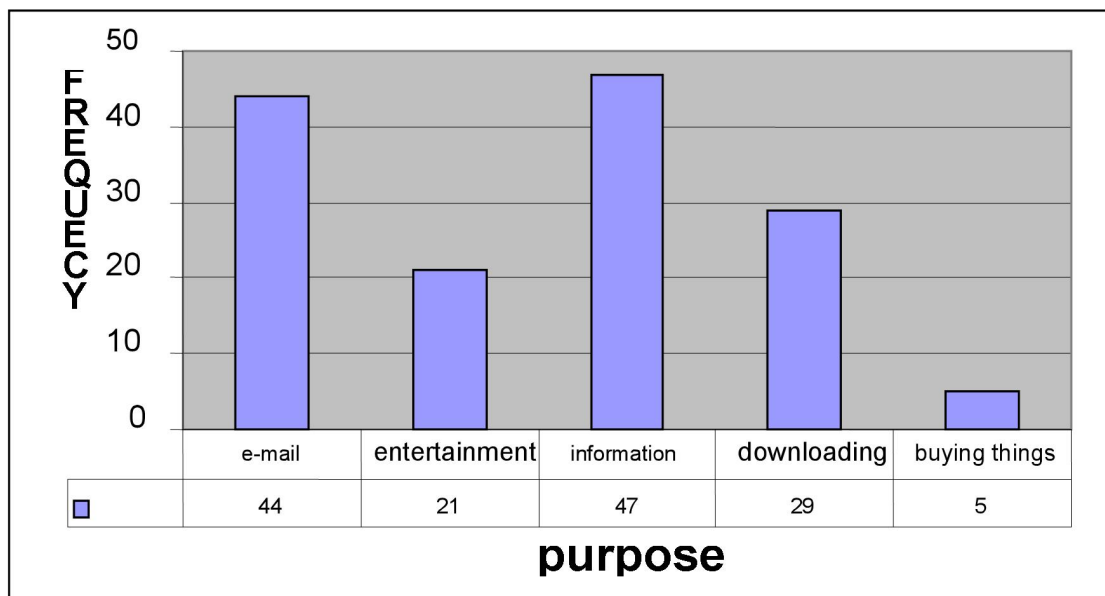
Remarks: In the most of the customer would surfing the internet between 1-5 hrs in a day.

Ques3. With the falling of Internet prices from Rs 50 to Rs 5 an hour will you increase the surfing hours?



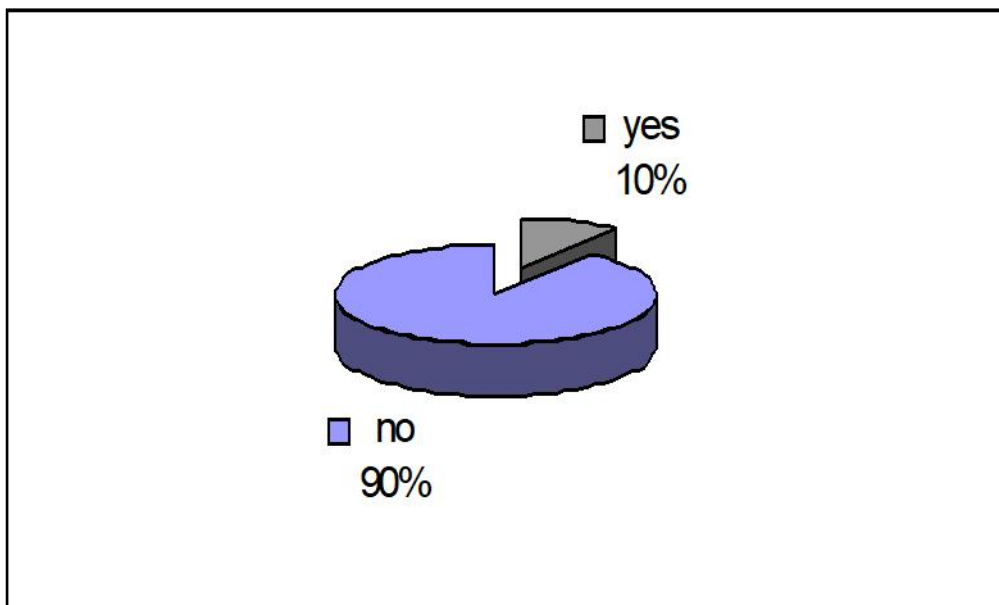
Remarks: Yes definitely the price of internet falling from Rs 50 to Rs 5 the number of customer would use the internet they would increase the consumption of internet.

Ques: 4 For what purposes do you surf net?



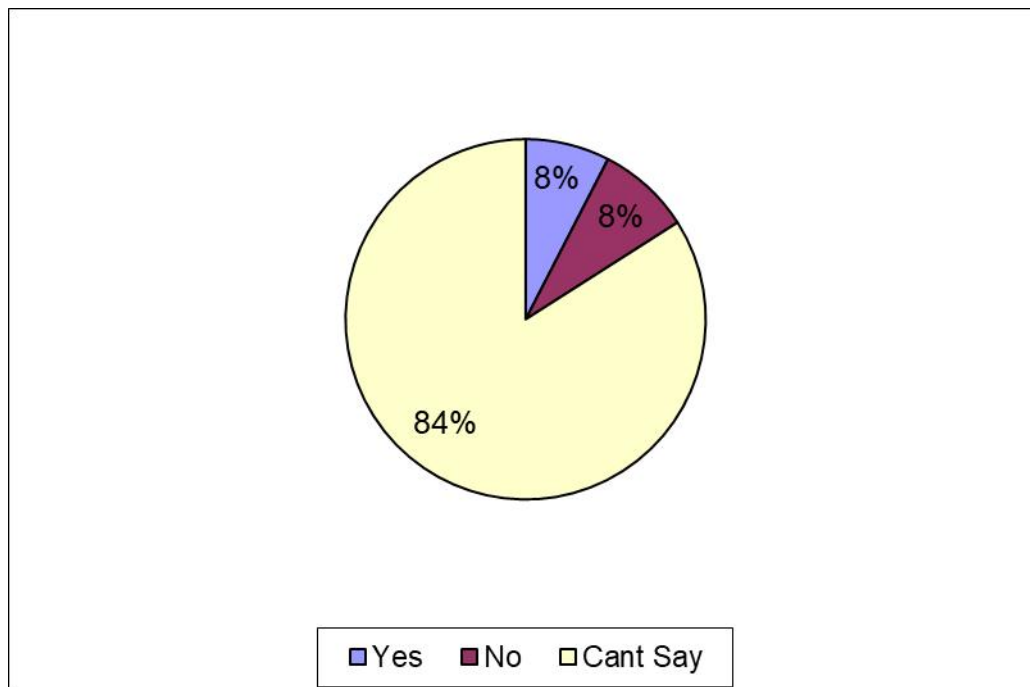
Remarks: In the above diagram the people who use the internet they main purpose to gain some information which they require according to the work.

Ques: 5 Have you ever used Internet for purchasing?



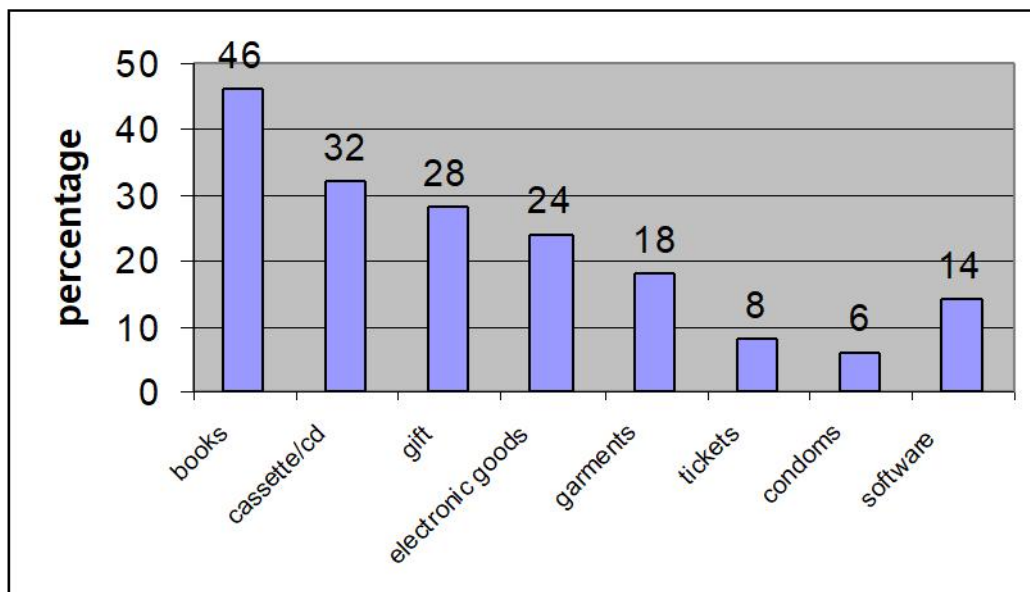
Remarks: No the most of customer they don't use for purchasing via internet.

Ques: 6 Are you planning to make purchase on net in future?



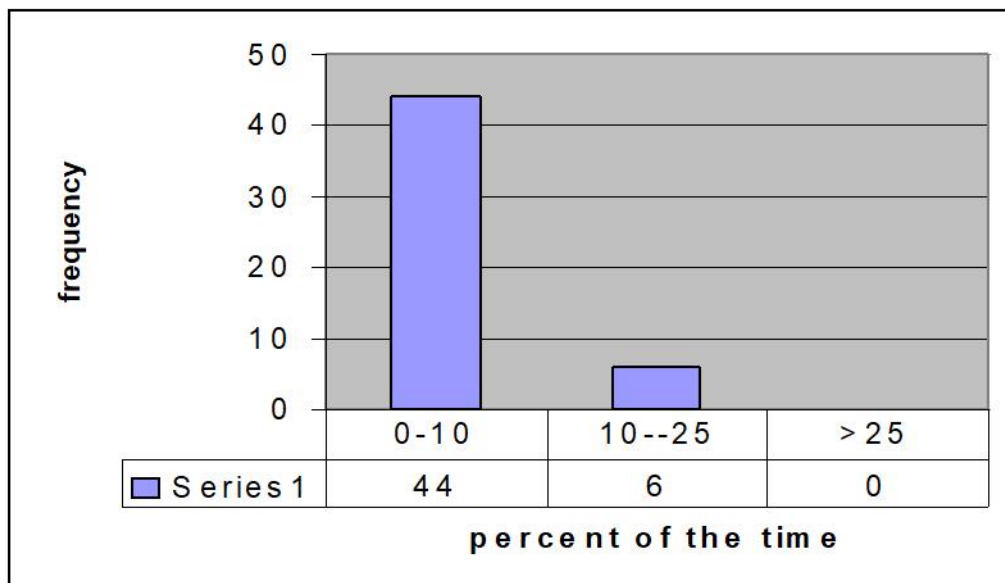
Remarks: In the above diagram the most of customer would nothing say and they would confuse between the yes or no. They would choose the internet according to their need and requirement.

Ques 7 What kind of products would you like to buy on net?



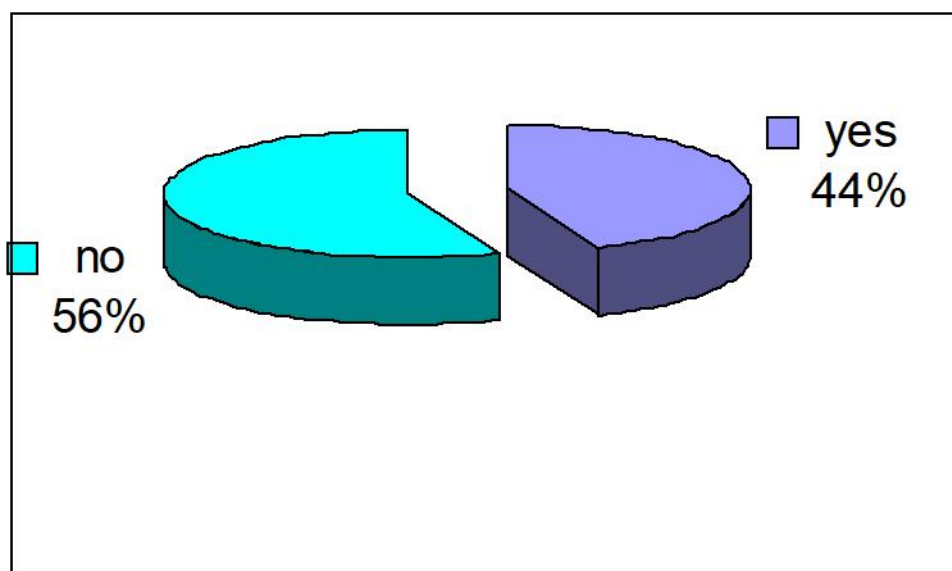
Remarks: In the above diagram the most of the customer would use purchase the book from the internet.

Ques:8 How often do you click on advertisement on sites?



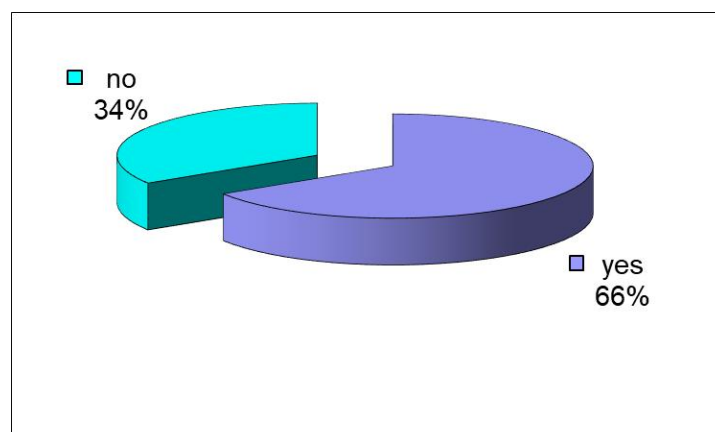
Remarks: In the above diagram the 44 customer would click on advertisement on the internet.

Ques:9 Do you feel ads on the net give more insights of product/service than other media?



Remarks: In that diagram they shows that the most of customer would never provide proper information than other media.

Ques:10 Do you receive e-mail from business sites?



Remarks: Yes the 66% customer would receive the mails from the business sites.

RECOMMENDATIONS

1. Since customers prefer convenience, variety and quality therefore marketers should focus on providing the same.
2. Scope of e-marketing is very wide and increasing day by day and it depends on how better you are than your competitors.
3. Communication with customer is the key to increase business so more emphasis should be on sending e-mails & promotional messages.
4. Marketers should pay more attention on advertisements, it is the only way to build image along with other important factors.
5. Now a day's shopping through app is becoming popular therefore offers for using app for shopping should be emphasized.
6. New strategy must be devised keeping in mind the changing environment.

CONCLUSION

The Internet has been developing at an exponential pace over the past 4-5 years. It's difficult to estimate the number of users connected to the 'Net', but there are figures that suggest an audience of over 75 million users. Since the technology is so fast, it is difficult to predict where it will go.

At the moment, you need a computer to connect to the Internet. Network computers were hailed as the new way of accessing the Internet. These have not taken off as predicted. Instead the next development is from television manufacturers who are providing new TV sets that can access the Internet and allow the viewer to browse the web or send e-mails. Internet service on Cellular (Mobile) phone will also increase its popularity.

For ultimate portability, several companies are working on ways to include e-mail displays on public phone kiosks that will let anyone connect to their mailbox and read or send messages across the Internet. In similar move, many communication companies have been working on a network of satellites in orbit around the world that will allow you to carry a personal digital assistant (PDA) in your pocket and receive e-mail messages anywhere in the world such as PDA by Nokia

Beside these technological changes there is a tremendous shift in the inclination of the public towards Internet. More and more people are willing to use it for varying purposes. It has started taking shape conducive to business requirements. To start with, it was unregulated and unruly. Now, slowly, the larger software companies are bringing business features and securities to the Internet so that business can work securely on it and trust it as an efficient business tool.

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ANNEXURE/S

This is a questionnaire as a part of an effort to gauge the E-Marketing in India. Your sincere and honest cooperation is expected.

1. How would you like to make a purchase, please give the ranking from 1(most favorable) to 5(least favorable)
 - a) Directly from the shop
 - b) Through mail-order
 - c) Through net
 - d) Through phone
 - e) Any other (specify)_____
 2. For how many hours on an average do you surf net in a week. _____
 3. With the falling Internet prices from RS. 50 an hour to RS. 5 an hour how many hours will you surf net in a week. _____
 4. For what purposes do you surf net:
 - a) E-mail/chat
 - b) Entertainment
 - c) Getting information
 - d) Downloading
 - e) Buying things
 - f) Any other (specify)
 5. Have you ever used Internet for purchasing? Yes No
- If No
6. Are you planning to make purchase on net in future.? Yes No
 7. What kind of products would you like to buy on net? Please mention.
 - a) _____
 - b) _____
 - c) _____
 - d) _____
 - e) _____
 8. How often do you click on advertisement on sites?
 - a) 0 to 10% of the time.
 - b) 10 to 25% of the time.
 - c) 25 to 50% of the time.
 - d) 50 to 75% of the time.
 - e) 75 to 100% of the time.
 9. Do you feel ads on net give more insights of product/service than other media? Yes No
 10. Do you receive mail from business sites? Yes No

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