

## UNDERSTANDING E-MARKETING –OPTIMIZATION OF RESOURCES

**DR. SHIVANI ARORA**

Shaheed Bhagat Singh College,  
University of Delhi,  
New Delhi, India.

Email id:-dr.shivani.research@gmail.com

### Abstract

*The novelty of this new medium of exchange i.e. the web has attracted a lot of interest from all (marketers, customers and researchers). The dot-com bust (of 2000) led to the withdrawal of venture capital from the e-scenario, thereby causing cash crunch faced by the e-marketer. An effort in this paper is made to analyse what features of website are important, how to advertise and satisfy the web customer, from the perspective of the experts in the field i.e. e-marketers, in order to optimize the utilization of scarce resources. The respondents i.e. the e-marketers were all from the renowned websites and the decision makers in their respective organizations; their viewpoint has been evaluated and may be taken as benchmark.*

### KEYWORDS

*E-commerce, E-Marketing, Internet, Online advertising.*

### Introduction

E-marketing uses the internet as a force to address the global audience. Interactivity, which enables one to one marketing, customization and personalization, makes it a more powerful medium as compared to its traditional counterparts. Though it is luring but due to the known failure rates and investing being a judicious decision, it is more so in case of e-commerce, where break-even is not easy to reach. Researchers globally are looking for gaps in the understandings and providing the marketers and customers with a vivid picture.

### Need And Objectives Of The Study

Marketers face the brunt of the changing business scenario where they are supposed to adjust with it and also provide the best results. The basic understanding is that web is a comparatively new medium with its challenges for being profitable. The study aims to analyze the behaviour of the customer online, from the viewpoint of the established e-marketers (respondents) in order to provide insight to the new entrants in the field i.e. novice e-marketer. An effort in this paper is made to analyze the following from the view-point of the marketers:

(a) Important features of a website (so that optimum investment is made);

- (b) Advertising on the web (understanding how to reach the customers) and
- (c) Understanding what to do to satisfy the customers.

## **Methodology**

This paper draws its findings from the analysis of a structured questionnaire with closed ended questions, administered to 51 marketers, interviewed either personally or through e-questionnaire. The universe comprised of ceos, chief marketing officers and top level marketing professionals from the leading web sites.

The focus is on the particular section of the research, where weighted average scores were calculated to analyze the significance assigned by the marketers.

## **Findings**

### **A. Important Features Of Websites**

E-marketing requires that the web site of a company is systematically designed. The web-site should provide the necessary information often sought by the customers. Marketers understand the fact that certain important features should be incorporated in the sites at all costs, in order to attract and retain the customer to their site. In this section, an effort has been made to identify the features that the marketers feel are important from the viewpoint of the customer. There is so much that can be incorporated in the web sites and the present research intends to come out with the significant and insignificant features of the web sites. Investing on the web is expensive, so it is important that the same is done meticulously. This is required to be studied because customers in the first place should like the website, in order to stick to it and they would do that if they are provided with the features that they perceive as necessary.

The perceived significance of the different features related to the web sites and the was have been presented in table 1, where 12 features were identified and the marketers were required to attach significance to it.

Out of these 12 features, the marketers attach high significance to one, moderate significance to five, slight significance to five and least significance to one. Implying that those with least and slight significance, can be done away with i.e. investment thereof being done away with.

The feature of 'providing product related information' was considered of great significance by the marketers as they felt that customers need to be made aware of the product features as that would help them compare with the other products available and it might interest them further, finally to buy on the web, (was 4.65).

'Encouraging feedback', (was 4.25) follows next. According to the marketers, encouraging feedback gives customers the feeling that the marketer wants to serve him better and also customers feel connected to the marketer. Analytical evaluation of feedback also enables new product development (npd), as it helps the marketer in incorporating features demanded by substantial number of customers and also deleting a few.

**Table 1 : Perceived Significance Of The Features Of The Web Sites**

No. of respondents →	VS	S	NSNIS	IS	VIS	WAS
<b>Features of the best website</b>						
<b>Features of High significance</b>						
a) provides product related information	34 (66.67 )	16 (31.37)	1 (1.96)	0 (0)	0 (0)	4.65
<b>Features of Moderate significance</b>						
b) encourages feedback	22 (43.14 )	22 (43.14)	5 (9.80)	2 (3.92)	0 (0)	4.25
c) provides the option of both offline and online payment	18 (35.29 )	27 (52.94)	4 (7.84)	2 (3.92)	0 (0)	4.20
d) provides FAQ s	15 (29.41 )	29 (56.86)	5 (9.80)	2 (3.92)	0 (0)	4.12
e) provides customization facility	12 (23.53 )	32 (62.75)	6 (11.76)	1 (1.96)	0 (0)	4.08
f) gives personalized experience	16 (31.37 )	25 (49.02)	7 (13.73)	2 (3.92)	1 (1.96)	4.04
<b>Features of Slight significance</b>						
g) provides 'Order now' facility	13 (25.49 )	24 (47.06)	11 (21.57)	3 (5.88)	0 (0)	3.92
h) provides a junction to communicate with the marketer	9 (17.65 )	29 (56.86)	11 (21.57)	1 (1.96)	1 (1.96)	3.86

i) provides consistency in web pages	6 (11.76) )	32 (62.75)	9 (17.65)	3 (5.88)	1 (1.96)	3.76
j) provide 'recommend a friend' column	10 (19.61) )	20 (39.22)	19 (37.25)	1 (1.96)	1 (1.96)	3.73
k) provides web expert recommendation	8 (15.69) )	10 (19.60)	22 (43.14)	9 (17.65)	2 (3.92)	3.25
<b>Features of least significance</b>						
l) provides celebrity endorsement of the product/service	3 (5.88)	7 (13.73)	18.00 (35.29)	15 (29.41)	8 (15.69)	2.65

(Figures In Parenthesis Show Percentage)

'Option of both online/offline payment' for products/services bought is also ranked moderately significant, (WAS 4.19), this is because the marketers also realize that 'Payment security issues are still not handled perfectly', and hence want to provide the customer with the better of the two worlds.

Every website is unique and so the marketers feel that a section on FAQs would help the customers in easy navigation and in sorting out any difficulty that they face.

Customization and personalization are unique features of e-marketing and marketers are ready to provide the same.

In the category of Slight Significance lie the option of 'Order now facility', (WAS 3.92), 'junction to communicate with the Marketers', (WAS 3.86), which is necessary because the customer is dealing with the marketers in a new way and as face to face interaction lacks in online business, so there must exist some platform whereby they can interact with each other. Marketers feel that customers want to take their own decision not influenced by any celebrity WAS 2.65 or Web expert (WAS 3.25) or 'recommended by a friend', WAS 3.73.

The analysis shows that the marketers feel that investments, in providing the 'product related information' with 'constant feedback', 'option of online and offline payment', 'FAQs', 'Customization' etc are all justified but the marketers can opt out of the expensive option of "celebrity endorsement" and "web expert recommendation" in order to optimize the utilization of funds available.

## B. Advertising On The Web

Medium of advertising have been increasing , we have newspapers, T.V., banners, hoardings, cinema halls etc. and now a new dynamic medium i.e. the web which can be customized as

per the needs of the target audience, has come into being. Web as a medium of advertising has huge potential to be used extensively. Marketers were asked to provide their Agreement level regarding web as a medium of advertising. Table 2 presents the response of the respondents as regards these 11 statements and their corresponding WAS.

Of these eleven statements, seven were rated of Slight Agreement and the other four of Least Agreement, i.e. Agreement in none of the cases was high or moderate.

Agreement with the statement that "Satisfaction guaranteed " or "money back guarantee" are typically made as a part of an overall sales pitch, just to attract people, I need not mean them' (WAS 3.76), might be used to explain the reason why the web is taking long to get people comfortable. Marketers feel that people are comfortable gleaning information about products and services, so there by they feel that they would appreciate that 'comparative prices of the various products should be given to make the shopping experience easier', (WAS 3.67). The marketers also experience an increase in sales by practicing online advertising (WAS 3.61).

**Table 2: World Wide Web As A Medium Of Advertising**

No. of respondents →	SA	A	NAND	D	SD	WAS
<b>Statements</b>						
<b>Statements of Slight agreement level</b>						
a) "Satisfaction guaranteed " or "money back guarantee" are typically made as a part of an overall sales pitch, just to attract people, I need not mean them.	18 (35.29)	17 (33.33)	7 (13.73)	4 (7.84)	5 (9.80)	3.76
b) Comparative prices of the various products should be given to make the shopping experience easier.	8 (15.69)	24 (47.06)	14 (27.45)	4 (7.84)	1 (1.96)	3.67
c) Online advertising has the potential to increase sales.	4 (7.84)	30 (58.82)	10 (19.61)	7 (13.73)	0 (0)	3.61
d) In the era of web, it is better to concentrate on customer service rather than advertising.	14 (27.45)	6 (11.76)	26 (50.98)	5 (9.80)	0 (0)	3.57

e) I think most customers in future would locate the company through the internet , as opposed to the print ads.	11 (21.57)	18 (35.29)	11 (21.57)	10 (19.61)	1 (1.96)	3.55
f) Click-throughs are necessary for the impactful brand communication	4 (7.84)	26 (50.98)	14 (27.45)	7 (13.73)	0 (0)	3.53
g) Web advertising boosts the awareness of advertised brands.	4 (7.84)	23 (45.10)	20 (39.22)	3 (5.88)	1 (1.96)	3.51
<b>Statements of Least agreement level</b>						
h) Customers have accepted online advertising in the same way as traditional.	0 (0)	16 (31.37)	15 (29.41)	18 (35.29)	2 (3.92)	2.88
i) I feel the customer's intent to buy an online advertised brand is higher than that of an offline advertised brand.	1 (1.96)	6 (11.76)	25 (49.02)	17 (33.33)	2 (3.92)	2.75
j) I spend a considerable part of my advertising budget on online advertising.	5 (9.80)	8 (15.69)	9 (17.65)	22 (43.14)	7 (13.73)	2.65
k) Customers note online ads more than the T.V.ads.	0 (0)	8 (15.69)	10 (19.61)	28 (54.90)	5 (9.80)	2.41

The marketers least agree with the fact that 'they spend a considerable part of their advertising budget on online advertising', (WAS 2.65) which shows that online advertising is not as much relied upon by the marketer as other mediums of advertising.

They do not agree with the statement that, 'Customers note online ads more than the T.V.ads', (WAS 2.41) ,i.e. they feel that customers are more comfortable with the Advertisements on the television.

The analysis shows that ethical advertising should be followed on the internet as well because the strong agreement with the statement "Satisfaction guaranteed " or "money back guarantee" ..... , I need not mean them", is a very discouraging finding. This shows that though the marketers realize that the customers hold a stronger position now, but

it seems that they are more interested in attracting rather than retaining them, which might get them short term gain but can never get them success in the long run. The marketers realize that 'comparative prices' are required by the customers, 'they feel it is better to concentrate on customer service rather than advertising', 'web advertising aids in brand communication' and to make it impactful 'click through' is required.

The marketers feel that T.V. ads still rule the roost and the customers do not note online ads more than TV ads.

### C. Satisfying the Customers

Within an organization, marketing has the responsibility to reflect the customers' goals, needs and wants. Many tools exist to accomplish this goal, an effort was made to frame a set of statements which would reveal the practices being followed to do so.

The marketers were required to share their agreement level for the same. For the purpose of analysis, Strongly agree was assigned the weight of 5, ...and Strongly Disagree, the weight of one and hence the Weighted Average Score was calculated and presented in Table 3.

**Table3 Satisfying The Customer**

No.of respondents Statements ↓	SA	A	NAND	D	SD	WAS
<b>Statements of High agreement level</b>						
a) Customers queries should be attended to immediately, 'A response delayed is response denied'.	35 (68.63)	15 (29.41)	1 (1.96)	0 (0)	0 (0)	4.67
<b>Statements of Moderate agreement level</b>						
b) Web as a medium of exchange is here to stay.	33 (64.71)	12 (23.53)	3 (5.88)	3 (5.88)	0 (0)	4.47
c) Constant feedback from the customers is a must to practice CRM.	19 (37.25)	27 (52.94)	3 (5.88)	2 (3.92)	0 (0)	4.24

d) Data mining aids in setting up target market	16 (31.37)	28 (54.90)	7 (13.73)	0 (0)	0 (0)	4.18
e) “We are open 24 hours, 7 days a week”, is easier said than done.	22 (43.14)	18 (35.29)	6 (11.76)	3 (5.88)	2 (3.92)	4.08
<b>Statements of Slight agreement level</b>						
f) Back end sales is something that we follow religiously.	12 (23.53)	26 (50.98)	11 (21.57)	2 (3.92)	0 (0)	3.94
g) CRM is about giving your customer a uniform and consistent experience.	9 (17.65)	30 (58.82)	6 (11.76)	3 (5.88)	3 (5.88)	3.76
h) We go for short customer surveys to take the customers opinion about our site.	5 (9.80)	27 (52.94)	13 (25.49)	6 (11.76)	0 (0)	3.61
<b>Statements of Least agreement level</b>						
i) CRM, is a new concept, we never practised it before.	4 (7.84)	11 (21.57)	7 (13.73)	20 (39.22)	9 (17.65)	2.63
j) Personal information obtained from the customer does not serve any purpose.	1 (1.96)	3 (5.88)	10 (19.61)	22 (43.14)	15 (29.41)	2.08

**(Figures In Parenthesis Show Percentage)**

Upon analysis, it revealed that of the 10 statements, one was assigned high agreement level, four were assigned moderate, three slight and two least agreement level.

The marketers realize that they cannot afford to ignore the Customers and their needs should be attended immediately, ‘A response delayed is a response denied’, (WAS 4.67).

The marketers believe that though the business on the web is facing a downward trend but it is going to stabilize and ‘web as a medium of exchange is here to stay’, (WAS 4.47). ‘Constant feedback from the customer is a must to practice CRM’, (WAS 4.24), (In Table 1 also ranks ‘encouraging feedback’ quite high), feedback tells the marketers what more do the customers want from them and hence it adds in making best use of CRM.

Marketers follow back end sales, (WAS 3.94), as it is profitable to retain the existing customer and trust has already been developed, through back end sales, it can be strengthened further.



The least agreement with the statement, 'CRM, is a new concept, we never practised it before', (WAS 2.63), reveals that they realized the importance of Customer Relationship Management previously also. 'Personal information obtained from the customer does not serve any purpose.' (WAS 2.08), it infers that Personal Information obtained is of significant value and it is only through the Personal Information obtained that the Marketer can set up the target market.

The analysis again impresses upon the fact that the marketers realize that they have to attend to the customers more now as they have the option to move away from them as quickly as possible, hence 'a response delayed is considered as response denied'. They believe that 'web as a medium of exchange' is here<sup>3</sup> to stay which shows that they intend to make profit in the web business soon, nearly 88.24 percent marketers vote for it, which indicates that the condition is not as deplorable as portrayed. 'feedback' and 'personal information' obtained from the customer is valued by the marketer as that would aid in providing better service to the customer by practising CRM. They had been following CRM previously also but due to ease of getting information through feedback and maintaining data bank, it has come more in practice.

## Conclusion

Website is the virtual showroom of the business, in most cases, the only point of connection between the customers and the marketers, a lot of thinking goes into what should form a part of the website. The study reveals that product related information, feedback forms, multiple payment options, customization and personalization are important features to be provided on the websites. The marketers can save on the amount spent on celebrity endorsement and web expert opinions. Online advertising is an integral part of e-marketing and the marketers feel that online advertising has the potential to increase sales and improve brand awareness. The marketers feel that online advertising increases sales, but they believe that customers are yet to accept online advertising in the same way as traditional advertising thereby the outlook that online ads are not as effective as T.V. ads. Lastly, the importance the marketers attach to the customers is evaluated, where they feel that customer's queries should be attended to immediately. They know that web is here to stay, through proper feedback system incorporated in the website and all time availability, customers can be enticed and retained, in the long run.

## References

Amor Daniel, (2000), **The E-Business (R) Evolution**, Prentice Hall PTR, New Delhi.AZC

Arora, Shivani (2003), "**Marketing through Web-perspectives and problems**", Punjab

Kalakota, Ravi and Marica Robinson (2000), **e-Business Roadmap for Success**, Addison Wesley.

Kotler, Philip, (2002), **Marketing Management**, Prentice-Hall, Inc.,U.S.A

Vijayakumar, A., (2000), "E-commerce-the new paradigm for the new millennium", **The Management Accountant**, Jan, pp20-23.

Yun Wan, Maria Fasli , (2010), "Comparison Shopping and Recommendation Agents: A Research Agenda", **Journal of Electronic Commerce Research**, VOL 11, NO 3, Page 175