

# INTERNET MARKETING AS AN EFFECTIVE TOOL FOR PROMOTION ACTIVITIES ON THE MARKET

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**Abstract:** One of the main inventions of modern time is the Internet which led to changes in running marketing activities and deciding on which marketing strategy a company should choose to stay in the market. Internet marketing is characterized by stable growth as it became a significant part for the majority of business development strategies.

This article describes the concept of Internet marketing as the new way of brand, product or service promotion. It illustrates the main tools of Internet promotion, strategies according to different targets and its applicability.

**Key words:** digital, Internet marketing, digital strategy

Nowadays information and telecommunication technologies play a big role in all spheres of people's lives significantly changing the ways of production and services. High technologies have a great impact on the economy, politics and development of public institutions.

With the development of Internet new marketing and sale tools appeared creating new opportunities and challenges for companies and byers. E-commerce was built on the basis of the Internet sales channel development. It is possible to say that for the industrial sector which supplies goods this is the only possible form of work with the customers via Internet.

Any company can present itself on countless Internet sites. Moreover, it became important for companies to know how to manage communication in social media seeking to build brand awareness and positive image for brand in order to stay competitive.

The classical definition of marketing was given by Philip Kotler, an American scientist who initiated marketing as an independent science. According to Kotler's definition, marketing is the scientific mix of art and exploration and creating value to satisfy the needs of a target audience and gain profit [8]. Successful existence and performance of a company in today's reality is determined largely by the usage of traditional marketing and the development of specific techniques and means of work on the Internet.

Most scholars working in the field of marketing do not allocate Internet marketing as an independent scientific branch [10]. Furthermore, some of them note that the Internet has unique characteristics which are significantly different from the characteristics of traditional marketing tools, one of which is its hypermedia nature.

The scholars define Internet marketing as a new direction in marketing – hypermarketing as the theory and methodology for organizing marketing in the hypermedia environment of the Internet [10].

Internet marketing is a new kind of marketing that includes traditional elements, such as product, distribution, promotion, marketing research, which are implemented with the help of Internet tools in a remote, interactive mode and, as the result, provide acceleration and better implementation of all marketing processes.

The Internet provides huge opportunities for the development of existing marketing communications in any company, providing powerful feedback from the consumer. The global network has eliminated the problem of large distances and significantly reduced financial costs while providing communications [5].

In addition, the Internet provides a marketer with unique targeting tools: the target audience is selected not only by the principle of language or location, but also by the narrow specialization of a company. At the same time, the Internet network allows company to:

- collect complete statistical information in a convenient form for analysis;
- assess the effectiveness of the chosen marketing program and promptly make the necessary adjustments [5].

While using the Internet the possibilities of consumers are not limited only in choosing the advertising and the type of information channels as in the case of traditional media. While using traditional media consumers occupy a passive position in communicative interaction represented by push model. Advertising message of a company reaches the general public through media. In this case a consumer can connect to the communicative process only by hearing or seeing an advertisement [3].

While using the Internet a company places advertising information on a web server and it can be provided to a consumer by his request that is a pull model in which consumer personally joins the process of communicative interaction.

The combination of these two models provides an effective mean of communicative interaction in which, on the one hand, a consumer explores the seller's web server to obtain information for his own specific purposes, on the other hand, the server owner organizes his work for the needs of a specific consumer using computer and Internet technologies [6].

The communicative process of the Internet network can be characterized by the principle of interactivity which simulates a dialogue in the form of immediate responses to a consumer request which cannot be done through ordinary media.

Table 1.

**Characteristics of the communicative process of a company and consumers using the media and the Internet**

| Indicator                                | Outdoor advertising | Printed publications | Radio      | Television   | Internet                     |
|--|---------------------|----------------------|------------|--------------|------------------------------|
| The model of communicative process       | Push model          | Push model           | Push model | Push model   | Pull model                   |
| Information                              | Text, graphics      | Text, graphics       | Sound      | Sound, video | Text, graphics, sound, video |
| Customer focus                           | No                  | Yes                  | No         | No           | Yes                          |
| Information limitations                  | Yes                 | Yes                  | Yes        | Yes          | No                           |
| Interactivity                            | No                  | No                   | No         | No           | Yes                          |
| The possibility of concluding agreements | No                  | No                   | No         | No           | Yes                          |

Source: [4,13,18].

Interactivity allows company to provide an individual approach to the consumer, therefore, to improve the efficiency of service which is usually achieved through long-term work with him and at the same time reduce the time a client spends on finding the right information.

By attracting customers to the site, the following Internet marketing goals can be achieved:

- collection of information;
- reducing the cost of communication with customers;
- establishing personal contact with a potential customer;
- increasing of customer loyalty [9].

Each of the goals is an indication of online marketing strategies.

Table 2.

Characteristics of Internet marketing strategies

| Strategy                        | Purpose   | Tactical tools  | Users  |
|---------------------------------|---|---|--|
| Information Collection Strategy | Information collection  | <ul style="list-style-type: none"> <li>- online survey, discussion, data processing;</li> <li>- collection of secondary information, data processing.</li> </ul>  | Marketing agencies, sociological agencies  |
| Cost Minimization Strategy      | Reducing the cost of communication with customers by minimizing the role of the seller in the chain | <ul style="list-style-type: none"> <li>- a detailed product catalog with the ability to compare, search by characteristics, photos;</li> <li>- advice on the choice of products, recommendations for use, expert evaluation, allocation of "bestsellers", new products;</li> <li>- basket (delayed order system), automatic order system, preliminary reservation system;</li> <li>- reviews about the goods;</li> <li>- reminder of need to purchase;</li> <li>- information on all additional options and features, including after-sales service, warranty, delivery;</li> </ul> | E-commerce   |
| Personal Sales Strategy         | Assistance in establishing personal contact with a potential customer                               | <ul style="list-style-type: none"> <li>- a catalog containing information, "if you need details, call us";</li> <li>- conspicuous and diverse contact information;</li> <li>- calls to call, write, call a specialist;</li> <li>- reviews about products and company on a forum;</li> <li>- information about the employees of the company, that interact with customers to create a feeling of a living person "on the other side".</li> </ul>   | Companies that sell products, for which significant role is played by personal selling                                       |
| Repeat Sales Strategy           | Increase customer loyalty for repeating sales   | <ul style="list-style-type: none"> <li>- maximum information about products;</li> <li>- additional tools, drivers, instructions, brochures, firmware;</li> <li>- tips on how to use, online lessons, additional services;</li> <li>- tools for searching, selecting, classifying information;</li> <li>- registration and personal account with key information and services;</li> <li>- a forum for communication with representatives of company and between users;</li> <li>- regular newsletters (subscription to news).</li> </ul>   | Companies that sell products with a long service life, which need additional instructions, accessories, consumables, drivers |

Source: [1,4,8].



There is a variety of methods for online promotion. In order to find the optimal combination of them an effective promotion strategy should be chosen as company needs a certain information about each of the ways, their applicability in specific situations to know about current trends in Internet marketing development not only in Russia but also abroad.

The ultimate goal of applying methods of marketing on the Internet is to attract visitors to the organization's website and to provide their further active participation (constant visiting of a resource, registration, use of services, purchase of products or services).

The application of these methods of Internet promotion has a number of advantages, disadvantages and specific risks for a company.

The use of contextual advertising has the following advantages:

- increase in efficiency - contextual advertising adapts to the context of user actions, is configured thematically and geographically under certain target groups;
- monitoring the progress of advertising campaign;
- providing detailed statistics [9].

The disadvantages of using this method are: contextual advertising requires constant investments. Using this marketing method is possible only in conjunction with others, otherwise it becomes unprofitable because visitor is not fixed to the website [9].

Banner advertising is also called display advertising and opposed to text-only advertising because of the visual nature of banners. The purpose of banner advertising is to promote a brand. The banner ad can take the visitor from the host website to the advertiser's website or a specific landing page. A banner ad, or a web banner, is an advertisement displayed into a web page. The advertisement consists of an image or of a multimedia object [9].

Main advantages of banners are:

- grow brand awareness so people can easily recognize product or service;
- more users sign up and try product/service [4].

Main disadvantages:

- leads to banner blindness, which refers to ignorance of banner ads;
- needs constant modification to ignite interest and avoid monotony [4].

The main advantage of using search engine optimization of a company promotion process is the long effect of the events, high visitor interest, low final cost of attracting visitor, but at the same time there is a number of risks associated with the optimization process, such as the risk of prohibition on company's website by indexed search engines or risk of ranking algorithm changes by search engines [15].

One of the most effective resources to promote products and services are social networks: Instagram, Vkontakte, Facebook, Odnoklassniki. Social networks are engaged either by the marketing specialists of the company itself or by hired specialists of specialized companies [2].

The use of spam is classified as a recommended method but does more harm. Unwanted spam letters spoil the reputation of a company due to the excessive amount

of advertising letters which are too annoying for users. Quite often viruses are embedded in spam letters. It is possible to block the site by search engines via the online anti-spam service. However, this method is extremely effective for direct mailing of advertising information and news regarding company's products.

Isolation of the target audience is important because it allows company to build communication as efficiently as possible.

On a whole, the main methods of Internet marketing are:

- contextual advertising via Google Adwords, Yandex Direct;
- Big Data technology - large volumes of data;
- Retargeting;
- E-mail;
- Viral marketing.
- RTB (Real Time Bidding) - real time trading;
- SMM - Social Media Marketing;
- SMO - Social Networks Optimization;
- SEO - Search Engine Optimization;
- SEM - Search Engine Marketing [4,10].

The frequency of use of marketing methods is as follows:

1. SEO (site optimization in search engines);
2. SMM (social media marketing) ;
3. SMO (optimization for social networks) [9].

search engine optimization takes the first place due to the fact that 70-90% of consumers, depending on the type of market, B2C or B2B, begin to search the product with the search engines and, as the result, after the appearance of interest from a potential buyer marketing activates.

The second place of social networks is explained due to the popularity of social networks and a high level of trust to the recommendations of friends and acquaintances. In addition to social networks, there are other types of social media that also allow Internet to influence the position of users: blogs, photo and video hosting, virtual worlds, event communication communities, dating sites, social aggregators. Therefore, SMM and SMO methods are important for creating and consolidating the positive image of a company among the network community by organizing media platforms and attracting target audiences to them [4,9].

In conclusion, digital marketing is rather important in modern business world. It was outlined that digital marketing highly depends on client needs and customer perception of a concrete advertisement. That is the feature that matches with the notions of classic marketing targets. The methods that were described in the work are the most useful as they offer a broad range of research opportunities as far as traffic, conversion, profit are concerned. The Internet marketing is a tool which helps to enhance company's image and minimize undesirable expenditures.

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