

# Internet Marketing and its Impact on Society

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**Abstract:** Internet marketing is also called online marketing. It is the form of electronic communication that is utilized by the marketers to sell the goods and the services to the consumers in the market. The use of the Internet for marketing has become an indispensable part of business. Through the use of Internet we can do businesses and reach the customers in a quick, powerful, easy and inexpensive manner. Marketing firms, with the help of Internet marketing, collect consumer data and production is customized and then it targets potential customers. It is the most unique interactive media between consumers and marketers which speeds up the business. It can be said that ultimate purpose of the Internet marketing helps the customers to have access to a large range of the product. It is Internet-based communication technologies that contributed to the reshaping of marketing world. The important features in Internet marketing are online market research, online advertising, online pricing models and online promotions. This paper explains the various constituents of Internet marketing. This paper tries to examine the merits and demerits of Internet marketing over traditional marketing. This paper tries to analyze how it is benefitting the companies and explore the impact it has on its traditional market and its present society.

**Keywords:** E-mail, Internet marketing, Search engines, Social media, Traditional marketing.

## 1. Introduction

Internet marketing means doing businesses over Internet. This drastically changes the manner of doing businesses. For centuries, business has been based on physical presence of buyers and sellers and physical delivery of goods and services. In Internet marketing physical presence is not required. Internet marketing refers to any kind of business transaction in which the buyers and sellers interact electronically using telecommunication networks. Under the Information Technology Act, 2020, Internet marketing is defined as ‘the transaction carried by means of electronic data interchange and other means of electronic communication in place of paper based methods of communication.’ It is also called as online marketing, web marketing or e-marketing.

Modern business is characterized by ever-increasing supply capabilities, global competition, and customer expectations. In response, businesses throughout the world are changing their organizations and operations. They are flattening the old hierarchical structures and eradicating the barrier between the company divisions. They are also lowering the barriers between the company and its customers and suppliers. Business processes are being redesigned so that they cross these old

boundaries. So Internet marketing is means of enabling and supporting such changes on a global scale. It is this unique quality of the medium that makes it popular in modern society. Internet marketing has broad scope because it includes marketing done via e-mail and wireless media which expands its horizon multifold. The Internet marketing function is to see how to manage digital customer data and chalk out the relationship of electronic customer. Internet marketing has two aspects, one is creative and the other one is technical. All these aspects comprise of designing of the product, development of the product and advertising and sale of the product.

A large number of online advertisements are used in driving traffic to an advertiser’s website in Internet marketing. The Methods used in Internet marketing are banner advertisements, pay per click (PPC), and targeted emails lists. It is the very important methods which are used by advertiser to have access to Internet marketing

The most popular search engines are represented by Google and Yahoo. Internet marketing is evolving in a very fast manner which makes it dynamic and change oriented. Internet marketing involves:

- Strengthening relationship with customers.
- Checking out the competition.
- Developing new product ideas and sources.
- Dealing with government at all levels.
- Re-designing business processes.
- E-tailing or selling goods and services online.

Internet marketing is a result of convergence of information technology and communication technology. It is a comprehensive electronic system of trading which uses networks of computers for buying and selling of goods and services.

## 2. Methodology

Research methodology includes analyzing the gathered data systems to find solution to the problems that are selected. Basic research methodology means collecting authentic and original data and thereby, analyzing these data to reach to the conclusion. Research methodology is based on various types of information. It is not possible without different kinds of information. This information gives knowledge concerning social phenomenon. Now in order to carry out social research successfully, information should be gathered from proper sources. The more the valid is the sources of information; the

more reliable will be the information received which, in its turn, will lead to correct and reliable conclusions. Different kinds of information are required in social research. This can be classified into the following two types of information:

- *Primary Data*- Primary data are the actual information which is received by the researcher for social study from actual field of research. These are obtained by means of questionnaires and schedules. In some fields primary data are collected through interview and observation methods. Such data are primary because they are attained by researchers from field of research directly and for the first time.
- *Secondary data*- Secondary data are the information which is attained indirectly. The researcher does not attain them himself or directly. Such data are gathered from published and unpublished material. The secondary data are collected through two types of sources. The first source is personal documents such as books, manuscripts, records, census reports, reports of surveys and various reports published in newspapers and magazines.

### 3. Results and Discussion

Internet marketing has touched every aspect of our life. It is used for personal and professional reasons both. It comprises of electronically conducted business transactions such as product development, production, inventory management, accounting, finance and human resource management. Traditional marketing is an old form of marketing. It uses a number of offline advertising methods like print media such as newspapers and magazines, T.V, Radio, and Telephone etc. It is necessary to have a look over limitations of traditional marketing. They are as mentioned below:

#### A. Traditional marketing is a one way street

- Physical presence is necessary in traditional marketing.
- Scope for going global is limited.
- Nature of contact with customers is indirect.
- Setting up cost is very high.
- Response time is long.
- Government support is low.
- Business process is sequential.

There are so many kinds of Internet marketing such as App Store Optimization, Influencer Marketing, Online Reputation Management, Mobile Marketing, Programmatic Marketing, Affiliate Marketing, Google Ads & PPC, Online Lead Generation, Landing Page Optimization, Local SEO, Ecommerce SEO, Marketplace Listing Marketing & more.

Internet marketing has very wide scope as it covers all types of business functions conducted through Internet. The various constituents of Internet marketing are as follows:

- *B2C*: This includes transactions between a business firm and the customers. Online shopping, online

advertising, on delivery, ATM is example of B2C.

- *B2B*: Business to business transactions takes place between two or more business firms. A business firm can place orders with its suppliers, monitor delivery of materials and parts and make payments online. Electronic Data Interchange is used to transmit purchase orders, invoices and other commercial documents from one business firm to another.
- *Intra-B*: This involves interactions and dealings among different departments and persons within the firms. Customized production, efficient inventory management, effective handling of customer's orders have become possible due to such interactions. Virtual Private network enables employees to perform work wherever they are.
- *C2C*: It takes place between consumers. E-Bay where consumers sell their goods and services to other consumers is an excellent example of Internet marketing. Pay Pal is another good example of C2C Internet marketing.

Internet marketing involves online transactions and payment mechanisms. This is the main thing which connects the marketer with prospective customer. The main steps involved with online shopping are as follows:

- First of all the buyer will locate the seller. From advertisements and other sources, the buyer has come to know the website of seller. The buyer will log in the seller's website. It is necessary to register with the online vendors and provide the password.
- The buyer selects the products from the menu given on the website. For this purpose, the buyer might visit the website of two or more vendors and compare the prices and quality.
- Now he places the order.
- In online shopping payment may be made by cash on delivery, cheque, net banking transfer, credit/debit card, digital cash.
- On receiving payment, the product is delivered to the buyer.
- After delivery, the buyer may need some service concerning the purchased product. This is called post-delivery activity.

#### B. Merits of internet marketing

- It provides better service quality.
- It reduces service costs.
- It increases revenues.
- It reduces time to complete business transactions.
- It reduces administrative costs.
- It increases return on investment.
- It reduces procurement cycles through online catalogues, ordering and payment.
- It reduces inventory through automatic replenishment and quick response system.

- It reduces product development cycles and accelerated time to market through collaborative engineering and product customization.

#### C. Demerits of internet marketing

- The warmth of personal touch is lacking in Internet marketing. It is less suitable for products such as garments, toiletries, etc. which require high level of personal touch.
- Only those individuals can use Internet marketing that are well familiar with computers.
- There are hazards of impersonation and leakage of confidential information.
- People oppose new technology and new ways of doing things due to sense of insecurity and stress.
- Many firms use an “electronic eye” to keep track of the E-mail account, computer file and websites used by their employees. This involves an attack on their privacy.

#### D. Resources required for implementation of internet marketing

The resources required for successful implementation of Internet marketing as follows:

- A business enterprise should have well designed website.
- A business enterprise must have adequate computer hardware.
- Internet marketing requires an effective telecommunication system in the form of telephone lines, optic fiber cables, and Internet technology to handle traffic on the Internet.
- It should have technically qualified and responsive workforce.
- A fool proof system of receiving payment for the goods sold must be developed.

#### E. Security and safety of transactions in internet marketing

Several risks are involved in online transactions. These risks may cause financial, reputational and psychological losses to the parties involved in online transactions. These risks are as follows:

- Transaction risks are default on order giving/taking, default on delivery, and default on payment. In order to minimize these risks the identity and location/address of the customer may be verified at the time of registration. For example, the seller may verify from cookies that the customer has correctly entered the details in the registration forms. Sites like eBay protect customers against default on delivery. The seller can protect against default on payment by verifying the credit card information given by customer. The buyer can avoid misuse of his credit card details through encryption.

- There are data storage and transmission risks. Data stored by computer system is exposed to several risks. People may steal or distort data for selfish motives. VIRUS and hacking are well known threats. Antivirus programmes should be installed and updated from time to time.
- There are risks to Intellectual Property and Privacy. Internet is an open space. Anybody can copy the data and supply it to other. Host of advertising and promotional literature may be dumped into our e-mail box. Such junk mail is a problem. Internet marketing may succeed when buyers and sellers trust the system of exchange. This trust can be generated by ensuring security of Internet marketing. These elements are authenticity, integrity, confidentiality, non-reputability of origin, non-reputability of receipt.

#### F. Benefits and its impact on society

The boundaries of Internet marketing are not defined by geography or by national borders, but rather by the coverage of computer networks. Since the most important networks are global in scope, it enables businesses and customers to achieve a global presence and to conduct business worldwide. Access to global market helps to improve operations of business firms. The corresponding customer benefit is global choice- a customer can select from all potential suppliers of a required product or service, regardless of their geographical location.

Internet marketing enables marketer to improve competitiveness by becoming closer to customer. For this purpose, many companies are employing electronic technology to offer improved level of pre- and post- sales support, with increased level of product information, guidance on product use, and rapid response to customer enquiries. The customer benefit is improved quality of services.

With electronic interaction, marketers are able to gather detailed information on the needs of each individual customer and automatically tailor products and services to the individual needs. This results in customized products but at mass market prices.

Internet marketing shortens and eradicates Supply Chains which, in turn, increases the response to individual needs. This results in substantial saving and reduction in transaction costs. In addition to redefining the markets for existing products and services, it provides opportunity for entirely new products and services. It is very convenient to use. One can access anything from anywhere at any time. Such flexibility provides great convenience to sellers, buyers and employers

Internet marketing reduces dependence on paperwork and the attended red tape. Much of the buying and selling involves exchange of information. On the Internet information can be exchanged at the click of the mouse. Internet Marketing substantially reduces cycle time of a transaction.

#### 4. Conclusion

Internet marketing makes possible working round the clock and round the world. It enables companies to be more efficient and flexible in their internal operations, to work more closely with their suppliers, and to be more responsive to the needs and expectation of their customers. It allows companies to select the best suppliers regardless of their geographical location and to sell to a global market. It also offers business concerns more cost effective and time efficient means of working with the customers, suppliers and development partners. In today's world it is the most demanded technology. In spite of so much in use, it has associated threats involved with Internet marketing transactions. One of the threats associated with it is hacking. Hacking means unauthorized entry into the website. Hackers intercept messages sent on Internet. They misuse such information to their advantage. Brand hijacking is another threat. Impersonation, fraudulent trading, improper registration of domain names, viruses are some of the threats which pose hindrance to marketers and customers in its growth. Many methods have been developed to ensure security and safety of Internet marketing. These are setting up of cybercrime cells by the government. Encryption is another method which prevents the message to be understood by unauthorized person. Digital signature is used to check the identity of the sender and prevent the misuse of information. Internet marketing is a growing business and in next few decades, it will provide immense opportunities to both marketers and customers.

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