WEB MARKETING: EMERGING AND GROWING TREND FOR MARKETERS AND FIRMS GLOBALLY

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ABSTRACT

The purpose of this paper is to emphasize on the growing shift to web based marketing for greater convenience, access, control, lesser cost, time saving and thereby helps the marketers to expand customer base. With the growth in internet users and shift from traditional brick and mortar firms to brick and click firms the scope of web marketing has increased. This paper will give an insight into the possible areas of growth in this field for both consumers and marketers. It is for sure, that with urbanization & globalization technology has become an indispensable tool without which no one can survive in the marketplace. It will help marketers and consumers to know the current scenario in web marketing and areas still unexplored. This paper will therefore focus on need of web marketing today because of number of benefits it offers apart from highlighting the scope of web marketing. And finally, it will showcase few emerging and ongoing trends in web marketing.

Keywords: Globalisation, Human Resources, Internet, Marketing, Web Marketing.

1. INTRODUCTION

The growing complexities and the competition in the marketplace have drive marketers to resort to a new technique to market their products. This led to popularity of web based marketing which offers variety of tools to market apart from wide reach till niche markets and new customers online. Web marketing refers to “marketing the goods and services via internet”, also called as Internet marketing. It uses the Internet to deliver promotional marketing messages to the consumers. It includes email marketing, search engine marketing, social media marketing, along with and mobile marketing.

In the 21st century the speed has become a prominent factor due to which many people across the globe use computer technology to be fast and accurate. With a single click of mouse the marketers’ products and services reach millions of customers worldwide. With the growing consciousness among the consumers the marketers now shift to customer oriented marketing, since the entire marketing revolves around meeting customer satisfaction.
So, web based marketing not only enables marketers to customize their offerings but also enables them to market it effectively and efficiently. A number of companies worldwide started using web based marketing for their products, since then their sale is on rise. Web based marketing thus has reaches plethora of categories which now covers even marketing of human resources. Thus scope of web marketing is on rise and is unexplored in various areas.

2. NEED OF WEB MARKETING

The need for web marketing has increased with time ever since the marketers realized the importance of web as a tool for marketing their goods and services. The need arises due to following factors:

- Digital convergence and growth in laptops, smartphones, tablets.
- Anywhere, anytime, anyone throughout the globe.
- Changes in organisation in terms of workforce diversity, globalization, increasing size, types of goods and services available, technology.
- Widespread access to IT by people worldwide to save time, cost and mental agony.
- Increasing pressure on operating costs & profit margins.
- Increasing demand for customized products & services such as apparel industry.

3. BENEFITS OF WEB MARKETING

Web marketing offers multiple benefits this is the reason why organisations are shifting from traditional brick and mortar firms to online marketing. The following are the benefits of web marketing:

- Speed, volume of transaction.
- Accuracy and consistency of data available online on marketer’s website. Such as Amazon.com, eToys.com, OLX.com
- Collaboration with other marketers is possible in designing marketing tools. Such as monster.com
- Higher profit margins for marketers by saving cost of physical display and infrastructure and resources.
- Cost saving and just -in- time environment
- Increase sales by meeting customer requirement more efficiently.
- Lower transaction cost. Such as purchasing Domino’s pizza online.
- Economical for consumers
- Better customer services. Such as online movie ticketing.
- Quick comparison shopping. Such as various brands of cars, clothing, jewellery designs.
- Information sharing, convenience for consumers
- Customization
  Thus, “Web marketing ensures the right product, at right place, in right time, at right price”.

4. RECENT TRENDS IN WEB MARKETING

- Expected growth in online retail sector: According to current data the shifting trend towards online shopping will continue to grow in December, with over $14.7 billion being dished out for online retail purchases. According to the National Australia Bank Ltd’s Australian online retail
sales grew 12.6% for December year-on-year, an increase of 11.2% growth in November and 10.7% in October.

- Expected growth in sale of electronic games & toys: These levels of growth are expected to continue into 2014 including the Electronic Games and Toys category which was increased by 32% and the Groceries and Liquor category by 24%. There is expectation of spurt in Electronic Games and Toys category due to the release of the new X-box and Playstation games. Thus web marketing is becoming a hotspot not only for adults but also for kids and youngsters.

- Expected increase in investment opportunity: According to the market research firm IBIS World, the firm forecasts online sales to increase by 11.3%. This kind of growth can represent a big opportunity for investors.

- Expected growth in sale of electronic goods: As per the economic forecasts in web marketing electronic goods retailers like Dick Smith Holdings, Harvey Norman Holdings Limited and JB Hi-Fi Limited are likely to benefit in various countries. JB Hi-Fi revenue is expected to increase by 6.8% and net-profit by 10%. The company’s online sales grew 15.4% and represented approximately 2.2% of total sales, up from 2% in the half-year for 2013.

- Expected increase in supermarket shopping: Other results forecasts that online supermarket shopping platforms can be a great time savers for busy professionals and households especially in technology driven nations like China. According to the forecasts the “number of web users in China has increased to 618 million”, as per the report of a Government Agency in China. With the world's largest Internet population which includes those who have used the Internet at least once in the last six months rose by more than 53 million in 2013, as per the China Internet Network Information Center (CNNIC) report.

- Expected increase in consumer bargaining: According to sources website Paytm is introducing chat feature that will allow users to get discounts especially for Indian buyers who love bargaining with shopkeepers. The same type of bargaining can now be done online as well. Another ‘One97Communications’ paytm.com mobile commerce site also introduced chat feature that will allow users to bargain live with vendors.

- Diversion of website traffic to other online marketers’: Paytm, a new entrant into online retailing, forecasts that the advanced features and growing usage of smartphones will divert consumer traffic onto its website giving strong competition to companies like Flipkart and Jabong.

- Growth in sale of food items online: Another market report of Foodpanda, an online food ordering platform is planning to raise approximately $20 million (about Rs 125 crore) from a group of investors, including Phenomen Ventures for expanding its domestic and global presence. So far, the company has raised $ 28 million in investments, including $20 million (in May last year) and $8 million in September 2013.

- Increasing sale for insurance products: Forecasts also depict that due to web marketing by insurance companies the purchase insurance online is now convenient, faster and economical than ever before. The insurers have realized the potential of this distribution channel and therefore have the entire product range from life to general insurance coverage including cover for medical, marine, fire, etc. with click of a mouse policy can be bought from any corner of the world at any point of time.

  Moreover, buying directly from the insurer, the commission of agent or broker is saved resulting in charging lower premium from the customers. Various sites such as Policybazaar.com, MyInsuranceClub.com and Easypolicy.com are offering online insurance benefits.

- Expected increase in purchase of consumer and luxury and antique products online: India has now arrived in the high-value online shopping arena. Online purchasers now buy cars, houses, diamond jewellery and real estate online. After maturing as a platform for people to buy small
products like books or electronics, the country's e-tailing industry then graduated to jewellery, and is now a convenient mode even for large-ticket purchases like houses/properties and SUVs.

- Greater transparency, convenience and access in coming years: Apart from saving time, online shopping offers transparency, convenience and easy access. In products like cars, all brands do not have wide dealership and service centres therefore shopping online gives access to the customers.

  In real estate, customers have direct access to the company without going through dealers, these services will increase the purchase of large items like cars, homes and all other products online," as said by Arvind Singhal, chairman of consultancy firm Technopak.

- Greater competition and product comparison: "Today, most car buyers go online before making a decision and compare the look, mileage, price, make, brand, public review. At Nissan, there is a facility of payment gateways to the buyers with the help of specific car portals to ensure timely delivery and service at the time of purchase," said Nitish Tipnis, Director of Marketing, Automotive India, Nissan's national sales company.

  As per the data provided by recent online shopping fest there was a sale of 5 houses worth 25 crores, 35 Nissan cars and about 250 Tata Motors vehicles in four days. Thus, direct access to car sellers with less dealerships and purchase of property without brokers is expected to drive such big-ticket sales further.

- Growth of e-tailing in India is increasing and innovating: According to Nitish Tipnis, Director of Marketing, Automotive India, "Unlike other countries, the growth of e-tailing in India is very different and e-commerce players bring out innovative schemes and options like cash-on-delivery and free exchange/return.

  Such services develop customer faith in online payment done via debit card, credit card, master card, visa and e-banking". For instance, Tata Housing Development Company gives customers a virtual tour of the property online before booking flats.

- Growth of upcoming fields in web marketing: Earlier companies looked upon e-tailing platforms as another means to reach out to customers. But the online response for lapping up products was a surprise. Nitin Bawankule, Industry Director (e-commerce), Google India, commented that, “This is an indication of the growth in web marketing. If ten days back I was asked if real estate would be sold online, I wouldn't have said it surely would. The sale of such big-ticket products and services like job search or matrimonial services was a surprise”.

  Google India, forecasts an increase in e-tailing market from $2Billion in 2012 to $16Billion in 2016.

- Further growth in online retail industry: In 2013, Movers and shakers crossed the $1 billion mark in Indian e-tailing. Despite that, e-tailing accounts for just 0.2% of overall retail market penetration in the country; it is expected to grow to 6.5% by 2023. Specially, in the categories like mobile phones, PCs and tablets and apparel, according to the Junglee Online Shopping Search Trends Report 2013, Economic Times Report.

Most searched categories online during since last 2 years:

  - Mobile phones continue to be the most searched category followed by apparels.
  - PCs and Tablets are gaining 4 ranks year after year. Followed by Kitchen and home appliances and books.

Most searched brands online since last 2 years:

  - Samsung and Nokia hold the top 2 ranks, followed by Apple.
  - Where consumers prefer Budget phones ranging between5000-10000 and Smartphones ranging between 20000 and above.
  - As per the report, Delhi and Mumbai being the cities with most online viewers. Thus, metros take the lead followed by Bangalore and Hyderabad.
Major category gains:
- Sachin Tendulkar’s retirement drove demand for books on him.
- Products promoted by Bollywood celebrities prove popular. The most popular being the branded merchandise promoted by Deepika Padukone and Priyanka Chopra Followed by Kareena Kapoor, Katrina kaif and Anushka Sharma.

- Growth in Indian apparel industry: As per new study by PWC, “almost 50% Indian retail apparel consumers shop online to get better deals and variety. Where, 40% consumers in India look towards bollywood and celebrities for purchase decisions while 25% continue to buy unbranded traditional clothes, 70% more than the Chinese but less than the Malaysians.” Rachna Nath, Retail and Consumer leader, PWC India said that, “Digital technology has impacted the way business happens as no other factor has. As the buyer becomes more informed and we see the touch points to interact with customers changing, the way to provide them customized experience has also undergone a change.”

As per data under study, 90% consumers in developing countries in Asia browse or buy online as compared to 80% in developed countries. Online payment security is still an issue for almost 20% shoppers. Two-thirds of the shoppers agree that their ideal shopping experience would be defined by access to leading brands and most of them are even willing to pay four times for the branded apparel.

5. SCOPE OF WEB MARKETING

The firms globally have recognized the use of technology for marketing, the latest being online marketing i.e. through internet; therefore web marketing is expected to rise in decades to come. The benefits of web marketing through word of mouth or feedback or market survey will also reach those marketers who were earlier not aware about this. And with the increasing use of computer technology and number of people using internet, web marketing will increase in future. As such Web marketing is a large business which is growing rapidly.

In 2011, Internet marketing revenues in the United States surpassed those of cable television and broadcast television. In 2012, Internet marketing revenues in the United States totaled $36.57 billion, an increase of 15.2% from last year and approximately $31.74 billion in revenues in 2011. Online marketing is now widely used across all industry sectors.

6. CONCLUSION

Web marketing has become an indispensable tool for the marketers’ goods and services. Various companies have shifted from the traditional brick and mortar structure to brick and click model, where apart from the online website the marketers tie up with nearby stores to supply their products to the consumers upon order. Web marketing is seen not only as a cost and time saving activity but also as a creator of new type of online consumers with greater access, comparison shopping and services.

Various websites like amazon.com, etoys.com were running as online websites for accepting and delivering customer order which has expanded to manufacturing sector like cars, mobile phones which are now focusing on web marketing to expand their customer base with greater consumer delight. During the past 6 months there has been an increase in number of online users which again provide a big opportunity to the marketers to sell their products online.

Web marketing is no more confined to marketing of goods and services rather it has become interdisciplinary with inclusion of marketing of human resources through employment and job websites; social relationships through matrimonial websites. This growth and expansion of web
marketing as a marketer’s tool makes millions of us think about its future scope and unexplored areas in the industry. Thus, web marketing has a bright future for marketers in the years to come.

7. REFERENCES

Books


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Websites