

**Project Report on**  
**Evolution of Internet Marketing and how it impacts a**  
**company's Bottom line**

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**A.Y. 2020-21**

## Certificate

This is to certify that **Mr. Dawkhar Tanmay Nitin**, a student of the **Bachelor of Business Administration (BBA) Program** from **MES, Arts, Commerce & Science College, Sonai**; has worked under my guidance and supervision. This Dissertation Report has the requisite standard and to the best of my knowledge, no part of it has been reproduced from any other project, monograph, article, report or book without giving proper credits and references.



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## Acknowledgement

This project has given me immense knowledge and understanding about Internet Marketing and its allied initiatives. It has given me an in-depth understanding about various Business Models linked to Internet Marketing, Measuring RoI of different Internet Marketing Initiatives like: Google Adwords and Social Media, and understanding of how Internet Marketing and Social Media affect the Top-Line and Bottom-Line growth of companies.

I take this opportunity to thank Prof. Sayyad L.R, lecturer at ACS, for providing me with the scope of undertaking this project, and providing constant feedback which helped me refine the critical aspects of my Project.

I would to thank the Blogging Community of various Internet Forums, who have helped me a lot in terms of providing critical data for the project.

Last but not the least; I would like to thank my Family members and a few close friends without whose understanding and support none of this would have been possible.



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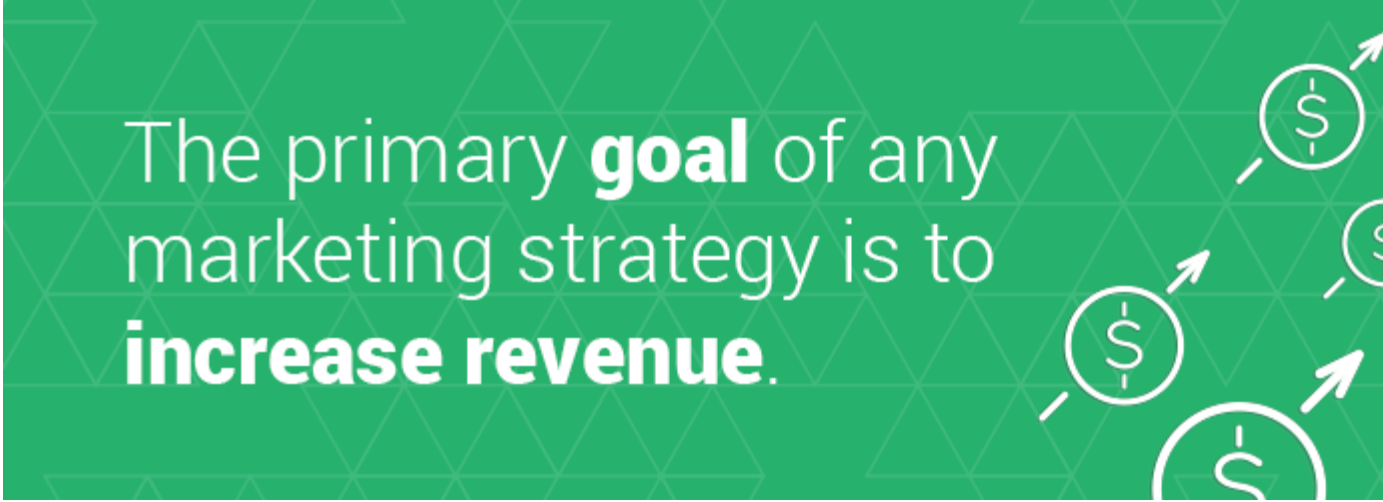
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## Objectives Of Internet Marketing

### Objective #1: Increase revenue

The primary goal of any marketing strategy is ultimately to increase revenue, and Internet marketing is no exception. Thankfully, the Internet provides plenty of opportunities for every business to improve their bottom line.

By combining search engine optimization, or [SEO](#), with [pay-per-click ads](#), or PPC, your company can improve the chances that potential customers find you online. And with strategies like content marketing and [social media marketing](#), you can position yourself as an expert in your field who also cares about your clients.



The primary **goal** of any marketing strategy is to **increase revenue.**

For more information on how Internet marketing can increase sales and generate revenue, check out [this article](#).

### Objective #2: Build a brand

Internet marketing objectives often include building a brand. This means not only establishing your logo and company name in the minds of consumers, but also what your company stands for.

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Well-known brands are typically trusted more by customers, especially when paired with positive associations. The Internet is a great tool for building that trust, because it has a wide reach and allows you to directly connect with individuals.



Social media is particularly useful when building a brand, because it allows companies to create and post with a more personal feel. Organizations have discovered that this kind of brand-building can be fostered by the use of social media channels such as Facebook, Twitter, Instagram and Pinterest. In addition to organic posts on these sites, companies can build brand recognition by paying for advertisements and placements. This takes patience on the part of the organizational leaders, because trust and loyalty are developed over many months, and sometimes years. The key is to stay focused on the results.

### **Objective #3: Improve local SEO**

Many small businesses, as well as companies focused on increasing sales in specific geographic region, focus much of their marketing efforts on improving their [local SEO](#). This means optimizing various elements on their sites in order to attract local customers who are looking for the services they provide.

Although the number of searches that include both your industry and your town or city is undoubtedly lower than those that just specify a product or business type, those searches tend to generate much more qualified traffic. If a user is already looking for businesses where you are, chances are high that they'll be willing to come to your physical location.

Learn why WebFX is the [best SEO company](#) for the job.

### **Objective #4: Increase qualified traffic**

Every business owner wants to see numbers rise in terms of visitors to their site and landing pages. However, those numbers are meaningless if they aren't the right kinds of [traffic](#).

The amount of **traffic** your website receives is meaningless if it's not the right kinds of traffic.

Not every visitor to your site is going to make a purchase. That's just the way of the Internet, and should be accepted. However, if *none* of your site visitors make purchases (or contact you), you are likely attracting “unqualified” traffic, or visitors who have no intent of becoming a customer.

By targeting your marketing to [specific personas](#) and aiming to attract specific, qualified people, you can increase the ROI of your marketing efforts—as well as your bottom line.

### **Objective #5: Manage online reputation**

In an age when anyone with a computer or smartphone can post their opinions about companies, products, and services for the whole world to see, it's important for businesses to maintain a solid online reputation. This means monitoring your company's name, maintaining social profiles, and responding to bad reviews accordingly.

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One bad review doesn't mean that your company's reputation is shot, but one bad reaction to a bad review might. The way you publicly [respond to customer complaints](#) will show them (and all other current and potential customers) how much you care about their opinions. But as intimidating as that may sound, all it takes is a bit of respect and concern for your customer base.

One bad review doesn't mean that your company's reputation is down the drain, but a **bad reaction** on your end to a bad review **may ruin your reputation.**



For some companies who've already made errors in this department, their objective is simply to remove any negative associations with their company and show customers that they've seen the errors of their ways. Though the improvements won't happen overnight, and bad online PR can be difficult to get rid of, the Internet is a solid tool for [repairing damaged reputations](#).

## Objective #6: Become an influencer in your field

Every industry has a few well-known individuals or companies that others look to as thought leaders. They stay at the forefront of new technologies and ideas, and are often the first to share new information.

Unfortunately, every industry only has a particular amount of room at the top. The people who become experts and influencers are those who strategically position themselves to give out great advice and information, often without much obvious monetary gain.



The people who become **experts and influencers** are those who **strategically position** themselves to give out great advice and information, often without much monetary gain.

For instance, an influential company might write and share blog posts and articles on a regular basis. Their CEO and other top employees might keep their LinkedIn and other social profiles up to date and share them as well. The company might offer free webinars on up-and-coming industry news. All of these efforts combined can position them as an expert not only in the eyes of other industry professionals, but also in the eyes of potential clients.



## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

## **Executive Summary**

Internet marketing is the marketing of products or services over the Internet . With rising Broadband connectivity and computer awareness, it has become inevitable for companies to market their products online, rather it has become one of the most powerful tools to Market Products leading to solid Top Line and Bottom Line growth for companies.

### **Problem Objective:**

We analyze here the impact of internet on Business, which would include Evolution of the Internet Marketing and a whole pedigree of Business Models based on it, assessing the impact of Online Marketing and social networks on the Top Line and Bottom-Lines of companies, considering a few successful examples as case studies.

### **Scope of the Problem:**

Internet Marketing is a very wide term which includes many Techniques and Models. While we would describe briefly about various Internet Marketing Channels, PPC Model and e-mails as historical aspects of Internet Marketing, the study would mainly focus on recent Business Models like Google AdWords and Social Media and allied Case Studies.

### **Basis of the Study:**

The study would mainly include analyzing data from Secondary Data Sources; a questionnaire has been prepared which would act as a template for companies to decide whether they should go for Internet Marketing and on what Scale. The data sources used are:

- Analysis of 4 P's of Internet Marketing, SWOT analysis of Internet Marketing vis-a-vis other Marketing techniques
- Analysis of the Business Models of Google's AdWords Model and Social Media
- Questionnaire for Business Owners on feasibility of Internet Marketing and its Analysis
- Sales Figures of Companies Successfully Adopting Internet Marketing Techniques before and after the adoption

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**List of Abbreviations**

- SEO – Search Engine Optimization
- RoI/ROI – Return on Investment
- IM – Internet Marketing
- PPC – Pay Per Click
- PPI – Pay Per Inclusion
- PFI – Pay For Inclusion
- ERP – Enterprise Resource Planning
- CRM – Customer Relationship Marketing
- SWOT – Strengths, Weaknesses, Opportunities and Threats
- B2B – Business to Business
- B2C – Business to Customer
- P2P – Peer to Peer
- ISP – Internet Service Provider
- MSN – Microsoft Networks
- CAN-SPAM - Controlling the Assault of Non-Solicited Pornography and Marketing Act
- 3D – 3 Dimensional
- TV – Television
- RSS – Really Simple Syndication
- UK – United Kingdom
- US/USA – United States of America
- URI – Uniform Resource Indicator
- DVR – Digital Video Record
- CTR – Click Through Rate
- FT- Financial Times
- CEO – Chief Executive Officer

## Chapter 1: Introduction

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## **Introduction to Internet Marketing**

Internet has become the centre of not only our personal and social lives, but also our business and professional lives. It is quick and very user friendly, It makes it very easy for anyone to market, buy, sell or advise anything or anyone via the Internet.

Internet Marketing is an all-inclusive term for marketing products and/or services online. Internet marketing is using the Internet to do one or more of the following:

- Communicate a company's message about itself, its products, or its services.
- Conduct research as to the nature (demographics, preferences, and needs) of existing and potential customers.
- Sell goods, services, or advertising space over the Internet.

Lower costs of dissemination of information and a global audience are its main advantages.

The definition of Internet marketing may vary depending on the context. For example, someone who has a home business in which he makes money online selling something, might refer to his home business as an Internet marketing business. It would not be inaccurate to do so.



**Figure 1: Internet Marketing Introduction**

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Essentially, though, Internet marketing refers to the strategies that are used to market a product or service online, marketing strategies that include search engine optimization and search engine submission, copywriting that encourages site visitors to take action, web site design strategies, online promotions, reciprocal linking, and email marketing to name a few.

So, in short, Internet marketing is the process of marketing goods or services through the Internet - both for those whose income is derived solely from the Internet - and for those who have a brick and mortar location but choose to advertise on the Web. Internet marketing is also Known As: Online marketing, Web marketing, Website promotion, online business, Internet business

Although the basic goals of advertising and marketing remain to gain exposure and maintain a client base for the products and services of a business, doing so on the Internet requires a different angle of approach to the task. Because promotion on the Internet is done online, newspaper ads and other print media are not as useful as with offline firms. Web marketing and online advertising consists of having the web site of the business ranked as high as possible in the Internet search engines and using other means of virtual exposure.

The importance of Internet marketing strategies has increased with the growth and importance of the Internet. Most established companies are vying online space today and seek to adopt web marketing strategies to increase traffic to their company's homepage. Internet marketing helps add potential customers and the number of quality leads to your website as well. In fact, most organizations can adopt Internet marketing and advertising strategies to generate better business.

Internet marketing is associated with several business models, the most widely used are Listed below, although there are many other forms which are devised based on a business's specific needs and objectives:

- **E-Commerce:** The means by which goods or services are sold directly to consumers (B2C) and businesses (B2B)

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- **Lead-Based Websites:** Organizations can create significant worth by getting sales leads from their websites, this of course may be part of a chain of Internet marketing events that originate elsewhere and culminate in lead generation.
- **Affiliate Marketing:** This describes a process by which products or services developed by one person are sold by another active seller for a percentage of profits. The owner of the product usually supports his affiliates by supplying the necessary marketing materials: affiliate links, tracking facilities, and promotional aids such as sales letters, trials, and more.
- **Local Internet Marketing:** This is the process of a locally based company traditionally selling belly to belly and utilizing the Internet to find and nurture relationships, later to take those relationships offline.
- **Blackhat Marketing:** This is a form of internet marketing which employs deceptive, abusive, or less than truthful methods to drive web traffic to a website or affiliate marketing offer. This method sometimes includes spam, cloaking within search engine result pages, or routing users to pages they didn't initially request.
- **Newsgroups and e-mails:** Posting to newsgroups and employing direct e-mail campaigns are two of the more popular forms of online advertising and marketing that are being used by Internet businesses.

## **Internet Marketing Techniques**

Many methods of Internet marketing have evolved since marketers decided to take the leap from conventional marketing media to the World Wide Web. Here are some of the most popular ones:

### **Search Engine Marketing**

Search Engine Marketing, also known by the acronym SEM, is a set of Internet marketing strategies that are designed to promote a Website's visibility and Web traffic, the bottom line being selling the product and offering the Website services to a greater number of users who are indeed interested. Search Engine Marketing includes a score of methods, described in the following.

Search Engine Marketing strategies are focused on promoting the Website through the various search engines that operate online, such as Google, Yahoo, MSN and others. Purchasing paid listing space (Paid Inclusion/PPI) on search engine result pages or promoting the Website organically, optimizing its performance to reach the top results through unpaid methods, are the two main aspects of Search Engine Marketing, the latter more specifically referred to as Search Engine Optimization (SEO), and including an overhaul of the entire site in terms of structure and content to rank higher on natural Web searches.

Website publishers and advertisers may buy, through paid placement and paid inclusion programs, listings on search engines and ensure their appearance on result pages. This direct marketing method, however, is not offered as a service on Google.

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**Figure 2: Internet Marketing Techniques**

Other than paid inclusion and Search Engine Optimization, a third method of Search Engine Marketing is Paid Placement (Pay per Click/PPC) advertising. A PPC Search Engine Marketing campaign is intended to do the same, increase in number and quality the Web traffic to the site, by having the advertiser bid for certain search words and phrases, which are relevant to the site and the product offered on it. The search engine calculates the bid and other relevancy factors in publishing the results.

### **Search Engine Optimization**

Search Engine Optimization, also known by the acronym SEO, is a division of the larger Search Engine Marketing world. Unlike the Internet marketing methods that involve paying for listings on search engines, Search Engine Optimization is a strategy that aims at increasing the Website's performance on the search engines in organic, or natural, means.

Such organic search listings are based on the search engine's crawler visiting the Website and finding it relevant for a score of reasons to the user's specific search. The search engine

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will then rank the Website or page higher on its search results, thus increase visibility and help drive traffic. Crawlers, also known as spiders and bots, search the Web regularly and automatically. They index Websites and pages and rank them according to complex calculations, referred to as search engine algorithms. Google, Yahoo and Microsoft operate such crawlers and run algorithms, kept secret from the rest of the industry.

Research of users' searches and matching them with the Website's structure and content are the basis of Search Engine Optimization. The Website needs to be optimized with the search engine crawlers in mind and the human users, to bring greater visibility to the Website and quality, interest users to the page.

The industry's specialists in achieving such optimum search engine results are called Search Engine Optimizers. At times, an Internet marketing campaign reaches the best results when combining SEO with Search Engine Marketing and other paid inclusion and Pay per Click advertising methods.

### **SEO as a Marketing Strategy**

As an Internet marketing strategy, SEO considers how search engines work and what people search for. Optimizing a website primarily involves editing its content and HTML and associated coding to both increase its relevance to specific keywords and to remove barriers to the indexing activities of search engines.

SEO is not necessarily an appropriate strategy for every website, and other Internet marketing strategies can be much more effective, depending on the site operator's goals. A successful Internet marketing campaign may drive organic traffic, achieved through optimization techniques and not paid advertising, to web pages, but it also may involve the use of paid advertising on search engines and other pages, building high quality web pages to engage and persuade, addressing technical issues that may keep search engines from crawling and indexing those sites, setting up analytics programs to enable site owners to measure their successes, and improving a site's conversion rate.

SEO may generate a return on investment. However, search engines are not paid for organic search traffic, their algorithms change, and there are no guarantees of continued

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referrals. (Some trading sites such as eBay can be a special case for this, it will announce how and when the ranking algorithm will change a few months before changing the algorithm). Due to this lack of guarantees and certainty, a business that relies heavily on search engine traffic can suffer major losses if the search engines stop sending visitors. It is considered wise business practice for website operators to liberate themselves from dependence on search engine traffic. A top-ranked SEO blog Seomoz.org has suggested, "Search marketers, in a twist of irony, receive a very small share of their traffic from search engines...|| Instead, their main sources of traffic are links from other websites.

### **Paid Inclusion**

Paid inclusion is a SEM tool that includes search engine listing in return for a fee, with immediate results, although not necessarily with guaranteed ranking. It is often called Pay for Inclusion (PFI) or Pay per Inclusion (PPI). Search engines or directories that list Websites and pages charge often on a Cost per Click basis or alternatively per URL, ensuring highly relevant lists. Most search engines provide paid inclusion as a n option, although Google does not.

This option is becoming more popular with both site owners and search engines. Site owners that want to get indexed quickly like it because they don't have to wait for the search engines to find their sites naturally through incoming links and listings in directories. Search engines like it because it is a way to increase revenue by charging the site owners for this service.

### ***Cost***

The fee structure is both a filter against superfluous submissions and a revenue generator. Typically, the fee covers an annual subscription for one webpage, which will automatically be catalogued on a regular basis. A per-click fee may also apply. Each search engine is different. Some sites allow only paid inclusion, although these have had little success. More frequently, many search engines, like Yahoo!, mix paid inclusion (per-page and per-click fee) with results from web crawling. Google does not let webmasters pay to be in their search engine listing.

Some detractors of paid inclusion allege that it causes searches to return results based more

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on the economic standing of the interests of a web site, and less on the relevancy of that site to end-users.

Often the line between pay per click advertising and paid inclusion is debatable. Some have lobbied for any paid listings to be labelled as an advertisement, while defenders insist they are not actually ads since the webmasters do not control the content of the listing, its ranking, or even whether it is shown to any users. Another advantage of paid inclusion is that it allows site owners to specify particular schedules for crawling pages. In the general case, one has no control as to when their page will be crawled or added to a search engine index. Paid inclusion proves to be particularly useful for cases where pages are dynamically generated and frequently modified.

Paid inclusion is a search engine marketing method in itself, but also a tool of search engine optimization, since experts and firms can test out different approaches to improving ranking, and see the results often within a couple of days, instead of waiting weeks or months. Knowledge gained this way can be used to optimize other web pages, without paying the search engine company.

### **Paid Placement (PPC)**

Paid placement is a SEM strategy by which placement on the search results page is allotted in return for a fee. Paid placement is temporary and usually marked as sponsored listings.

Pay per Click Advertising (PPC) is a pricing model for Search Engine Marketing campaigns, as well as other advertising strategies, which is based on the number of click-throughs the advertising generates at the end of the day. It is a pay for performance model in essence, where the actions that users take, namely clicking on the advertisement, count rather than impressions or other factors.

Website publishers bid on keywords that they believe their potential market will type at the search engines. These sponsored links will then appear on the search engine results page, and depending on the specific agreement between advertiser and search engine, the former pays the latter based on the click-throughs the ad generates. A click on the ad means a user is directed to the advertiser's Website and the advertiser pays the search engine as the



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contract specifies.

Google AdWords, Yahoo!, MSN and others operate Pay per Click services. They usually charge anywhere between \$0.01 and \$0.50 for a click, and may penalize for any click fraud, a practice that is not at all favoured around the SEM world. PPC bidding may be over keywords, strategically selected and making up the heart of Search Engine Marketing in general. Product PPC has advertisers operate like product price comparison engines, as do Service Pay per Click offerings.

Picking the right Search Engine Marketing strategy for a Web based business, including the best Pay Per Click pricing scheme and other aspects is complex. Professional optimization of a Website involves many decisions that should ideally be based on thorough research and a clearly formulated strategy.

### **Contextual Advertising**

Contextual advertising is a form of targeted advertising for advertisements appearing on websites or other media, such as content displayed in mobile browsers. The advertisements themselves are selected and served by automated systems based on the content displayed to the user.

A contextual advertising system scans the text of a website for keywords and returns advertisements to the webpage based on what the user is viewing. The advertisements may be displayed on the webpage or as pop-up ads. For example, if the user is viewing a website pertaining to sports and that website uses contextual advertising, the user may see advertisements for sports-related companies, such as memorabilia dealers or ticket sellers. Contextual advertising is also used by search engines to display advertisements on their search results pages based on the keywords in the user's query.

Contextual advertising has made a major impact on earnings of many websites. Since they are more targeted, they are more likely to be clicked, thus generating more revenue.

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### **Email Marketing**

E-mail marketing is a form of direct marketing which uses electronic mail as a means of communicating commercial or fundraising messages to an audience. In its broadest sense, every e-mail sent to a potential or current customer could be considered e-mail marketing. However, the term is usually used to refer to:

- Sending e-mails with the purpose of enhancing the relationship of a merchant with its current or previous customers and to encourage customer loyalty and repeat business.
- Sending e-mails with the purpose of acquiring new customers or convincing current customers to purchase something immediately.
- Adding advertisements to e-mails sent by other companies to their customers.
- Sending e-mails over the Internet, as e-mail did and does exist outside the Internet (e.g., network e-mail).

There are advantages and disadvantages to using traditional advertising mail in comparison to e-mail.

#### ***Advantages***

E-mail marketing (on the Internet) is popular with companies for several reasons:

- An exact return on investment can be tracked ("track to basket") and has proven to be high when done properly. E-mail marketing is often reported as second only to search marketing as the most effective online marketing tactic.
- Advertisers can reach substantial numbers of e-mail subscribers who have opted in (i.e., consented) to receive e-mail communications on subjects of interest to them.
- Over half of Internet users check or send e-mail on a typical day.

#### ***Disadvantages***

A report issued by the e-mail services company Return Path, as of mid-2008 e-mail

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deliverability is still an issue for legitimate marketers. According to the report, legitimate e-mail servers averaged a delivery rate of 56%; twenty percent of the messages were rejected, and eight percent were filtered.

Companies considering the use of an e-mail marketing program must make sure that their program does not violate spam laws such as the United States' Controlling the Assault of Non-Solicited Pornography and Marketing Act (CAN-SPAM), the European Privacy and Electronic Communications Regulations 2003, or their Internet service provider's acceptable use policy.

### **Opt-in e-mail advertising**

Opt-in e-mail advertising, or permission marketing, is a method of advertising via e-mail whereby the recipient of the advertisement has consented to receive it. This method is one of several developed by marketers to eliminate the disadvantages of e-mail marketing.

Opt-in e-mail marketing may evolve into a technology that uses a handshake protocol between the sender and receiver. This system is intended to eventually result in a high degree of satisfaction between consumers and marketers. If opt-in e-mail advertising is used, the material that is e-mailed to consumers will be "anticipated". It is assumed that the consumer wants to receive it, which makes it unlike unsolicited advertisements sent to the consumer. Ideally, opt-in e-mail advertisements will be more personal and relevant to the consumer than untargeted advertisements.

A common example of permission marketing is a newsletter sent to an advertising firm's customers. Such newsletters inform customers of upcoming events or promotions, or new products. In this type of advertising, a company that wants to send a newsletter to their customers may ask them at the point of purchase if they would like to receive the newsletter.

With a foundation of opted-in contact information stored in their database, marketers can send out promotional materials automatically. They can also segment their promotions to specific market segments.

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### **Affiliate Marketing**

Affiliate marketing is revenue sharing advertising between two websites. The affiliate website will display an online advertisement of another website. Internet traffic from the affiliate site will be driven to the other website. The affiliate is compensated for displaying the advertisement.

A marketing program that can increase sales 10% to 25%--and you don't pay a dime unless you get results. That's pretty much how affiliate marketing works. Through these online programs, you sign on with a partner that markets your product or service, often through a link or banner ad you place on their website. The affiliate then gets a commission based on sales, visits, or customers that result from those efforts. It's the ultimate in pay for performance.

### ***Channels***

Your affiliate can be anything from a website or e-newsletter to a shopping portal, to name a few. For example, a small business selling sunglasses; perhaps their most successful affiliate is a website devoted to bicycling, which recently included an article about the product and a link to their site. The company pays the affiliate a

20% commission on sales. At the same time, however, the firm uses a variety of other affiliates. The bottom line is: You want a good mix of different types of channels.

How many? There's no magic number. You can make money with perhaps twenty, or in some cases, thousands. It all depends on the quality of the partner. For example, three or four effective affiliates that specialize in search engine optimization can provide you with as much business as hundreds of mediocre websites, especially if they're not quite the right fit for your product and demographic.

### ***Commission***

Commissions run the gamut, from 3% to as much as 90%, although the average is around 15% to 20%. The amount depends on a variety of factors. High volume products, for

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example, tend to command lower rates. At the same time, you get what you pay for. Take Steven Rothberg, president of CollegeRecruiter.com, a career site for college students and recent graduates. He pays about 50% more than many other companies in order to attract the best affiliates possible. About 10% of his revenues come from his affiliate marketing program.

### ***Recruitment and Retention***

Recruiting high-quality affiliates is one of the toughest parts. While there are lots of choices out there, finding the right partners, getting their attention and negotiating the final details take time - as long as a year in many cases. How to find them? One possibility is to sign on with an affiliate marketing network like Commission Junction. Almost all of CollegeRecruiter.com's affiliates, for example, have resulted from its relationship with the network, through a program in which interested affiliates that are a good fit automatically become partners. Another tack: Shawn Collins, co-author of *Successful Affiliate Marketing for Merchants* (Que, 2001) uses software to determine which affiliates his clients' competition is using. Then he targets them with phone calls and direct mail.

That's only the first step. Just because you've signed a deal with an affiliate doesn't mean it will let you go live. To make sure you are *activated*, you also need to work constantly at staying top of mind. For example, sending the top twenty affiliates for each client gifts, and calling them at least once a month.

### ***Two Tier Affiliations***

Somewhat like the classic Mary Kay-style Multi-Level Marketing arrangements, these affiliates use a referral network to generate more sales for the company and commissions for themselves. An affiliate that is working with a particular company's program will attract other partners to join up. It, then, receives commissions from any activity those newer affiliates generate. The system ensures more income for partners throughout the chain and greater visibility for the small business. Plus, it saves time if you can't do your own recruiting.

### ***Find the right affiliate solution provider***

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You need a method for tracking traffic, sales and payments. There are two ways to go about it. One is to install software in-house and do it yourself. That can be a big job, however, especially if you're short-handed. The other is to hire a third party to provide the technology and customer support needed to facilitate the transaction. You'll pay a percentage of your affiliate's commission to the firm.

### ***Watch out for Fraud and Spam***

There are a variety of scams out there, so be careful. One common type works this way: An affiliate earns a commission on an order that they actually place themselves, after which they return the product. The merchant ends up paying a commission on a product they didn't really sell. As for spam, you can be held legally responsible for the actions of your affiliates that send out junk mail on your behalf.

### **Banner Exchange**

Advertisers can utilize banner marketing by paying web pages and search engines so that they will display a banner every time a search term is entered by a visitor. What is good about this is that the banner will not fail to appear for that search word. For every page of the website that user goes to, the banner will appear. Making a catch and attractive banner is important. This way the visitors will notice it and be encouraged to click it. Once the banner is clicked, the visitor will be directed to the advertisers' own site(s) where of course they would have placed more convincing factors for that visitor to become a client.

One can pay the websites displaying their banner either per month or per year or whatever they decide. But banner marketing provides more advantages because one can also pay through a system of cost per click. The advertiser would only pay the sites displaying the banner according to the number of times his banner has been clicked. Unfortunately though, there has been lots of talk in many corners these days that the effectiveness of banner marketing is going downhill. This is because of the new techniques implemented for marketing such as search engine optimization. Still, many companies use banner ads.

The main purpose of banner marketing is to widen the market for that certain advertised product. No matter how good the product is, if not advertised properly, only those

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related to the manufacturers would know about it. Over time, others may know but the word is not spread ideally fast. With banner marketing, the market that cannot be tapped otherwise can now be introduced to the product. Another purpose of banner marketing is to continually expose people to the products. Though as a consumer, one is not that highly motivated to buy the product he sees on the banner immediately. As long as one sees it always though, he would have a familiarity and good feeling towards that product.

### ***The Measurement of Success***

Successful banner marketing can be measured in many ways such as through click-throughs, page views, rate of click-through, and cost per sale. Click-throughs refer to the amount of visitors clicking the banner. Page views refer to the amount of server requests for a certain web page. The click-through rate refers to the page views – clicks ratio. The cost per sale refers to the amount of money required for advertisements for that one sale.

### **Link Building**

Link Building is the process of creating inbound links to your own website. This can be done by reciprocal links, being listed in e-zines, newsletters, directories, search engines, etc. Link building is one of the best ways to make your site popular. There are few types of linking one of which is reciprocal links.

Reciprocal links or link exchanges is the process where two webmasters agree to show the other's link on their website. After link building when the number of sites which link to a particular site is known as link popularity which helps in the search engine ranking of a website.

### ***Advantages***

Link building helps in getting quality traffic from relevant sites which increases sales.

- Also when there will be high quality incoming links the site will also be seen as a valuable resource.
- Link building helps in creating awareness, visibility and credibility of your site.

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- The site also obtains wider search engine exposure.

It also helps the website get indexed by search engines.

Today links have become important for all websites and they are worth the money. In fact, there are several companies dedicated to selling links (as opposed to companies that you can pay to do link building for you).

Overall link building is one of the most important steps in building a site. Getting quality links improves your PR and espouser to search engines as also the possibility of gaining traffic to your site. Many people say link building is dying out but the facts are simple, you build a site and build links and traffic will come. Also, link building also increase your Page Rank thus getting more traffic via Google.

### **Article Marketing**

Article marketing is a type of advertising in which businesses write short articles related to their respective industry. These articles are made available for distribution and publication in the marketplace. Each article contains a bio box and byline (collectively known as the resource box) that include references and contact information for the author's business. Well-written content articles released for free distribution have the potential of increasing the authoring business' credibility within its market as well as attracting new clients.

#### ***Traditional Article Marketing***

Article marketing has been used by professionals for nearly as long as mass print has been available. In paper-print form (as opposed to online forms), article marketing is utilized commonly by business owners as a means of obtaining free press space. A local business provides useful content to the newspaper free of charge, and in return the newspaper prints the business' contact information with the article. Because newspapers and other traditional media are expected to present content on limited budgets, this arrangement is generally advantageous for all parties involved.

For example, an accounting firm may market itself by writing an article entitled "The Top 10



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Ways to Avoid Being Audited" and offering it to the local newspapers several weeks prior to tax season. Similarly, a roofing company may offer radio stations a concise article entitled "How to Avoid Ice Damage to Your Roof this Winter" shortly before the winter season.

### ***Internet Article Marketing***

Internet article marketing is an Internet marketing technique to subtly advertise products and services via online article directories. Most directories receive a high volume of traffic and are considered authority sites by search engines, which often results in submitted articles receiving substantial free traffic.

Internet marketers will often try to maximize the results of an article marketing campaign by submitting their promotion to multiple article directories. However, most search engines filter duplicate content to prevent the same content from appearing multiple times in searches. Some marketers try to circumvent this filter by creating multiple variations of an article. By doing this, one article can theoretically gain traffic from multiple article directories.

Most forms of search engine optimization and Internet marketing require a domain, hosting plan, and advertising budget. However, article marketing uses article directories as a free host and receives traffic via organic searches due to the directory's search engine authority.

### **Video Blogging**

A videoblog, or vlog, is a Web log (blog) that uses video rather than text or audio as its primary media source. Videoblogs are usually accompanied by text or still images, and some vlogs include metadata to further annotate the site. Digital video-editing software allows videobloggers to cut and paste sequences and integrate audio (background music, special effects, and so forth). Like a text blog, a videoblog is updated regularly, typically includes personal reflections, often contains comments on other sites, and offers a simple mechanism for subscription and delivery through

RSS feeds. Videoblogging offers a richer Web experience than text blogging because it

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combines movies, sound, still images, and text, increasing the information—and potentially emotions—shared with users. Rich media allow authors to explore new ways of communicating—many videobloggers believe that video allows more natural expression than writing.

Adding video capabilities to Web sites exemplifies the old adage that a picture is worth a thousand words. The ability of videoblogs to deliver richer content than sites using just text and still images positions vlogs in a unique video-graphic Web niche. Media-centric individuals are finding that video allows them to express themselves more naturally and with greater facility than static, text-based sites. As video software and hardware capabilities advance, and as the medium matures, video enthusiasts could have significant influence on Web site design and development for instructional purposes. Videoblogging is an extension of the self-publishing phenomenon exemplified by blogging. Thanks to reduced barriers to entry for content creation, bloggers, podcasters, and now videobloggers are able to publicly express themselves using their media of choice. Videoblogging has the potential to expand communication options and individual expression with personal video posts. Videoblog content bypasses traditional media distributors (major broadcast or cable outlets), delivering video to aggregation clients and Web sites. While still in its infancy, videoblog content is increasingly sophisticated and may someday rival commercial offerings by appealing to the interests of niche groups.

The tools to create videoblogs are becoming more common, less expensive, and more popular. Camera-capable cell phones and digital cameras that can record short video sequences make it relatively easy to acquire and post video to the Internet. As content capture and editing tools become more prevalent and easier to use, digital video might become a significant communications channel. Just as consumers are using phones for sound recordings and submitting them to Web sites that dynamically turn their files into a podcasts, the same could happen for video and associated videoblogs.

### ***Issues:***

The greatest downsides to videoblogging are the bandwidth requirements and the resources required to capture, store, and distribute video. Although the barriers to creating video

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content have come down, a significant investment of time and money may still be required. Internet-based video distribution has extensive space and bandwidth requirements: the larger the video files, the greater the network demand and download time. As a result, widespread distribution and use of videoblogs will depend on the availability and affordability of broadband connections. Because videoblogs are new, it is unclear what impact storing, cataloging, and retrieving them will have on ISPs—a popular videoblog, accessed simultaneously by thousands of users, could overwhelm servers. Some video bloggers are starting to use P2P technologies such as Bit Torrent to distribute their content, potentially complicating distribution on campus because of the legal and bandwidth concerns of network administrators, many of whom are increasingly reluctant to allow P2P applications on their networks. Videoblogging must eventually address issues of indexing, storage, and retrieval. Video files need metadata for users to be able to access archival material, and the consistency with which metadata are applied will affect how useful a videoblog will be to audiences. And, as the sophistication of videoblogs improves over time—in terms of content, videography, and the demands of the viewers—a cataloging mechanism at the aggregator level will become crucial.

### **Social Media**

The concept of social media marketing basically refers to the process of promoting business or websites through social media channels. It is a powerful marketing medium that is defining the way people are communicating. It is one of the significantly low-cost promotional methods that provide businesses large numbers of links and huge amount of traffic. Companies manage to get massive attention and that really works in favour of the business. Social media marketing is a potent method applied by progressive companies for selling their products/services or for just publishing content for ad revenue.

Social media is an extremely useful tool using which companies can get their information, product descriptions, promotions all ingrained in the chain of networking world. Considering the newness of this marketing method, organizations are coming up with innovative ways to develop their marketing plans. New platforms are being created to approach potential clients. A large number of business organizations are allocating budget for online business

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development using social media marketing. It is a booming sector which is going to redefine the way marketing strategies are being formed and promoted.

Social Media Marketing is a form of internet marketing which seeks to achieve branding and marketing communication goals through the participation in various social media networks (MySpace, Facebook, LinkedIn), social bookmarking (Digg, Stumbleupon), social media sharing (Flickr, YouTube), review/ratings sites (ePinions, BizRate), micro-blogs (Twitter), forums, news aggregators and virtual 3D networks (SecondLife, ActiveWorlds).

Social Media is basically ‘Conversation Online’, it's not a tactic or a strategy; it's simply a channel that empowers just about anybody with an internet connection and an opinion to be able to ‘converse’. The various players participating in this ‘Conversation Online’ are:

- Your Customers
- Your Employees
- Your Investors
- Your Critics
- Your Fans
- Your Competitors

### ***Characteristics of Social Media***

- **Participation:** Social media encourages contributions and feedback from everyone who is interested. It blurs the line between media and audience.
- **Openness:** Most social media services are open to feedback and participation. They encourage voting, comments and the sharing of information. There are rarely any barriers to accessing and making use of content – password-protected content is frowned on.
- **Conversation:** Whereas traditional media is about -broadcasting (content transmitted or distributed to an audience) social media is better seen as a two-way conversation.
- **Community:** Social media allows communities to form quickly and communicate effectively. Communities share common interests, such as a love of photography, a political issue or a favourite TV show.

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- **Connectedness:** Most kinds of social media thrive on their connectedness, making use of links to other sites, resources and people.

### ***Power of Social Media***

Consumers have always been heavily influenced by each other when they make purchasing decisions. They ask each other for advice, they observe and mimic each other's decision making, and frankly they let peer pressure notify their decisions whether they like to admit it or not. What's changed is that digital behavior has caught up with the offline behavior – and that's why social influence marketing matters to anyone who has a future in marketing. Communication technologies such as social networks, prediction markets, micro-blogging solutions, location-based networked mobile phone applications, and even virtual worlds make it possible for consumers to influence each other far more directly and dramatically than ever before. This influence occurs in three ways:

- **COMPLIANCE:** an individual agrees with a point of view and acts in a specific way in order to achieve a favourable reaction among his or her peers.
- **IDENTIFICATION:** a person acts a certain way in front of a group because she believes in what she says, and belonging to a group is important to her.
- **INTERNALIZATION:** your views are truly altered beyond the relationship with the group.

These concepts do translate into tactics for a digital marketing program or platform. Building compliance, identification, and internalization is in many ways the holy grail of marketing.

Moreover, with around 110 million blogs, 100 million videos being watched every day on the popular website YouTube & 200 million profiles created on social network MySpace, one can easily estimate the wide reach of Social Media.

These two effects coupled together make Social Media a big deal that it is. Following are some statistics reinforcing the power of Social Media in influencing people.

Social Media influences people:

- 91% say consumer content is the #1 aid to a buying decision (JC Williams Group)
- 87% trust a friend's recommendation over a review by a critic (Marketing Sherpa)

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- Social network users are 3 times more likely to trust peer opinions over advertising when making purchase decisions (JupiterResearch)
- 1 word-of-mouth conversation has the impact of 200 TV ads (BuzzAgent)
- Social media sites are the fastest-growing category on the Web - doubling their traffic over the last year (Comscore)
- Information Technology buyers trust social media more than any other content source (PJA IT Social Media Index)

People are using social media:

- Social Media sites are the fastest-growing category on the web, doubling their traffic over the last year.
- More than 110 million blogs being tracked by Technorati (Specialist blog search engine)
- An estimated 100 million videos a day being watched on video sharing website, YouTube
- More than 123 million users on social network, Facebook
- 73% of active online users have read a blog
- 45% have started their own blog
- 39% subscribe to an RSS feed
- 57% have joined a social network
- 55% have uploaded photos
- 83% have watched video clips

### ***What it means for Companies***

Traditional marketers are accustomed to carefully honing messages. This allows for control, but the results are difficult and costly to measure. Social media turns this whole scenario around. With it, control is shared with the crowd, and real feedback becomes immediate.

Organizations now have the opportunity to collect detailed information on users and their habits, elicit real feedback and suggestions, and refine their offering and messaging to better suit user demands.

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Although there are trade-offs with this new way of communicating, the opportunities for companies to understand and work with their customers have never been as great.

### *Social Media Tools*

The following seven are the most popular social media marketing tools. However, change and innovation are rife!



**Figure 3: Social Media Tools**

### *Social Networks*

These sites allow people to build personal web pages and then connect with friends to share content and communication. The biggest social networks are MySpace, Facebook and Bebo.

### **Blogs**

Perhaps the best known form of social media, blogs is online journals, with entries appearing with the most recent first.

### **Wikis**

These websites allow people to add content to or edit the information on them, acting as a communal document or database. The best-known wiki is Wikipedia, the online encyclopaedia which has over 2 million English language articles.

### **Podcasts**

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Audio and video files that are available by subscription, through services like Apple iTunes.

### **Forums**

These are areas for online discussion, often around specific topics and interests. Forums came about before the term –social media and are a powerful and popular element of online communities.

### **Content communities**

These are Communities which organise and share particular kinds of content. The most popular content communities tend to form around photos (Flickr), bookmarked links (del.icio.us) and videos (YouTube).

### **Micro-blogging**

Social networking combined with bite-sized blogging, where small amounts of content (‘updates’) are distributed online and through the mobile phone network. Twitter is the clear leader in this field.

### **Interactive Gaming**

It is a novel way of marketing products over the Social Networks as people interact over games, and it is important since, gaming consumes most of the time of a person visiting Social Networks.

Many other forms of Social Media exist, like news aggregators, mash-ups, social gaming, RSS etc. But the above mentioned ones are covered in detail as follows.

### ***How Social Networks Work***

Social networks on the web are like contained versions of the sprawling blog network. People joining a social network usually create a profile and then build a network by connecting to friends and contacts in the network, or by inviting real-world contacts and friends to join the social network.



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These communities retain the interest of their members by being useful to them and providing services that are entertaining or help them to expand their networks. MySpace, for instance, allows members to create vivid, chaotic home pages (they've been likened to the walls of a teenager's bedroom) to which they can upload images, videos and music.

**MYSACE** has built a lot of its popularity around its music services. There are said to be over three million bands and musicians registered on it, trying to attract a fan base from the 200 million registered accounts. According to Hitwise, in September 2006 MySpace was the 8th largest referrer of traffic to HMV.co.uk, more even than the MSN search engine.

In 2007, **FACEBOOK**, a social network that originated in US colleges, became available for public use in the UK. Its popularity quickly rocketed. Part of Facebook's success is its creators' decision to 'open up' and allow anyone to develop applications and run them on Facebook - without charging them. This has seen Facebook users able to play each other at Scrabble and Chess, compare each others' tastes and send 'virtual gifts', among any number of new ideas vying for attention.

**BEBE**, which is popular among school-age children, actually has the most members, perhaps helped by the fact that it is grouped around schools and colleges. Crucially, the growth in the use of social networks by young people in recent years has come at the expense of their consumption of traditional media such as TV and magazines. This switch in behaviour was one of the drivers behind the biggest deal in social media to date, when Rupert Murdoch bought MySpace for US \$580 million.

Marketers have also increasingly begun to experiment with trying to reach the members of MySpace and other social networks. Bebo hosts pages for many children's authors for instance, while MySpace has seen a rush of marketing efforts from Toyota to the US Army.

Perhaps the most 'grown-up' of the popular networks is **LINKEDIN**, which allows users build their business and professional contacts into an online network. It has been criticised for not being open enough and for charging for too many of its services – but next to Facebook it is still the most popular online social network among people aged 25 and over. The huge

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success of the 'opening up' of Facebook, as mentioned above, could be a challenge to LinkedIn's 'closed' approach in the future.

### *How Blogs Work*

A blog is an online journal where the entries are published with the most recent first. There are a number of features that make blogs noteworthy and different to other websites:

**Tone:** Blogs tend to be written in a personal, conversational style. They are usually the work of an identified author or group of authors.

**Topic:** Blogs tend to define what it is they are writing about. They can be as specific as a blog about a book in progress or as wide in scope as 'my musings on life and stuff'.



**Figure 4: Snapshot of a Blog – Open Media Blog**

**Links and trackbacks:** The services people use to write blogs make it very easy for them to insert links to other websites, usually in reference to an article or blog post or to provide further information about the subject they are writing about.

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**Comments:** Each blog post has a comments section, effectively a message board for that article. On blogs with large audiences the debates in these sections can run to hundreds of comments at a time.

**Subscription:** Blogs can be subscribed to, usually via RSS technology, making it easy to keep up with new content. Blogs are easy to set up using any of a number of services. One of the simplest is the free *Blogger* service from Google. Others such as *Wordpress* and *TypePad* offer more features, the latter for a fee.

### Different Types of Blogs

With millions of people around the world of different ages and backgrounds blogging about whatever they feel like, it is about as easy to generalise about bloggers as it is to make sweeping statements about human beings. Here are some of the main kinds of blogs you will come across:

**Personal blogs:** Many millions of people keep blogs about their everyday lives, much like public diaries. These sometimes become very popular indeed, especially those anonymous, slightly risqué ones. You know the sort: they get written about in the *Sunday Times* and become best-selling novels. One of the best-known personal blogs is *Dooce*.

**Political blogs:** Especially in the US, but increasingly in the UK, blogs are being written about politics. Often perceived as a response to media bias (across the political spectrum) they tend to comment on the news, giving closer analysis of issues they feel have been misrepresented or glossed over by mainstream media. Influential examples from the political left include *MediaLens* and *Harry's Place*.

**Business blogs:** Many professionals and businesses now have blogs. They can allow companies to communicate in a less formal style than has been traditional in newsletters, brochures and press releases, which can help to give a human face and voice to the organisation. For individuals in business a blog can become a very effective way of building a network of like-minded individuals and raising their own profiles. *Blog Maverick* is a good example.

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**'Almost media' blogs:** Some blogs are unashamedly media businesses in their own right, taking advertising and employing a blogger or a group of bloggers full-time. Effectively, they are start-ups that are taking advantage of the new blogging technologies and opportunities to build communities of readers in new or niche subject areas. These are generally to be found covering news and opinion in the technology and media industries. Try *Businesspundit.com* or *Hecklerspray*.

**Mainstream media blogs:** Most national newspapers in the UK – not to mention the *BBC* – now have blogs for some of their reporters and editors. These can provide useful insights into the news gathering and reporting process, but will also give vent to personal views that the journalist may otherwise have kept to themselves. For example, see BBC business editor *Robert Peston's* blog. It's worth noting that while many journalist blogs are hosted on newspaper sites themselves, a large number are independent, personal blogs with a major focus on their professional interests.

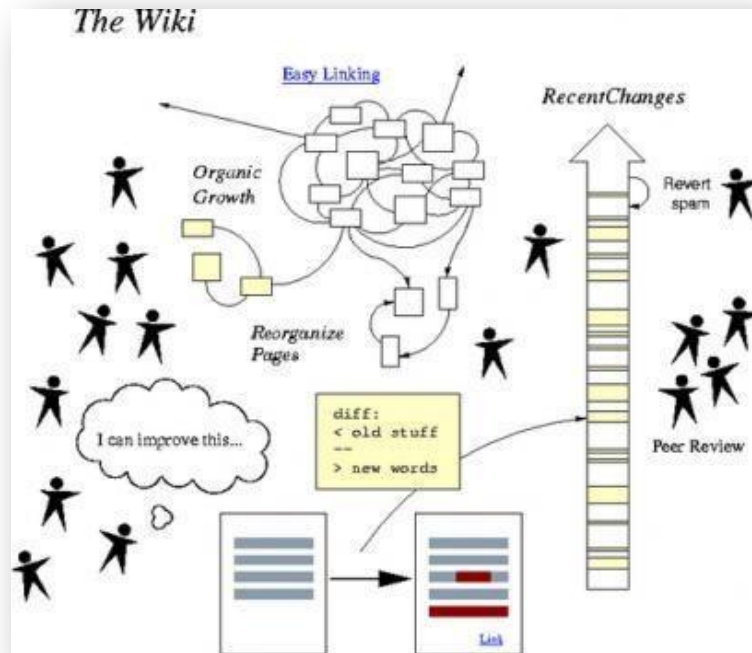
### *How Wiki's Work*

Wikis are websites that allow people to contribute or edit content on them. They are great for collaborative working, for instance creating a large document or project plan with a team in several offices. A wiki can be as private or as open as the people who create it want it to be.

The most famous wiki is of course Wikipedia, an online encyclopaedia that was started in 2001. It now has over 2.5 million articles in English alone and over a million members.

In 2005 the respected scientific journal *Nature* conducted a study into the reliability of the scientific entries in Wikipedia and Encyclopaedia Britannica. No one was surprised that Encyclopaedia Britannica was the more reliable of the two – what was remarkable was that it was only marginally more accurate. The Encyclopaedia Britannica team issued a 20-page rebuttal of the study a few months later. Others observed that while Encyclopaedia Britannica had no entries for wiki, Wikipedia has a 2,500 word article on Encyclopaedia Britannica, its history and methodology. But Wikipedia is more than a reference source. During a major breaking news story, especially one which affects large numbers of people directly, such a natural disaster or political crisis, Wikipedia acts as a collective reporting function.

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**Figure 5: Working of a Wiki**

Some other examples of large wiki projects are:

**Wikia:** A community of wikis on different subjects

**wikiHow:** A practical 'how to' manual for everything from making coffee to writing business plans

**Wikinews:** Wikipedia's news project

One can start one's own public wiki in the Wikia community, or look at the technology's possibilities for team working by trying out the services from companies like JotSpot and Socialtext.

### ***How Podcasts Work***

Podcasting is the system of allocating multimedia files, such as music videos or audio programs, over the Internet using Atom syndication or RSS, for playback on personal computers and mobile telecommunication devices. Before the introduction of the World

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Wide Web, in the 1980s, talk-related and music software to radio stations across the globe was provided in digital format. This was the advent to the history of podcasting. Prior to online music digital distribution, Multicast Network was used to distribute audio and video files.



**Figure 6: Snapshot of a Podcast - Apple**

In the mid 1990s, a number of websites offered audio subscription services. Throughout the history of podcasting, the podcasting concept was recommended in as early as 2000. The technical components were available by early 2001, but it wasn't until 2003 that habitual podcasts started appearing on established Web sites. The concept quickly launched and by late 2004, thousands of podcasts were accessible and the term had penetrated the public domain in the modern history of podcasting.

Podcasting contain video or audio, but could be images, PDF, text or any file type as well. A podcast is analogous to a recorded radio or television series. Today, you can actually download free podcasts.

The host of a podcast is generally called a podcaster. Although the podcasters' web sites may also provide direct streaming of their files or download, a podcast is identified by its

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aptitude to download free podcasts instinctively using software capable of reading Atom or RSS feeds.

The content provider usually starts by making a file, like an MP3 audio file, available on the Internet for the best podcasts. This is generally done by posting the file on a publicly-accessible web server. The only requirement is that the file be obtainable through some known URI, which is a universal Internet address. This file is known as one episode of a podcast. The best podcasts can be viewed for your pleasure.

### Where is it going?

Podcasting is the most powerful of today's -Mobile Media solutions. By harnessing the Internet's own natural syndication power, Podcasting gives corporations the ability to connect with an -On-Demand society. A proliferation of new technologies, such as TiVo and DVR, are helping to displace traditional media channels. Customers are growing accustomed to consuming their media choices on their own individual schedules. Called -time-shifting, this phenomenon is setting the standard for media delivery and determining a new set of marketing rules for those involved in the sector of the business world.

The Portable Multimedia concept remains in its infancy, but has greatly impacted today's media generation, delivery, and utilization methods. New types of media can now be delivered and incorporated into virtually every segment of our lives. Portable media devices such as iPods, MP3 Players, Cell Phones and Portable Game Players are bound by a common, seamless distribution stream, and converging into singular, multi-use devices.

Creating content for this emerging platform is a great opportunity for marketers. New forms of media creation will emerge to fit these devices, and new behaviours in media consumption will emerge as a result of this new portability. It is already possible for one to watch the evening news while waiting for the morning bus.

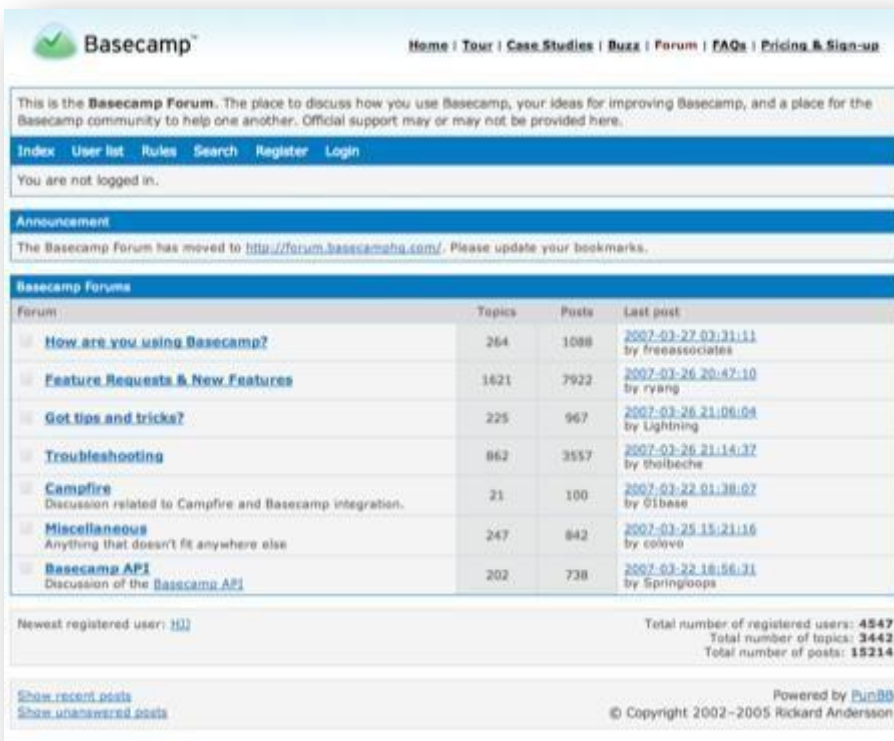
Podcasting is only two years old and most assuredly in its infancy. Still, leading corporations, such as American Airlines, Disney, McDonalds, the New York Times, and Starbucks are already strong players within the sector.

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### *How Forums Work*

Internet forums are the longest established form of online social media. They most commonly exist around specific topics and interests, for example cars or music. Each discussion in a forum is known as a thread, and many different threads can be active simultaneously.

This makes forums good places to find and engage in a variety of detailed discussions. They are often built into websites as an added feature, but some exist as stand-alone entities. Forums can be places for lively, vociferous debate, for seeking advice on a subject, for sharing news, for flirting, or simply for whiling away time with idle chat. In other words, their huge variety reflects that of face-to-face conversations.



The screenshot shows the Basecamp forum interface. At the top, there is a navigation bar with links for Home, Tour, Case Studies, Buzz, Forum, FAQs, and Pricing & Sign-up. Below this is a welcome message and a navigation menu with links for Index, User list, Rules, Search, Register, and Login. A status bar indicates the user is not logged in. An announcement section states that the forum has moved to a new URL. The main content is a table titled 'Basecamp Forums' with columns for Forum, Topics, Posts, and Last post. The table lists several forum categories with their respective topic and post counts and the most recent post. At the bottom, there are statistics for registered users, topics, and posts, along with links to show recent and unanswered posts, and a copyright notice.

Forum	Topics	Posts	Last post
<a href="#">How are you using Basecamp?</a>	264	1088	2007-03-27 03:31:11 by freeassociates
<a href="#">Feature Requests &amp; New Features</a>	1421	7922	2007-03-26 20:47:10 by ryang
<a href="#">Got tips and tricks?</a>	225	967	2007-03-26 21:06:09 by Lightning
<a href="#">Troubleshooting</a>	862	3557	2007-03-26 21:14:37 by thalbeche
<a href="#">Campfire</a> Discussion related to Campfire and Basecamp integration.	21	100	2007-03-22 01:38:07 by 51base
<a href="#">Miscellaneous</a> Anything that doesn't fit anywhere else	247	842	2007-03-25 15:21:16 by colovo
<a href="#">Basecamp API</a> Discussion of the <a href="#">Basecamp API</a>	202	738	2007-03-22 18:56:31 by Springloops

Newest registered user: 101

Total number of registered users: 4547  
Total number of topics: 3442  
Total number of posts: 15214

Powered by [vBulletin](#)  
© Copyright 2002-2005 Rickard Andersson

Figure 7: Snapshot of a Forum - Basecamp



## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

The sites are moderated by an administrator, whose role it is to remove unsuitable posts or spam. However, a moderator will not lead or guide the discussion. This is a major difference between forums and blogs. Blogs have a clear owner, whereas a forum's threads are started by its members.

Forums have a strong sense of community. Some are very enclosed, existing as 'islands' of online social activity with little or no connection to other forms of social media. This may be because forums were around long before the term 'social media' was coined, and in advance of any of the other types of community we associate with the term.

In any event, they remain hugely popular, often with membership in the hundreds of thousands. Forum search engine *BoardTracker* monitors over 61 million conversation threads across almost 40,000 forums, and it is by no means a comprehensive index.

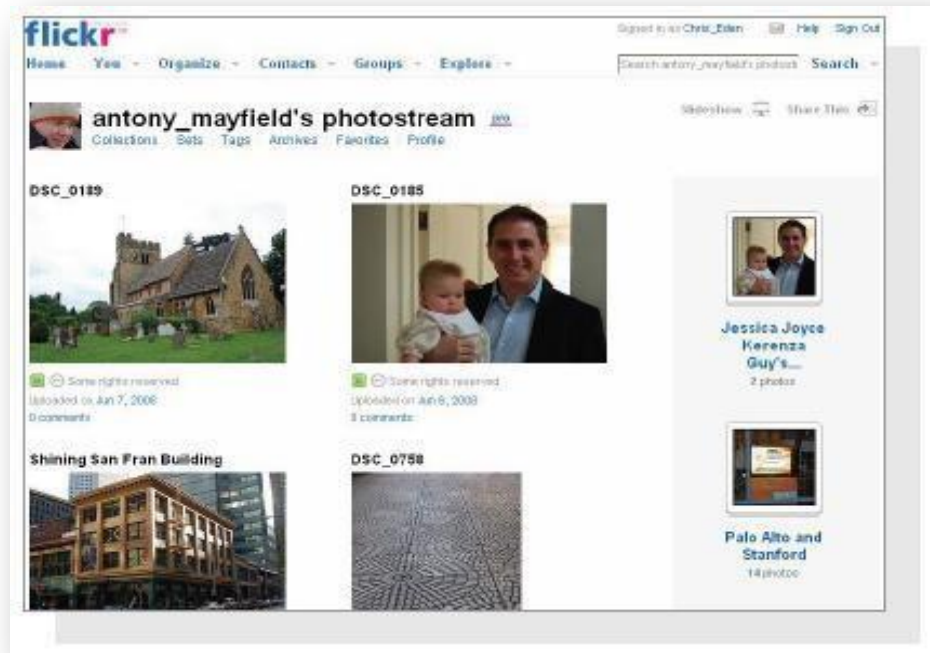
### ***How Communities Work***

Content communities look a bit like social networks – you have to register, you get a home page and you can make connections with friends. However, they are focussed on sharing a particular type of content.

For example, *Flickr* is based around sharing photography and is the most popular service of its kind in the UK. Members upload their photos to the site and choose whether to make them public or just share with family and friends in their network.

Thousands of groups have formed on Flickr around areas of common interest. There are groups dedicated to particular graffiti artists, towns, sports and animals. If you work for a reasonably well-known brand it is worth taking a look to see if there is a Flickr group about you – there are groups for motorbike brands, consumer electronics brands and even the cult notebook brand Moleskine. As testament to its enormous success, Flickr was bought by Yahoo! in 2005 for an estimated US \$30 million.

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

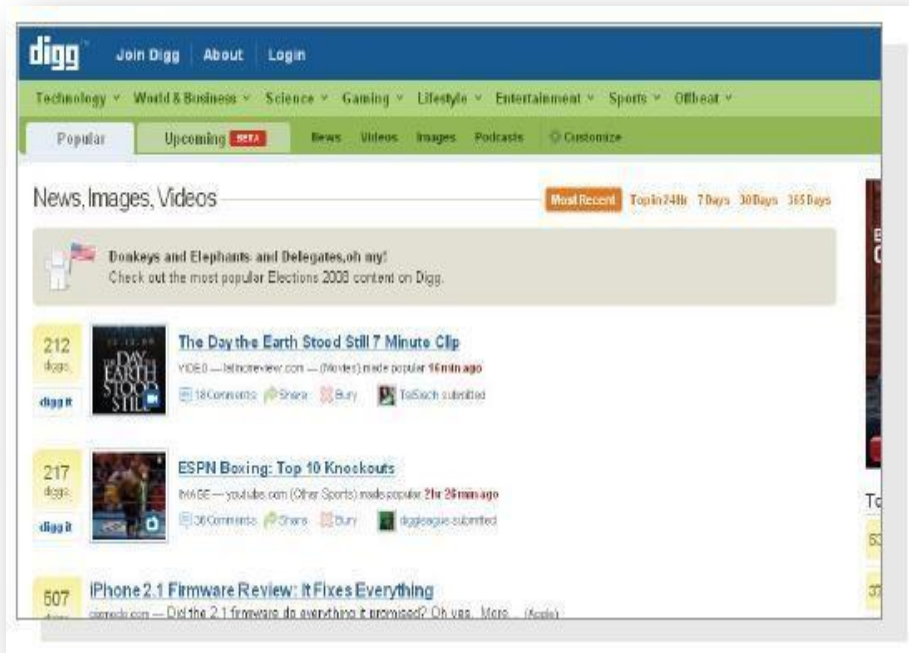


**Figure 8: Snapshot of a Community - Flickr**

**YouTube** is the world's largest video sharing service, with over 100 million videos viewed every day. Members of YouTube can upload videos or create their own channels of favourite videos. The viral nature of YouTube videos is enhanced by a feature that makes it easy for people to cut and paste videos hosted by YouTube directly into their blogs.

As well as thousands of short films from people's own video cameras, webcams and camera phones, there are many clips from TV shows and movies hosted on the service. Some people also use the service to record video blogs. YouTube started as a small private company, but was bought by Google for \$1.65 billion in October 2006.

**Digg** is a news and content community. Members submit links to news stories that they think will be of interest and these are voted on by other members. Once a story has garnered about a critical number of votes (the number varies according to how busy the site is) it will be moved to the front page where it will receive wider attention from members as well as more casual visitors to the site.



**Figure 9: Snapshot of a Community - Digg**

*Digg* claims to receive 20 million unique visitors every month, and certainly the volume of traffic via popular links from the service is so great that it can cause smaller companies' servers to crash.

As with other social media platforms, rumours of acquisition deals and massive valuations for the service are flying around, but it remains independent and relatively small in terms of the number of employees (around 40).

### ***How Micro-blogging Works***

Micro-blogging is tool that combines elements of blogging with instant messaging and social networking.

The clear leader in the micro-blogging field is *Twitter* with over 1 million users. Other notable micro-blogging players include *Pownce* and *Jaiku*, which offer various different features, but for the purposes of this e-book it makes sense to focus on the Twitter format.

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

Twitter users can send messages of up to 140 characters instantly to multiple platforms. 90% of Twitter interactions are not made via the Twitter website, but via mobile text message, Instant Messaging, or a desktop application such as *Twitterific*. Its flexibility is further enhanced by the ability to subscribe to updates via RSS.

Uses of Twitter vary. It's popular among homeworkers and freelancers, who use it in part as a 'virtual watercooler'. Other people use it simply to stay in touch with a close network and share thoughts or start conversations.

Its suitability as a vehicle for breaking news has encouraged the BBC and CNN to introduce Twitter feeds. Even candidates for the US Presidency have taken to Twitter (for example, Barack Obama).

An important feature to note is that Twitter can be indexed via Google. As with so much on the web, it's a public platform, so it's worth remembering that as such your use of it may become part of your 'permanent record'.

### ***How Interactive Gaming Works***

One of the biggest online marvels to capture the imagination of the traditional media is Second Life. It's an online computer game, but is perhaps better understood as an online virtual world. By registering and downloading the software, you can enter the game world and create an 'avatar' – an in-game representation of yourself.

Since Second Life encourages community and social interaction, some consider it to be a form of social media, although like so much in the new forms of online media it could very well be considered as a category of its own.

More than 10 million Second Life user accounts have been created, and around 1.5 million residents log in to the virtual world every month. Over 1 million US dollars are spent in Second Life each day.

That last figure, perhaps the most surprising to those unfamiliar with Second Life, is down to the functioning economy that exists in the virtual world. This is made possible by the ability

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

to own private property within the game and by setting an exchange rate between the game's currency and the US dollar (approximately 270 -Linden dollars to the US dollar). In fact, Second Life created its first millionaire in November 2006, when Anshe Chung amassed virtual assets worth one million US dollars.



**Figure 10: Snapshot of an Interactive Game - Second Life**

Marketers are beginning to experiment with the game world too. Toyota has launched in-game models to promote its 'Scion' range, while Peugeot has invited gamers to try a recent model on a virtual racetrack, built to coincide with the Frankfurt Motor Show.

During its 2006 Big Weekend festival, BBC Radio 1 had a stage in Second Life with avatars of presenters and bands performing – anyone visiting the concert received a virtual digital radio that they could listen to Radio 1 on in the virtual world.

Doubtless a large part of the marketing benefit from these in-game presences really comes from the publicity in the non-virtual world that these generate, but these are intriguing precedents for marketers.

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

### ***Why Social Media***

#### **I. Social Media: A Publishing Technology for Everyone**

Social media is unlike any other technology in history. It has created a modern-day renaissance for several reasons as given below:

##### ***Social Media is Online***

Social media is something that takes place online. It is a type of communication that takes place outside of in-person meetings, phone calls, or foot traffic. That means social media is location-independent, which makes it a valuable part of any company's business strategy.

##### ***Social media is user-generated***

Content used to be something that very few people created. Reporters, TV anchors, movie directors, authors, radio DJs, and magazine editors created content, and everyone else consumed it. Now, everyone is a publisher, and the people who use the content are also the ones who create it.

##### ***Social media is highly accessible and scalable***

Social media is highly accessible and scalable to the public, which means that social media has lots of users and offers plenty of opportunity for companies. Because social media is easy to access, the tools for social media are easy and intuitive enough for the common person to use.

#### **II. Social Media: A way to diffuse Information:**

No other existing media is capable of diffusing information faster than social media. Here's why:

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

### ***Social media is a shift in how people discover, read, and share news, media, and content***

Television and newspapers is no longer king when it comes to filtering and sharing news. People are more likely to get their news by reading Trending Topics on Twitter, and they are more likely to share a link to a friend's blog post than MSN's homepage.

### ***Social media is a fusion of sociology and technology***

Social media is user-controlled, which means that sociologic components play a large role in any company's social media business strategy. The limits of social media are only set by the limits of the technology of social media tools.

### ***Social media is a dialogue***

At one time, companies had a monologue with its customers. Companies put out television commercials or print ads about its products and waited to see whether the sales rolled in to determine success rates. Now, social media allows companies to have a dialogue with its customers and gain valuable feedback and input as it creates the message.

### ***Social media is the democratization of information***

Information and messaging for a company was once controlled by its marketing and sales departments. Now, with the democratization of information, no one owns the message about a product or company. Every company must become part of the conversation or risk letting users become the voice of the company.

### **III. Social Media: A way to build relationship by sharing:**

Humans are interesting in that the way they build relationships is through sharing. It may be sharing something that happened in their personal lives, or it may be sharing something funny on TV. Sharing is an essential component of social media, so let's break it down into parts:

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

### ***Social Media is People Connecting with others***

Social media allows each person to connect with others, which means most of the messaging a person receives is from his or her network. It's essential for companies to learn to network with its customers in order to promote the company message.

### ***Social media is content readers become content publishers***

Content readers are not only consumers. Social media allows content readers to become content publishers. In this way, social media allows content readers to share the content with their own network of followers by publishing or republishing the message in their own words.

### ***Social media is forming relationships for personal, political, and business use***

Social media is not just about content or messaging in a different format. Social media is about relationships. For companies, social media is about creating a more personal relationship with end-consumers to build a network around a service or product.

It is clear that there are many components to social media, but the best way to understand social media is to just try it.



## Chapter 2: Analysis

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## **4 P's of Internet Marketing**

Internet is used as a communication channel as a part of direct marketing. It has had a large impact on marketing since it was invented and realized to be an effective marketing tool. But the meaning and usage of it has changed through the years. In the beginning it has been used mainly for communicating to customers through e-mailing and getting response from them. It has helped the companies to be able to target their potential customers more personally and knowing more about them has helped in knowing how to approach different customers to get to their needs.

Nowadays the concept of Internet marketing has extended and opened more opportunities to companies in their marketing. The website of the companies online has got a lot of attention and has become a very common media for presenting the company, its offerings and image. Internet has become a strong marketing tool in itself which can be compared separately to other marketing tools. This growth can be seen both on a technical level and accessibility of it for customers.

Today many people have access to the Internet. With this large amount of possible customers, the companies have access to a larger audience. The technical development of the Internet and computers has made it possible for businesses to communicate their message and image with no limitations.

Internet is a new marketing tool that can be used by companies in order to reach their customers. Internet marketing is defined as –the application of the Internet and related digital Technologies to achieve marketing objectives and support the modern marketing conceptll.

Internet marketing is often presented as a new theory of marketing however some argue that basic concepts from the traditional marketing are still valid. The basics of marketing mix are still applicable and Internet offers new opportunities to adapt them.

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

### **Product**

The Internet leads to faster discovery of customer needs, greater customization of the products to the customer needs, faster product testing, and shorter product life cycles. Internet offers the opportunity of developing new products or services. To develop a product, there is a need for research on customers' needs.

Internet provides the opportunity of offering a core product that satisfies the customers' fundamental needs, but it also enables the companies to offer additional services such as interactivity or more information about the company's core product.

On Internet, a picture or description will replace the physical product offered in the traditional marketplace or in stores. Providing a complete and relevant product information is crucial in order for the customers to get a realistic picture of the product and to make the product offered more attractive.

Since customers can not touch, feel or try the products chosen on Internet, companies that have online shops should offer warranties for products sold. This practice increases customers' confidence thereby their willingness to buy on Internet.

Companies that have an online store should offer services of high quality to their customers. Services offered on Internet by a company should reflect the following factors in order to satisfy customers: reliability, responsiveness, competence, ease of use, security, and product portfolio.

### **Price**

Compared to the other elements of the marketing mix, Price is the most flexible element since it can be adapted quickly to the market's demand than other elements.

Price on the Internet has become very competitive. There are two reasons for that ; one is price transparency on the Internet as it is much quicker and easier to compare prices by visiting companies websites or by using price comparison sites. The other reason is the ability

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

to reduce costs such as store space and staff costs. In this sense, Internet is considered as the most cost-effective marketing tool.

Internet offers new methods of payment. The online payment that uses mostly credit cards is seen as an efficient, convenient and flexible payment method for both companies and customers. In fact, customers are the ones who fill all the needed information such as their personal and credit card information. This helps companies to save money and time by reducing administration work. Moreover, customers have the possibility to pay their bills at any time and any place they wish if only they have access to the Internet. However, security and privacy issues make customers less confident when using this method.

### **Place**

The Place element of the marketing mix traditionally refers to where the product is distributed to customers. Internet offers a new way for distributing products through online selling. Allen and Fjermestad argue that the Internet has the greatest implications for Place in the marketing mix because it has a large market place. People can make a purchase decision anywhere they are thanks to online selling.

With Internet, companies can expand from local market to both national and international markets. Internet can also be used to exploit new markets. Companies can gain the advantage of the low cost of advertising internationally without the necessity of a supporting sales infrastructure in different countries.

### **Promotion**

The Promotion element of the marketing mix refers to how marketing communications are used to inform customers about an organization and its products. Internet can be used to review new ways of applying each of the elements of the communications mix which are advertising, sales promotions, PR and direct marketing by using new media such as the web and e-mail. Internet offers a new, additional marketing communication channel to inform customers of the benefits of a product and assist in different stages of the buying process. By

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

using promotional tools on the Internet such as online offers, frequently updated information and direct e-mail reminders, companies can encourage customers to visit their sites.

**Internet Advertising:** It is a form of advertising that uses the Internet to deliver messages about a company and attract customers. It can be done in two ways: by creating a website which can help a company to deliver all information to the potential customers or by using banner advertisements which can lead the visitor to the relevant website. It is critical for a company's website to be well designed and informative in order to attract many visitors in the target group.

**Sales promotion:** With Internet, marketers have a great opportunity to offer sales promotions such as competitions or price reductions to those who visit the company's website. This can encourage the customers to visit that website again and this way of interacting with the customers provides the means for the company to build a long term relationship with their customers.

**Public relations:** Internet is a new medium for Public Relations (PR). Internet offers companies the opportunity to publish the news directly while in traditional marketing they would wait for periodical publications. They can use Blogs, Podcasts / Internet radio shows, Online newsrooms and media kits.

**Direct marketing:** Internet provides companies with a new tool for direct marketing and advertising that may be cost effective and provide maximum delivery to targeted customers. By using e-mail addresses, the company can establish a continuous dialogue with customers.

## Internet Marketing Vs. Traditional Marketing

More companies are moving away from traditional marketing towards Internet marketing. During the 1990's Mass Communications dominated the market. Advertisers focused on delivering one message to a mass audience through various mediums like television, radio, and print. Now companies are shifting money from traditional marketing to Internet marketing because Internet marketing is a more effective way to show proven results.

Internet Marketing	Traditional Marketing
Targeted Marketing	Non- Targeted Marketing
Economical and fast way to promote product.	Expensive and takes more time to promote product.
Cost-Effective for promoting product globally	Expensive and time consuming process for traditional marketing.
Your product or service is 24 X 7 advertising	That is not possible in traditional marketing.
Effective mode of tracking investment	Not Possible

**Figure 11: Internet Marketing Vs. Traditional Marketing**

1. **Internet Marketing is More Measureable** – Branding is important and traditional marketing does have benefits when it comes to branding. However, marketers today are smarter and more sophisticated. They see the value of measuring results and brand awareness is more difficult to measure than real visitors to your website and real conversions. Marketers want to make sure every penny is spent wisely. Internet marketing allows one to see exactly what the person is paying for. With Internet marketing one can see real facts and every detail that leads to reaching your goals and determine the ROI.
2. **Internet Marketing Makes Strategic Decisions Based on Facts** – Internet marketing can make decisions based on detailed analytics. One can have the smartest and most talented traditional agency with great ideas and plenty of experience, but they will have a difficult time showing real data that leads to achieving your goals. They will also build out a campaign and not be able to adjust it on the fly based on the public's response. The best way to really know how effective a marketing approach is to see exactly what the audience is

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

responding positively too. Internet marketing allows one to study every detail about ones audience in real time. One can study data from every phase in your conversion funnel that includes: how people found a website; what they do once they are on the site; and what led to the conversations. One can make adjustments to ones campaign at any point to increase the effectiveness of the campaign.

3. **Internet Marketing Is Better at Reaching Your Target Audience** – Traditional marketing is known for its reach to a mass audience. There are ways that traditional marketing can target certain demographics depending on a television channel or show, radio station genre or industry magazine. However, traditional marketing will never be able to target as precisely as Internet marketing. With Internet marketing one can target even the smallest audience based on a variety of things. Internet marketing also does a great job of targeting ones advertising spend so that one knows all of the money is being spent in the most effective way.

4. **Internet Marketing is a Constant Source** – When one hears or sees television or radio ad it is there one minute and then it is gone. If you catch an ad in passing and you missed some information you cannot go back and review it. Print is a little better for this but newspapers and magazines do get thrown out after a week or month. Internet marketing provides you a permanent address online that people can visit anytime they want. Even if someone does not know about a company they can do searches based on what you offer and find you in the search engines.

5. **Internet Marketing Provides Better Word-of-Mouth** – Word-of-mouth is still the most effective marketing for producing conversions. Social Media is an aspect of Internet marketing that allows people to build a community and let others spread positive feedback about your product or service. When one develops evangelists for ones company, with Social Media Marketing, message will be spread quickly because more people are speaking for you. People will normally trust word-of-mouth much more than traditional ads that tries to convince them about the benefits of a product or service.

6. **Internet Marketing Can Increase Conversions More** – Internet marketing can increase ones conversions month after month. The reason Internet marketing is more

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

effective at delivering conversions is that one can study every detail of what is working and what might not be working. It takes the guessing game out of it. One can continue to place more emphasis on the tactics that are working and eliminate anything that is not effective. Internet marketing also provides an environment where one can safely test new ideas so that one is always pushing to improve one's campaign's performance. Traditional marketing develops a campaign and then hopes that it will work. This makes it difficult for traditional agencies to test new ideas or even look into all of the details to determine the effectiveness of a campaign.

The bottom line is that Internet marketing is far more efficient than traditional marketing. One can adjust ones campaign much easier to produce the best results.

Analytics are the core reason why more people are switching from traditional marketing to Internet marketing. You can track real facts for every element of your campaign. This will show you exactly what you are getting for your money.



**SWOT analysis of Internet Marketing**

<p style="text-align: center;"><b><u>STRENGTHS</u></b></p> <ul style="list-style-type: none"><li>➤ 24 hrs a day, 7 days in a week</li><li>➤ Do Business Globally sitting at home</li><li>➤ The products reach to customers directly from the producers at a lower price than the market value</li><li>➤ It is fast and effective</li><li>➤ By visiting different websites one can within a short time can compare the price and buy on the best deal.</li><li>➤ Advertising the product is cost effective in comparison with conventional offline system.</li><li>➤ Low staff cost.</li><li>➤ Financial transaction through electronic fund transfer is very fast and can be done from any part of the world.</li><li>➤ Can be started with very low investment</li></ul>	<p style="text-align: center;"><b><u>WEAKNESSES</u></b></p> <ul style="list-style-type: none"><li>➤ There is no direct interaction between the customer and the seller. Therefore, the scope of convincing the customer does not exist</li><li>➤ Many times, we prefer to buy the product by reaching personally to the market rather than purchasing through Internet</li><li>➤ Sometimes, transportation cost increases the product cost</li><li>➤ No. of potential customers who can buy through Internet is still not enough</li></ul>
<p style="text-align: center;"><b><u>OPPORTUNITIES</u></b></p> <ul style="list-style-type: none"><li>➤ Everyday number of Internet users is increasing in a rapid way</li><li>➤ People of tomorrow will feel more comfortable to buy products through Internet only</li><li>➤ Big companies are already entering in this field so; they are making people habitual and confident about marketing through Internet at the cost of the companies</li></ul>	<p style="text-align: center;"><b><u>THREATS</u></b></p> <ul style="list-style-type: none"><li>➤ Dishonest persons entering in this field which damage the confidence and faith of common people on marketing through Internet</li></ul>

**Strengths and Weaknesses – Internal Factors**

**Opportunities and Threats – External Factors**

## Business Models linked to Internet Marketing

### Google AdWords

AdWords is an automated auction. We write ads and choose relevant keywords (a keyword is the search term that a person searching on Google types in which will then trigger our ad). Then, a prospective customer searches and all the ads with keywords related to the ir search query are put into an auction. The top ads will appear to ones potential customer under the heading ‘\_Sponsored Links‘, on the right hand side or above search results. An interested customer will click on our ad and be directed to the concerned website.

As well as showing to people searching on Google, ads can also appear on relevant websites in the content network. When one advertises on the content network, a diverse network of millions of websites, the ads are shown beside website content that is relevant to ones customers. One can choose sites one wants to appear on or let Google AdWords match ads to relevant websites.

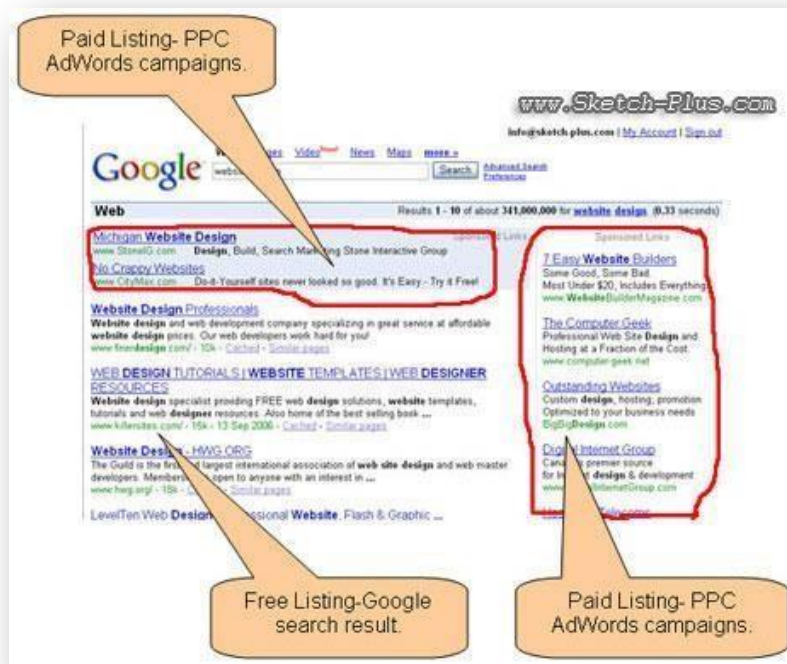


Figure 12: Google AdWords

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

### *How does it work?*

- **Create an adv.:** Create ads and choose keywords, which are words or phrases related to a particular business. One could also get keyword ideas from Google AdWords.
- **Ads appear on Google:** When people search on Google using one of the defined keywords, ones ad may appear next to the search results. This ways one id advertising to an audience that's already interested in us.
- **Attract customers:** People can simply click the ad to make a purchase or learn more about us.

### *Reach more Customers*

- **Expand ones reach through the Display Network:** With hundreds of thousands of high-quality websites, news pages, and blogs that partner with Google to display AdWords ads, the *'\_Google Display Network'* can reach users all over the web to help us drive conversions. One can also choose from text, image, and video formats to communicate the message.
- **Target the right user in the right context:** Using the keywords specified by us, Google's *'\_Contextual Targeting Technology'* can automatically match ones ads to webpage's in its Display Network that are most relevant to ones business. For example, an ad for a digital camera may show up next to an article reviewing the latest digital cameras. If one wants greater control, one can use placement targeting to hand-pick specific sites or sections of sites one wants his ads to appear on.
- **Measure and optimize the results:** With the *'\_Placement Performance Report'*, one has the visibility into where all of one's ads appear. One can also review ones ad's performance on a site-by-site basis to see impression, click, cost, and conversion data, and use this data to identify well-performing sites to target more aggressively and low-value placements that require content optimization or exclusion.

### *Costs and Payments*

Apart from the one-time non refundable cost of Rupees 250 for setting up an AdWords Account, we don't have to be worried about costs. AdWords puts us in complete control of

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

our spending.

- **Set your budget:** There's no minimum spending requirement – the amount one pays for AdWords is up to that person. One can, for instance, set a daily budget of five dollars and a maximum cost of ten cents for each click on ones ad.
- **Avoid guesswork:** AdWords provide keyword traffic and cost estimates so one can make informed decisions about choosing keywords and maximizing their budget. People can also ‘\_Estimate Keyword Costs’.
- **Pay only for results:** One is charged only if someone clicks ones ad, not when the ad is displayed. Payment options vary by country and currency.

### ***Local and Regional Targeting***

- **For Local Businesses:** One can set their ads to appear only to people searching in a particular city, region, or country. In fact one can target online customers within 20 miles of one's front door or across the world.
- **Local ads:** One can help potential customers find their business by showing a business address with their AdWords text ads. One can show their location to people searching for local information on Google.com and Google Maps.

### **Measuring Google AdWords RoI**

Success with AdWords may look different for each advertiser depending on their business objectives. However, there are a few things to look for that will indicate whether ones ads and keywords are performing well.

### ***Ad performance***

- **Ad status:** One can look their **Ads** tab to check if their ads are running. In the **Status** column of the table, they will find information on the current state of each ad. One can then click the icon of a speech bubble, to read a summary of their ad's status.
- **Clickthrough rate:** To get an immediate idea of how well an ad is doing, check the clickthrough rate (CTR) on the **Ads** tab. This shows how often people click an ad after seeing it. As a rule of thumb, a CTR under 1% on Google and the Search

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

Network indicates that one's ads are not targeted to a relevant audience. If one finds that their CTR is lower than 1%, one has to try improving their ads.

- **Ad Performance report:** This report lets you view performance data for each of one's ads, including average position, clicks and impressions, CTR, and cost.
- **Compare ad variations:** If a person has more than one ad in an ad group, one's ads will be rotated and take turns showing. By comparing the performance of one's different ads, one can find out what the customers find the most compelling. For example, see which ad has the highest CTR and improve those ads with the lowest CTR.

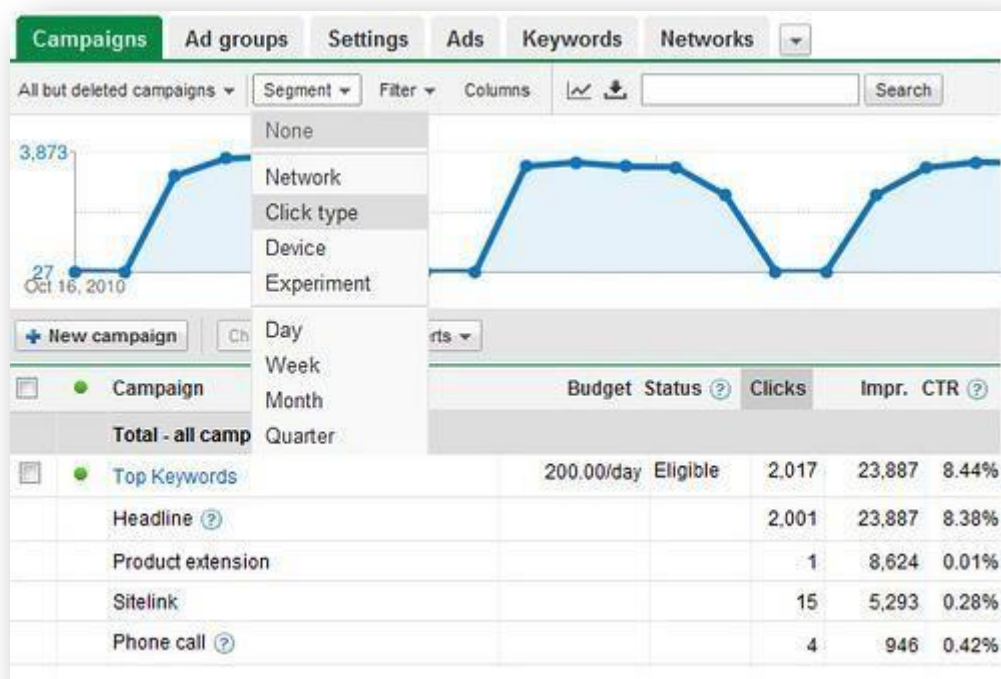


Figure 13: Measuring Google AdWords ROI

### *Keyword performance*

One can see how their keywords are doing by monitoring these things:

- **Keyword Status:** Look at the **Keywords** tabs to see a keyword performance overview and the status of each of one's keywords. An "Eligible" status means one's

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

keyword is eligible to trigger ads. Click the icon in the status column to see more detail on each keyword's performance.

- **Clickthrough rate:** One of the most important metrics to assess is the CTR, which one can find on the **Keywords** tabs in one's account. Keywords that are too general and produce a CTR lower than 1% on Google and the Search Network can often be improved. One might want to delete those keywords and add more specific, targeted keywords instead.
- **Quality Score column:** This column of one's campaign statistics displays keyword's Quality Score to help one monitor its performance. This column is disabled by default in new accounts, but one can make it show in ones account statistics.
- **Search query reports:** On every **Keywords** tab, one will see the actual search terms that have driven traffic to one's ads. Click "see search terms" to pull a report of the searches that triggered your ads. One can use this information to identify which keywords are the most successful and to find new keywords to add to their account. If one sees that irrelevant terms are triggering their ad, one can add these as negative keywords to prevent their ad from showing on these terms.

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

### Social Media

Social Media is an umbrella term that defines the various activities that integrate technology, social interaction, and the construction of words and pictures. This interaction, and the manner in which information is presented, depends on the varied perspectives and "building" of shared meaning, as people share their stories, and understandings.

Social Media Marketing is a form of internet marketing which seeks to achieve branding and marketing communication goals through the participation in various social media networks (MySpace, Facebook, LinkedIn), social bookmarking (Digg, Stumbleupon), social media sharing (Flickr, YouTube), review/ratings sites (ePinions, BizRate), blogs, forums, news aggregators and virtual 3D networks (SecondLife, ActiveWorlds).



Figure 14: Social Media Techniques

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

Social Media is basically ‘Conversation Online’, it's not a tactic or a strategy; it's simply a channel that empowers just about anybody with an internet connection and an opinion to be able to ‘converse’. The various players participating in this ‘Conversation Online’ are:

- Your Customers
- Your Employees
- Your Investors
- Your Critics
- Your Fans
- Your Competitors

### ***Characteristics of Social Media***

- **Participation:** Social media encourages contributions and feedback from everyone who is interested. It blurs the line between media and audience.
- **Openness:** Most social media services are open to feedback and participation. They encourage voting, comments and the sharing of information. There are rarely any barriers to accessing and making use of content – password-protected content is frowned on.
- **Conversation:** Whereas traditional media is about –broadcast (content transmitted or distributed to an audience) social media is better seen as a two-way conversation.
- **Community:** Social media allows communities to form quickly and communicate effectively. Communities share common interests, such as a love of photography, a political issue or a favourite TV show.
- **Connectedness:** Most kinds of social media thrive on their connectedness, making use of links to other sites, resources and people.



## Evolution of Internet Marketing and how it impacts a company's Bottom-line

### Measuring Social Media RoI

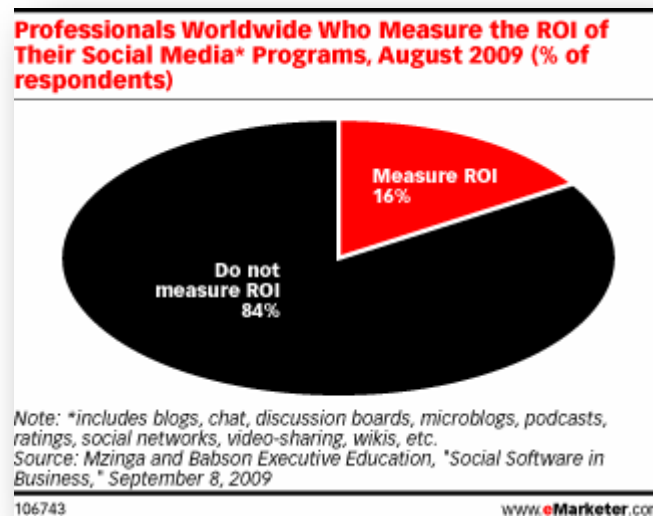
Companies and brands are finally beginning to fully embrace social media. eMarketer reported in September that 86% of those who responded to a survey of professionals from various industries said they had adopted social technologies. Most said they were using the tools for marketing (57%) and internal collaboration (39%), while almost 30% reported using social technologies for customer service and support:



**Figure 15: Business Areas of Social Media**

But despite the broad adoption of social media, measuring its effectiveness lags behind. Only 16% of those polled said they measured ROI for their social media programs:

## Evolution of Internet Marketing and how it impacts a company's Bottom-line



**Figure 16: Measuring ROI of Social Media**

In addition, more than 40% of respondents didn't even know whether the social tools they were using were capable of measuring ROI. This means that companies are jumping into the social-media pool without actually accounting for how it will impact their business and what, if any, value it will add.

As of December, about 25% indicated that they had reached the –strategic phase of their social-media efforts. Those in the strategic phase are significantly more likely than those in earlier phases of the process to measure their success across all objectives. An increase in Web site traffic was the No. 1 goal targeted and measured by all marketers:

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

**Social Media Marketing Objectives that Are Targeted and Measured by US Marketers, by Social Media Marketing Lifecycle Maturity, November 2009 (% of respondents)**

	Phase I: trial	Phase II: transition	Phase III: strategic
Increase Website traffic	58%	76%	88%
Increase lead generation	32%	53%	75%
Increase sales revenue	40%	56%	71%
Improve search engine rankings	42%	56%	69%
Improve brand or product reputation	20%	29%	54%
Increase brand or product awareness	21%	35%	54%
Reduce customer acquisition costs	11%	20%	45%
Improve public relations	18%	31%	44%
Improve customer support quality	15%	32%	36%
Reduce customer support costs	7%	20%	32%

Note: n=2,317  
Source: MarketingSherpa, "2010 Social Media Marketing Benchmark Report," December 11, 2009

109602 [www.eMarketer.com](http://www.eMarketer.com)

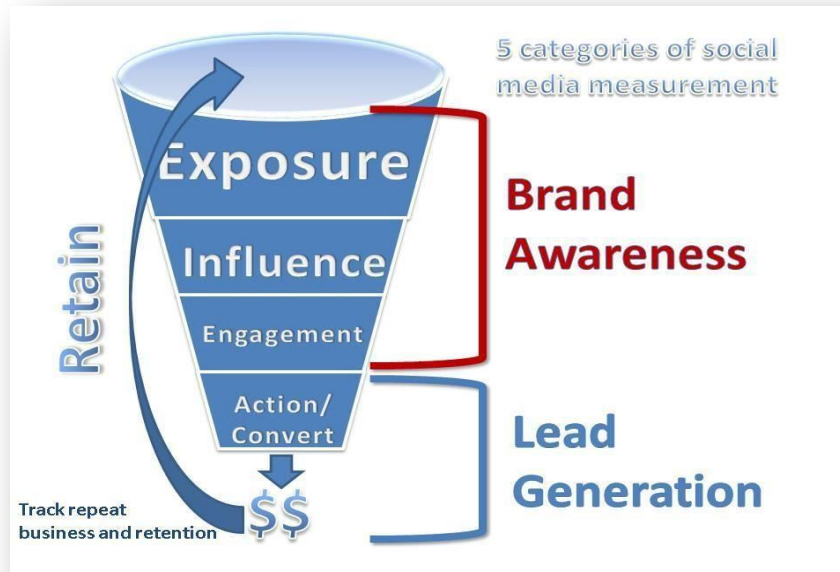
**Figure 17: Social Media Objectives**

### *Why Measure?*

It's easy to rationalize by saying, "Social media will increase sales" or "Social media will improve customer engagement", which is probably the case for a lot of brands. But without measuring how these tools work, it's an uphill battle trying to make them more efficient — how can you improve engagement if you can't quantify the level and quality of the social interactions you're already having with your audience?

Companies need to be able to measure the consequences of social media, for better or worse, in order for it to have an impact. But many companies don't have the faintest idea about where to begin when it comes to measuring the ROI of their social media campaigns and strategies. Measuring social media ROI isn't impossible, but it can be challenging because many of its components are difficult to track.

## Evolution of Internet Marketing and how it impacts a company's Bottom-line



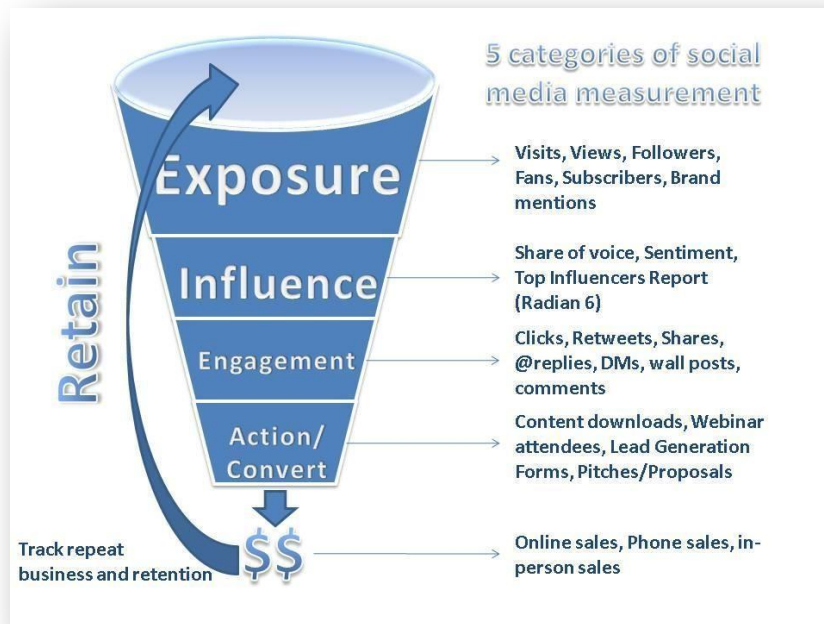
**Figure 18: Social Media Measurement I**

### *Define Explicit Goals*

Before one tries to monitor and measure social media returns, one needs to have a clear idea of what they want to accomplish. Having concrete goals and baselines is crucial to calculating one's return on investment.

When the goals have been defined, one needs to determine the baseline for one's levels before starting or changing your social strategy. For example, if the goal is to increase social media mentions of a brand, one needs to begin by determining where one stands now in order to quantify the ROI of any actions taken toward that goal going forward. It's impossible to accurately determine ROI without a baseline.

## Evolution of Internet Marketing and how it impacts a company's Bottom-line



**Figure 19: Social Media Measurement II**

### *A few Metric Tools*

ROI is not equivalent to metrics. But traditional Web measures like number of comments, traffic stats, Facebook fans, Twitter followers, etc. are important components of ROI calculation. Pay attention to what the numbers are telling you instead of focusing only on the numbers themselves. Does a spike in Web visitors correlate with higher sales? When people find ones Web site via Facebook or Twitter, do they go directly to the e-commerce portion of the site or click on your product pages or elsewhere?

Here are a few options for measuring social media:

- **HootSuite:** HootSuite is a great Twitter manager that also offers powerful visualizations of link statistics. The click data enables you to see whether clicks translate into impressions or transactions. Graphs show summary and individual tweet stats.
- **My.ComMetrics.com:** Created by CyTRAP Labs GmbH, My.ComMetrics.com is a Web-based tool that benchmarks social media campaigns and blogs in real time, helping companies and professionals improve their performance (impact, engagement,

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

etc.). CyTRAP Labs GmbH developed the FT ComMetrics Blog Index, the industry standard for ranking corporate blogs of FT Global 500 and Fortune 500 companies.

- **Omniture:** Omniture has quite a few services for companies, including components that track Facebook and Twitter metrics. SiteCatalyst helps increase the relevancy and effectiveness of the latest Web 2.0 tools by optimizing social networking, consumer reviews, blogs, etc.
- **PostRank Analytics:** This suite of tools takes top-level data from Google Analytics and layers social media engagement on top of it. You can monitor page views and visitors (PostRank Analytics will pull this data from your Google Analytics account, if you have one), and you can also track -Engagement, which is an aggregate score based on how many times your content is commented on, how often it's mentioned on Twitter, how many people bookmarked it using Digg, etc. You can see the comments and messages that contribute to your stats.
- **TweetMeme Analytics:** If you use TweetMeme's retweet buttons on your site, this is very useful. It enables report generation for any story on Twitter to help you analyze the spread of content. It also provides data on the tweets, retweets, clicks, domains, users, and locations with the ability to export the information.

### ***What about Sentiment Analysis?***

A metric for Twitter mentions doesn't mean much if you can't tell whether those mentions are positive or negative. This is where sentiment analysis comes in. It's helpful to look at sentiment before changing or implementing a social media strategy and trying to calculate your ROI. Here are some tools to check out:

- **Crimson Hexagon:** Crimson Hexagon's VoxTrot, an enterprise-level tracking tool, is a listening platform that provides companies with actionable insight into consumer opinion of their product, brand, or market. It analyzes social media mentions by identifying statistical patterns in the words used to express opinions on different topics and helps determine customer sentiment toward your brand.

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

- **Twendz:** Waggener Edstrom's Twendz is a Twitter-mining Web application that leverages Twitter Search to highlight conversation themes and the sentiment of tweets. Tweets are parsed into three categories: negative, neutral, and positive.
- **Viral Heat:** Viral Heat is a social measurement platform that aims to be a one stop shop for understanding social media. It analyzes hundreds of viral video destinations, Twitter, and millions of blogs and Web sites enabling you to track campaign performance. Its analytics can show you the most active tweeter, identify the quantity and percent of retweets, calculate the percentage of tweets with URLs, show you which Web sites and videos people are sharing, etc.

### ***Data Interpretation***

Finding trends and tracking them back to their inception is the key to measuring ROI. After defining the baseline, one need to use the metrics derived from the monitoring tools to determine how they correspond to improved customer retention, higher sales, increased Web site traffic, or whatever one's primary goals are.

- **Are sales your key measurement?** If the sales have increased, see how many referrers on your e-commerce site come from Twitter or your Web site.
- **Did you give away coupons in conjunction with a Twitter or Facebook campaign?** Calculate which sales are directly correlated by quantifying how many of those coupons were used.
- **Do you see any trends?** Does traffic to one's store rise after posting on the Facebook Page? What about Twitter? Does store traffic correlate with more sales when evaluating that same data? Does a higher sentiment analysis on Twitter lead to more visits or sales?

## **Internet Marketing Questionnaire and Analysis**

Internet Marketing is the current Buzzword in the Marketing Industry and Businesses are using it increasingly to improve their Top-line / bottom-line growth. However, Internet Marketing is a Broad Term and the medium of communication would differ from Business to Business, some businesses might not need it at all.

This questionnaire is designed typically for **Business Owners** to generate a starting point as to what might be able to be done to help market your business online, or do they even need Internet Marketing as a Promotional Tool or the Traditional Channels would suffice.

Filling this Questionnaire would prove resourceful for companies wanting to leverage the advantage of Internet Marketing to their Maximum Potential.

**1. What is your type of Business?**

**Analysis: Usually Internet Marketing is for all sectors, however some sectors respond more towards Internet marketing Campaigns e.g. Consumer Durables over Defence.**

**2. How long have you been in business?**

- New Business
- 1-5 Years
- 5-10 Years
- 10+ Years

**Analysis: If the Business is New, it would need Internet marketing to grow fast, typically Social Media. However, if the Business is relatively old with a Good Brand Equity, it would need to look at other channels of growth as well.**

**3. What do you want for your business?**

- Top-line/Bottom-line Growth (Long Term)
- Visibility and Recognition (Short Term)
- Going International (Long Term)
- More Customers (Long Term)



## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

**Analysis:** Not all Business Owners look towards Long Term Objectives, some of them just need Internet marketing for initial Visibility; hence it is important to clearly understand the goal of the organization.

4. How long has your business had its current website?

- No Website yet
- Less than a Year
- 1-5 Years
- 5-10 Years
- 10+ Years

**Analysis:** Website is the starting point of any internet marketing initiative, it is also important to understand how effective the organizations website is, in attracting Traffic towards it is is.

5. Who are your customers?

- Manufacturers
- Suppliers / Intermediaries / Distributors
- Service Providers
- End Consumers / Retail Customers

**Analysis:** The Tools and Techniques of Internet marketing would differ from customer to customer. While for Manufacturers, Suppliers or Service Providers the channel might be ERP/CRM integration, for End Consumers it could be Targeted Campaigns, e-mails or Social Media.

6. What Demographics are you targeting

- 13-18 years
- 18-25 years
- 25-30 years
- 30-40 years
- 40-60 years
- 60+ years

**Analysis:** People within the age group of 13-40 years are most responsive to Internet Marketing Campaigns. If the Target population of the marketer is over 40, he should use Traditional Marketing Techniques. Even within the 13-40 years bracket,

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

**the choice of Internet Marketing would differ, while it would mostly be Social Media below 30, it would be e-mails for 30-40 yrs. Age group.**

**7. Where are your customers?**

- Local
- National
- Regional
- International
- Global

**Analysis: Since, Internet is a borderless medium one might think that Location of the customers may not matter. However, on the contrary understanding the location of the customers may lead to the marketer using Local channels for Internet marketing. E.g. Baidu in China instead of Google**

**8. Where are your customers Located**

- Villages
- Towns
- Cities
- Metros

**Analysis: People in Cities and Metros are more likely to use Internet Marketing mediums, as they have better Internet connectivity as compared to Villages and Towns in India.**

**9. At present, how do your customers know about you?**

- Friends / Family
- Print Media
- Electronic Media
- Mass Media
- Don't know at all

**Analysis: It's important to know the current source, so that the company can venture easily into internet marketing without diluting its Brand.**

**10. At present, how do you give products to your customers?**

- Self Retail
- Intermediaries

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

- Online
- Others

**Analysis: It would help the company plan its Supply Chain / Procurement methods if they are planning to use Internet based retailing of their Products.**

**11. How familiar are you with Online Marketing?**

- Unfamiliar
- Manageable
- Quite Familiar

**Analysis: Understand the representative's knowledge of Online Marketing, and how willing is he to accept disruptive Internet Marketing Techniques, if required.**

**12. Have you used Online Marketing Before?**

- Yes
- No

**Analysis: Understand the company's objective, and their Analysis.**

**13. Why have you / do you want to Venture into Internet / Online Marketing?**

**Analysis: Understand the company's objective, and their Analysis.**

**14. Are your Competitors using Online Marketing?**

- Yes
- No
- Not Sure

**Analysis: Understand how far have the competitors gone in terms of their Internet Marketing Strategies**

**15. How strong is your Perceived Competition?**

- Weak
- Average
- Strong
- Not Sure

**Analysis: To understand the Competition.**

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

**16.** How Matured are your Competitors Online Marketing Campaigns

- Poor
- Average
- Good
- Not Sure

**Analysis: To understand how far have the competitors gone in terms of their Internet Marketing Strategies?**

**17.** How often do you check your competitor's website? And for what?

- Not at All
- Occasionally
- Very Frequently

**Analysis: To understand how far have the competitors gone in terms of their Internet Marketing Strategies?**

**18.** What phrases/words do you think your customers use in order to find you on Google?

**Analysis: Define Keywords that would make a company's products easily visible on the Internet.**

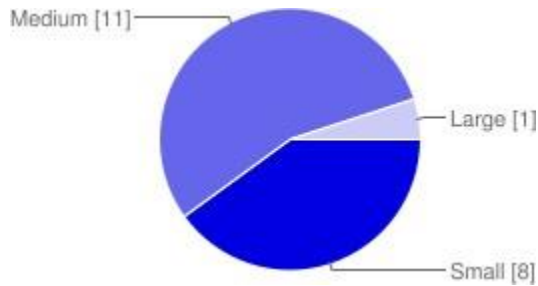
**19.** Which is your preferred Online Media Source? (Rank on a Scale of 1-10)

- Blogging
- E-mail Marketing
- Search Engine Optimization
- Pay Per Click
- Social Networks
- Corporate Website
- Micro Blogging
- Webcasts / Teleconferencing
- RSS Advertising
- Online Communities

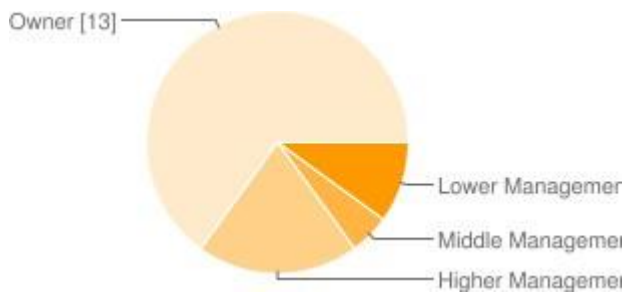
**Analysis: To understand the preferred source of advertising for the Business Owners, and suggest changes based on nature of their business and end consumers.**

**Results of the Questionnaire and Analysis**

The questionnaire which is typically meant for Business Owners and people in Higher Management was filled by 20 People of which about 95% people were from Small and Medium Organizations, where they were either Business Owners or from the higher Management totalling up to 85%. The sample makes sure that only relevant people fill the questionnaire



Option	Responses	%age
Small	8	40%
Medium	11	55%
Large	1	5%



Option	Responses	%age
Lower Management	2	10%
Middle Management	1	5%
Higher Management	4	20%
Owner	13	65%

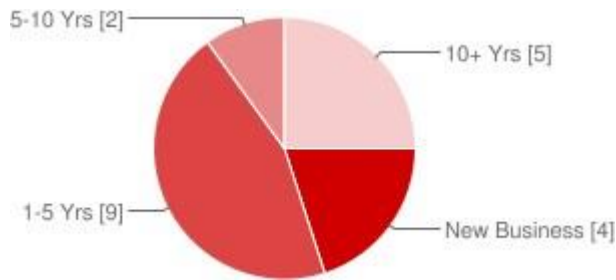
**1. What is your type of Business?**

Government, Consulting, Education, Event Management, Electronics, Freight Forwarding & Clearance, Retail, Industrial Manufacturing, Management, Retail Firm, Travel Port, Retail, Pharmaceutical, Food and Beverages, Second Hand Car Rentals, etc.

In majority of the cases, it has been observed that respondents were mostly into Retail Businesses.

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

### 2. How long have you been in business?



Option	Responses	%age
New Business	4	20%
1-5 Yrs	9	45%
5-10 Yrs	2	10%
10+ Yrs	5	25%

For almost 65% of the respondents their Business Ventures have been below 5 years, which means enormous opportunities for the inclusion of Internet Marketing as a promotional tool in their Businesses, since it can help them grow fast.

### 3. What do you want for your business?

Option	Responses	%age
Top-line/Bottom-line Growth (Long Term)	17	85%
Visibility and Recognition (Short Term)	6	30%
Going International (Long Term)	4	20%
More Customers (Long Term)	16	80%

Any Business would be looking at either Short Term Objectives or Long Term Objectives for its strategic growth. In this case we divided Long Term Objectives into three further categories, namely: Going International, More Customers or Top Line / Bottom Line growth, to give us better idea of what exactly do the business want from Internet Marketing.

From the survey it would found that a staggering 85% of the polled business would go in for -Top Line / Bottom Line growth, which also validates the objective of this project. This was closely followed by 80% of the people opting out for -More Customersll.

### 4. How long has your business had its current website?

Option	Responses	%age
No Website	9	45%
< 1 Yr	3	15%
1-5 Yrs	5	25%
5-10 Yrs	2	10%
10+ Yrs	1	5%

Website is usually the first Point of Contact for a Business Owner to reach out to his customers. In this case, a majority of business owners either do have not have a website or

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

the website or relatively new. Hence, it gives an opportunity to leverage strength of Internet Marketing Initiatives such as SEO and PPC.

### 5. Who are your customers?

Option	Responses	%age
Manufacturers	5	25%
Suppliers / Intermediaries / Distributors	10	50%
Service Providers	4	20%
End Consumers / Retail Customers	14	70%
Other	0	0%

For most of the Businesses the Customers are either -End Consumers (70%) or -Intermediaries (50%). This gives a lot of scope for the Business Owners to go in for techniques such as ERP/CRM integration, e-mail campaigns and Social Media.

### 6. What Demographics are you targeting?

Option	Responses	%age
13-18 years	5	25%
18-25 years	4	20%
25-30 years	9	45%
30-40 years	13	65%
40-60 years	9	45%
60+ years	4	20%

Most of the Businesses are targeting Demographics between 25-30 years (45%), 30-40 years (65%) and 40-60 years (45%). There are different ways to target each demographic group, while people in 25-30 years would be more responsive to techniques such as SEO and Social Media, those in the agree group of 30-40 years would be responsive to techniques such as Blogging, and between 40-60 years the traditional method would be e-mails. Hence, a business has to design its campaign accordingly w.r.t. each demographic group.

### 7. Where are your customers?

Option	Responses	%age
Local	10	50%
National	10	50%
Regional	8	40%
International	5	25%
Global	2	10%

From the survey it was found that almost 50% of the customers are either Local, National or Regional customers. This shows the intent of the business owners, i.e. from where they are expected to earn their revenues.

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

However, since the customers are Local, one has to choose the local medium for advertising their products even on the internet. For this purpose the business owners may use a very popular regional blog or a similar technique.

### 8. Where are your customers Located

Option	Responses	%age
Villages	2	10%
Towns	5	25%
Cities	14	70%
Metros	14	70%

For most of the businesses, the customer base has been majorly in cities and Metros (around 70%), which have good internet penetration and population who are internet savvy. This gives a sound logic to the use of Internet marketing for advertising, promotion and selling needs of the companies.

### 9. At present, how do your customers know about you?

Option	Responses	%age
Print Media	6	30%
Electronic Media	8	40%
Mass Media	2	10%
Word of Mouth	17	85%
Don't know at all	1	5%

Almost 85% of the Businesses typically rely on Word of Mouth Publicity for their business; if they use viral mediums like Internet Marketing they would be able to expand their business briskly and cheaply.

### 10. At present, how do you give products to your customers?

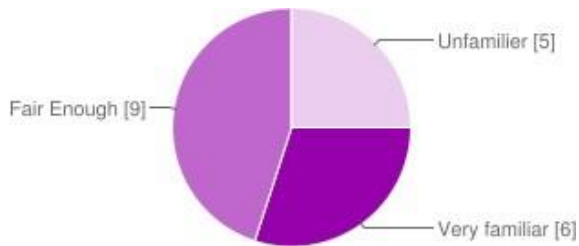
Option	Responses	%age
Hand over to Intermediaries	9	45%
Partner with Retailers	6	30%
Sell Online	3	15%
Other	5	25%

About 45% of businesses Hand over their products to the retailers or intermediaries, hence it's very important for business owners to use internet marketing to partner with retailers, they can use options like ERP and e-mail marketing, social marketing may not work here as the business user may not be using it



## Evolution of Internet Marketing and how it impacts a company's Bottom-line

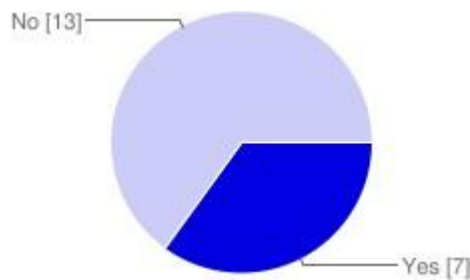
### 11. How familiar are you with Online Marketing?



Option	Responses	%age
Very familiar	6	30%
Fair Enough	9	45%
Unfamiliar	5	25%

The survey shows that most of the respondents have a fair bit of idea about Internet Marketing; hence they are aware of its benefits.

### 12. Have you used Online Marketing for your Business before?



Option	Responses	%age
Yes	7	35%
No	13	65%

The survey concludes that 65% of the people have never used internet marketing, but since they have a formidable knowledge of the same they can be induced to try internet marketing for their businesses, if they see its benefits.

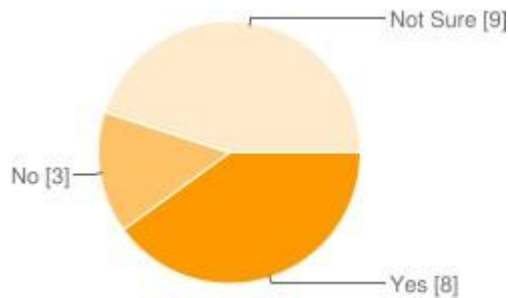
### 13. Why have you / do you want to Venture into Internet / Online Marketing?

The top reasons for people using Internet Marketing for their Businesses were:

- Top Line/Bottom-Line growth
- Introduce a new product line
- Educate people
- Be visible in the market

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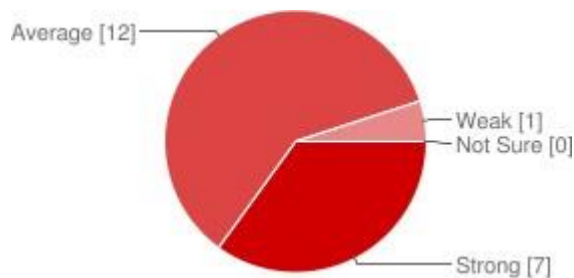
### 14. Are your Competitors using Online Marketing?



Option	Responses	%age
Yes	9	45%
No	3	15%
Not Sure	8	40%

About 45% of the respondents agree that their competitors are using Internet Marketing; if it yields good results for the competitors then the respondent may embrace it more willingly.

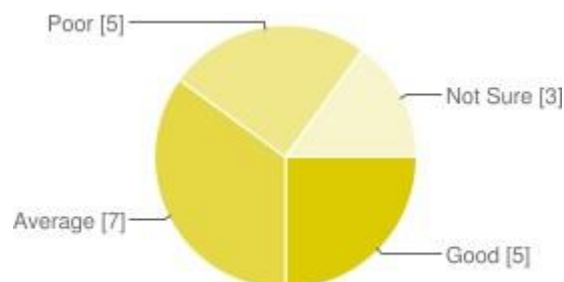
### 15. How strong is your perceived Competition?



Option	Responses	%age
Strong	7	35%
Average	12	60%
Weak	1	5%
Not Sure	0	0%

Most respondents (about 60%) know their competition and rate it as Average. In today's age of cut throat competition the only that can differentiate a company from its competitors is Internet Marketing, since IM addresses masses it can create huge visibility for the products of a company in relatively short time.

### 16. How Matured are your Competitors Online Marketing Campaigns



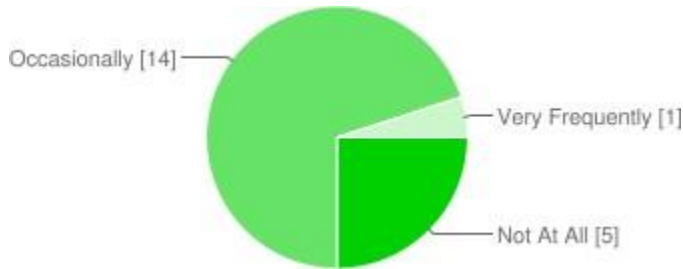
Option	Responses	%age
Good	5	25%
Average	7	35%
Poor	5	25%
Not Sure	3	15%

35% of the respondents rate their Competitors Internet Marketing Campaigns as Average.

## Evolution of Internet Marketing and how it impacts a company's Bottom-line

Therefore, it would help them in identifying the flaws of their competitors and improving upon them, which may even include changing the medium of communication for Marketing.

### 17. How often do you check your competitor's website?



Option	Responses	%age
Not At All	5	25%
Occasionallly	14	70%
Very Frequently	1	5%

An overwhelming majority of respondents, about 70% claim that they occasionally visit their competitor's website. In today's world a company's website is the first point of contact between itself and the prospective customers; hence it is very important for companies to have a good and well maintained website, often the competitor's website officers certain features which may turn out to be useful for the business owners.

### 18. What phrases/words do you think your customers use in order to find you on Google?

It usually differs from company to company and varies across domains in which the company operates.

### 19. Which is your preferred Online Marketing Source/Technique?

According to the Survey conducted the respondents ranked the sources in the following order. The findings have been compared w.r.t a similar survey conducted in 2008, to analyze how much change has occurred in medium of communication for the marketers over the internet.

Rank	Survey in 2008	Survey in 2010
1	Blogging	Search Engine Optimization
2	E-mail Marketing	Social Networks
3	Search Engine Optimization	Corporate Website
4	Pay Per Click	Online Communities
5	Social Networks	Blogging
6	Blogger Relations	Micro-Blogging
7	Online Communities	E-mail Marketing
8	Viral marketing	Pay Per Click
9	Free content	RSS Advertising
10	Corporate website	Webcasts

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

We can see here that there has been a -Tectonic shiftll in the medium of marketing over internet being used in 2010, as compared to 2008. One of the reasons for this trend has been rise of certain mediums as well as shift in the people's perception of various mediums.

For instance, SEO has improved its ranking over two years due to much better and safer techniques which can now get more genuine customers on the company's website, and its of the same reason that the relevance of Corporate Websites have increased; these days people take the products listed on the website of the company as Official or the final word replacing the earlier form of paperwork.

However, the major change here has been the phenomenal rise of Social Media and Micro-Blogging, with companies like Facebook and LinkedIn giving almost a new dimension to Marketing products over the internet. For the same reason Blogging has gone down in the rankings, since people spend time more on Facebook, Twitter and LinkedIn these days than on Blogs.

The relevance of Online Communities has seen a sizable increase since 2008, as these communities are a preferred medium of getting varied and unbiased opinion about a company or its products. It is seen as a democratic and a very effective medium over the internet.

The relevance of e-mail Marketing has gone down, as it no longer appeals to people (except for a very small set of corporate clients) it is mostly seen as Spam these days and the conversion ration of a e-mail campaign is not even 1% as of now. Similar down trend has been seen with Pay Per Click campaigns, since most of the people don't click on the internet based advertisement and the conversion ratio has been well below 1% in PPC campaigns.

## Chapter 3: Case Studies

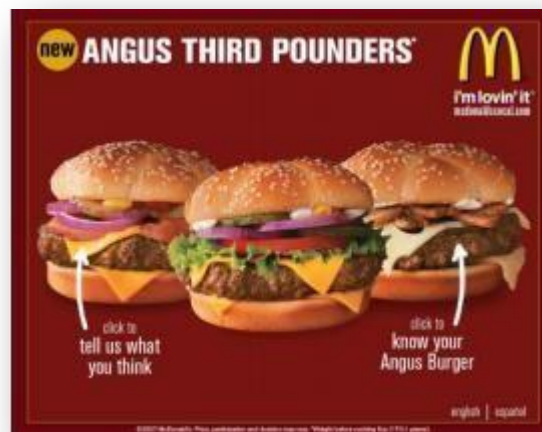
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## **Internet Marketing Campaign - McDonalds**

With 31,500 locations in 119 countries, and serving nearly 47 million customers daily, McDonald's is the world's largest chain of fast food restaurants. Few are strangers to the brand that primarily sells hamburgers, cheeseburgers, chicken products, french fries, breakfast items, soft drinks, milkshakes, desserts and more recently, salads, wraps and fruit.

### ***Build Website and Promote with Internet Marketing Blitz in 10 Days!***

In late spring 2007, McDonald's was preparing to launch a tasty new line of premium burgers to their Southern California market. The -Angus Third Pounders<sup>®</sup> are made with 100 percent USDA-inspected Angus beef and would come in 3 varieties. All eyes would be on Southern California to gauge their success. Ten days before the launch, McDonald's decided to take their campaign online. They wanted an interactive Flash website built and a solid online marketing campaign to help promote it.



**Figure 20: Internet Marketing Campaign - McDonalds**

### ***Make an Interactive Website that Encourages Coupon Download***

With little time to spare, team worked non-stop, building out an interactive Flash website with the added ability to download a coupon for the new burger. They also needed to develop a strong Internet marketing campaign to support not only the new website, but all the offline media as well. McDonald's advertising agency quickly got busy creating a keyword list made

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up of words and terms that fans, old and new, might use to search for the new burger. The end goal: To deliver 50,000 visits in month 1 with 4,000 downloaded coupons.

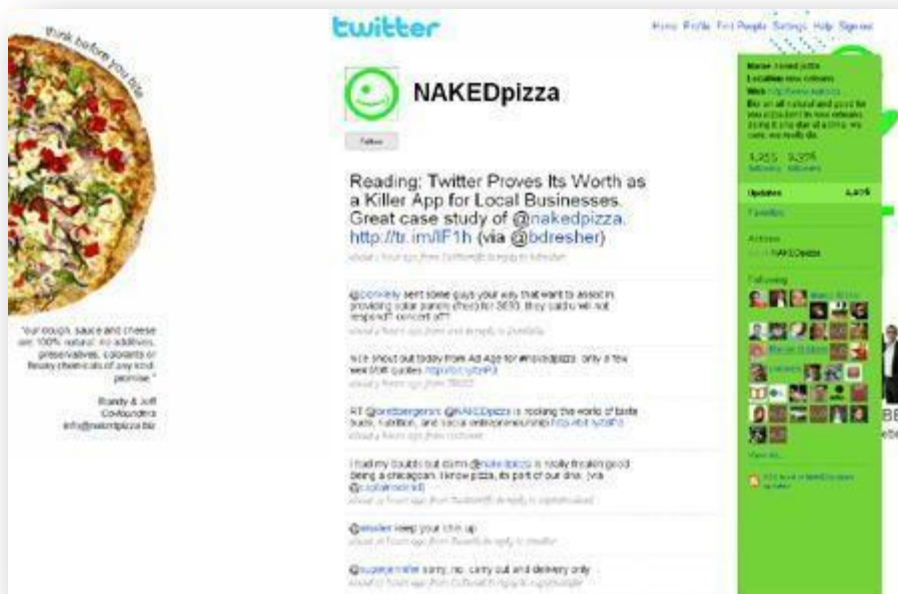
### ***One of the Most Successful Product Launches in McDonald's History!***

In 9 days, McDonalds successfully delivered a fully interactive Flash website that brought the this offline campaign to the online world. The downloadable coupon feature was a big success! In the first month 59,000 visitors came to the website downloading 29,000 coupons. By month 2 the website had 120,000 hits and just over 56,000 coupons downloaded. Today the burger continues to be a hit in Southern California and other regions throughout North America.

## Social Media RoI – Naked Pizza

Naked Pizza is a New Orleans-based healthy pizza joint that specializes in its low-calorie slices that weigh a fraction of a normal pizza slice. The company built a 4,300 person following on Twitter in 2.5 months. Though the company is local, Naked Pizza is still able to use Twitter to advertise within a 3 mile radius.

Using analytics tools to find entrance rates, Naked Pizza has found that, on average, 20% of sales come from users who enter the site via Twitter. Furthermore, during one particular advertising blitz on Twitter, the company found that 69% of their sales for that day first came to the site via Twitter's website. The normal 20% of sales per day are sustained as long as CEO Jeff Leach tweets – which he does at least once and up to 15 times every single day.



**Figure 21: Social Media RoI – Naked Pizza**

Because Naked Pizza was able to change their analytics metrics into dollars the company was able to make an important business decision: to change their company sign, which originally had an order phone number on it, to their Twitter handle. By the way, Naked Pizza gets an average of 35,000 people who drive by every day, and is working to become a national chain.



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Co-founders Jeff Leach and Randy Crochet are frequently quoted as saying that Naked Pizza isn't a pizza company, but a social media company that sells pizza. In fact, their entire business plan is based on using social media and rapid expansion to promote a healthier version of a popular fast food, one with no sugar or Trans-fats and about half the calories of the competition's products.

## **Pay Per Click Campaign – Q Industries**

Q-Industries are an interactive agency that designs and builds online brands, websites and advanced Internet applications. Founded in 1999, clients range from startups to Fortune 500 companies.

### ***Shifting Gears in a Highly Competitive PPC Market***

Initially, Q-Industries ran their highly competitive paid search campaigns in-house, but failed to get their desired leads. They then thought of an improved Pay Per Click campaign with underlying objectives.

### ***Analyze, Create, Build, Launch & Automate***

- To analyze existing campaign's historical performance data in order to identify and improve poor performing areas.
- To create a highly targeted campaign and improve segmentation in order to reach key clients.
- Build a better targeted keyword list and remove keywords that do not lead to conversions.
- Create and test ad text to increase relevance, traffic, and ad positioning.
- Identify and promote -core keywords that drive relevant traffic.
- Launch ads at specific hours of the day to further target relevant traffic.

### ***Develop, Optimize, Implement and Link***

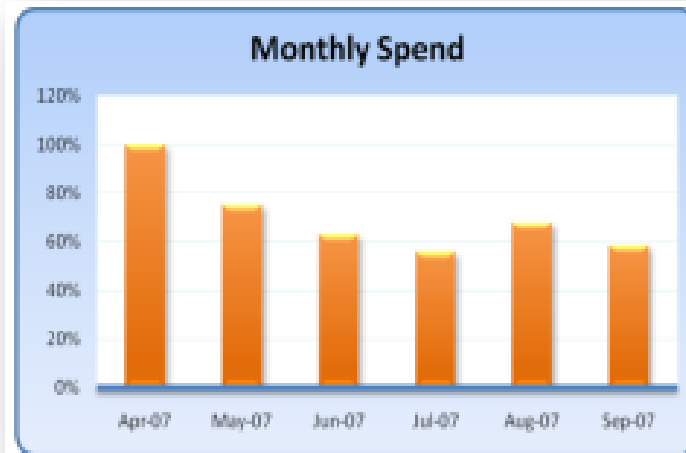
With a few tweaks in the existing campaigns, Q-Industries were able to achieve results that surpassed their expectations, w.r.t.:

- Increased monthly ROI
- Increase in keyword positioning
- Increased Click Through Rate
- Decreased monthly spend

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### *Improved ROI - 24% to 280% in No Time Flat*

Q-Industries Paid Search campaign was fully launched in July of 2007. Once the launch was complete Q-Industries quickly saw the benefits of their revamped Paid Search campaign. They were able to break sales records each month while decreasing their total Paid Search spending.



**Figure 22: Pay Per Click Campaign – Q Industries**

In April '07 (3 months prior to the new campaign) Q-Industries was hitting its max spend with a poor 24% ROI. In July '07, the same month with the new PPC campaign, monthly spend was reduced by 56% while improving ROI to an impressive 280%. With improvements in segmentation, keyword selection, and CTR, eVisibility was able to make significant changes to Q Industries' AdWords account. These improvements helped decrease their monthly spend and improved ROI.

## Search Engine Optimization Campaign - Saltworks

Saltworks is one of the Internet's premiere sellers of retail and wholesale gourmet and bath salts. Sales were good, but owner Mark Zoske felt they could be better. His challenge: Greater marketing efficiency and ROI. Saltworks needed to increase sales while decreasing high pay-per-click advertising costs on Google, Overture and other pay-per-click services. He decided to get his internet marketing program on track, by employing SEO techniques.

### *Less PPC, more SEO*

They used mining toolset to find the words and phrases most used by potential customers who searched for gourmet and bath salt products. They also began tracking the return on investment generated by each online advertisement. After a short review period, a scaled-back pay-per-click campaign was recommended that focused only on revenue-generating phrases. Simultaneously a natural search engine optimization campaign was recommended: Changes to site code and structure would help Saltworks move up in the search rankings. The results refined the Saltworks.us site, providing a better customer experience and higher conversion rates.

### *The results: higher sales, lower costs*

Search engine optimization has increased relevant search traffic by 50%. Saltworks has doubled the number of relevant first-place rankings on Google, MSN and Yahoo.

	<b>02/2005 Ranking</b>	<b>10/2005 Ranking</b>
Bath Salts	30	4
Dead Sea Salts	4	1
Wholesale Bath Salt	Unranked	4
Bulk Dead Sea Salt	Unranked	1
Gourmet Salts	5	1
Sea Salts	Unranked	2

**Google Search Ranking for Saltworks.us**

**Figure 23: Search Engine Optimization Campaign - Saltworks**

## **Evolution of Internet Marketing and how it impacts a company's Bottom-line**

These new rankings improved the flow of interested, qualified customers to Saltworks.us. At the same time, site refinements doubled conversion rates.

The refined bidding strategy cut pay-per-click costs by ½, saving the company thousands of dollars per month. Saltworks total sales have increased by over 230%, with a 27% increase in total number of orders.

## Chapter 4: Conclusion

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## **4.1 Conclusion**

Internet marketing is not easy. It is filled with many complicated challenges that can push anyone off track, confuse, and prevent one from succeeding. Reports and e-books that attempt to talk about a -one-size-fits-all approach miss a very important point, which is: successful Internet marketing requires one to be a dynamic, intelligent, and flexible, so a set of static, unchanging plans is unlikely to make one successful.

It is not really hard to market any businesses online, but then why there are so many people who have failed to make their first dollar or sale online? It is because most of them who are new in internet marketing want to learn and implement all they can in internet marketing. They want to try out SEO, PPC, blogs, Social Media, AdWords and video marketing too.

So, instead of looking for the magic bullet of internet marketing, one should think of how a business model will work for them. Internet marketing is not easy, but then it's not even that difficult; it is just part of the overall business strategy that one is running. One should choose a wise mix of prominent Internet Marketing Technologies like: SEO, PPC, Google AdWords, Social Media, etc. depending on their Business Objectives and the Target Audiences.

Business owners should carefully plan as to what kind of business model they would want for their business. One needs to have one business model to start out and get used to it before diversifying and experimenting further. The chosen business model needs to be perfected and tested thoroughly before one moves on. Avoid information overload, and aim for moderate success before you go in another direction. Once you are ready, add another list and account to diversify and protect your income from unexpected setbacks.

A carefully crafted Marketing campaign is bound to deliver results, as seen in the previous case studies. A successful Internet Marketing campaign works in two ways: First, it reduces costs, since Internet Marketing eliminates the need of intermediaries and overhead costs. Second, it increases Revenues manifold, since Internet Marketing reaches a very wide audience. Both of the above ways improve a company's Top-line growth (revenues), eventually, benefitting the company's Bottom-lines (Profits); since the Costs Reduce and Sales Revenue Increase.

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