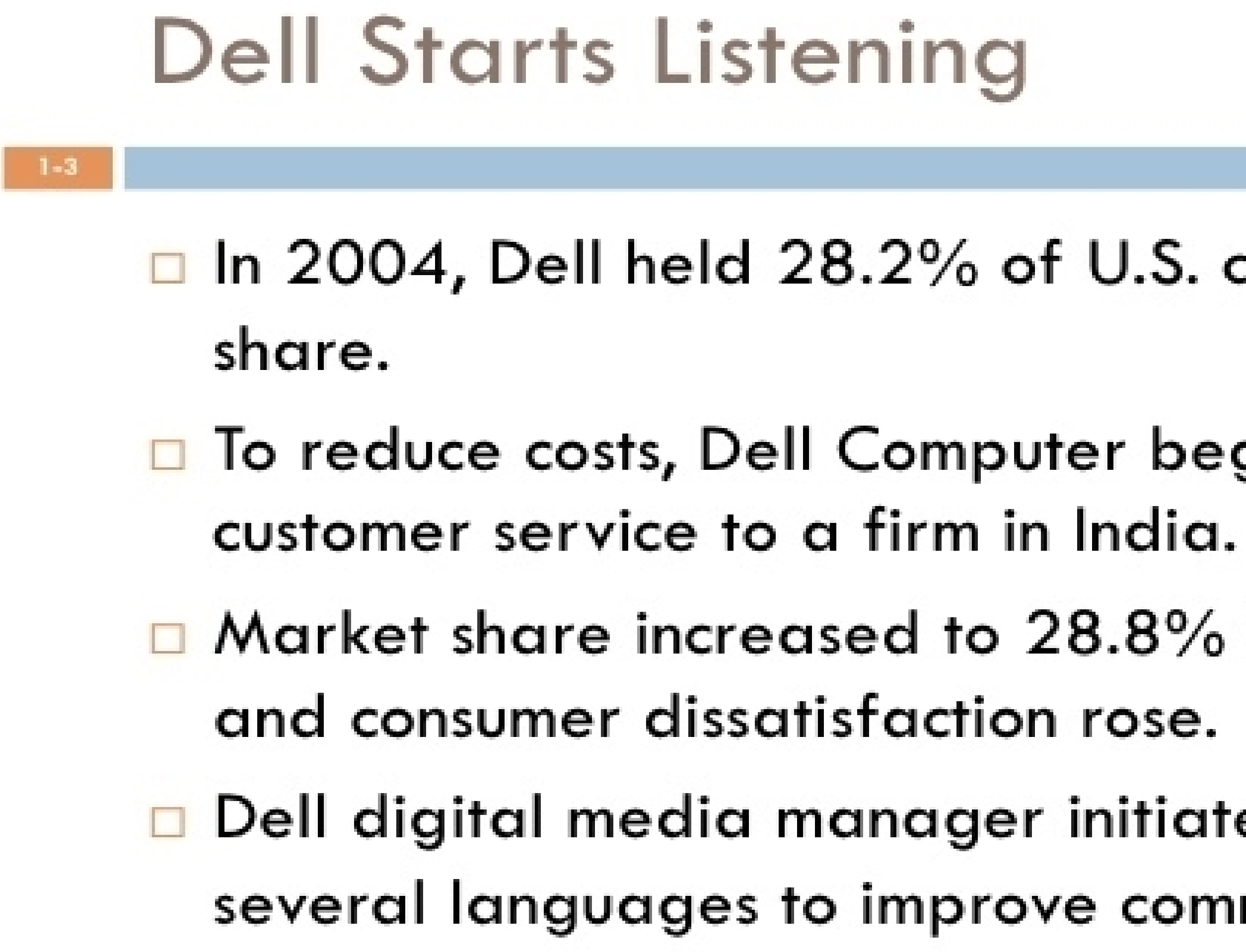
E-Marketing

14MBAMM409

Module 1

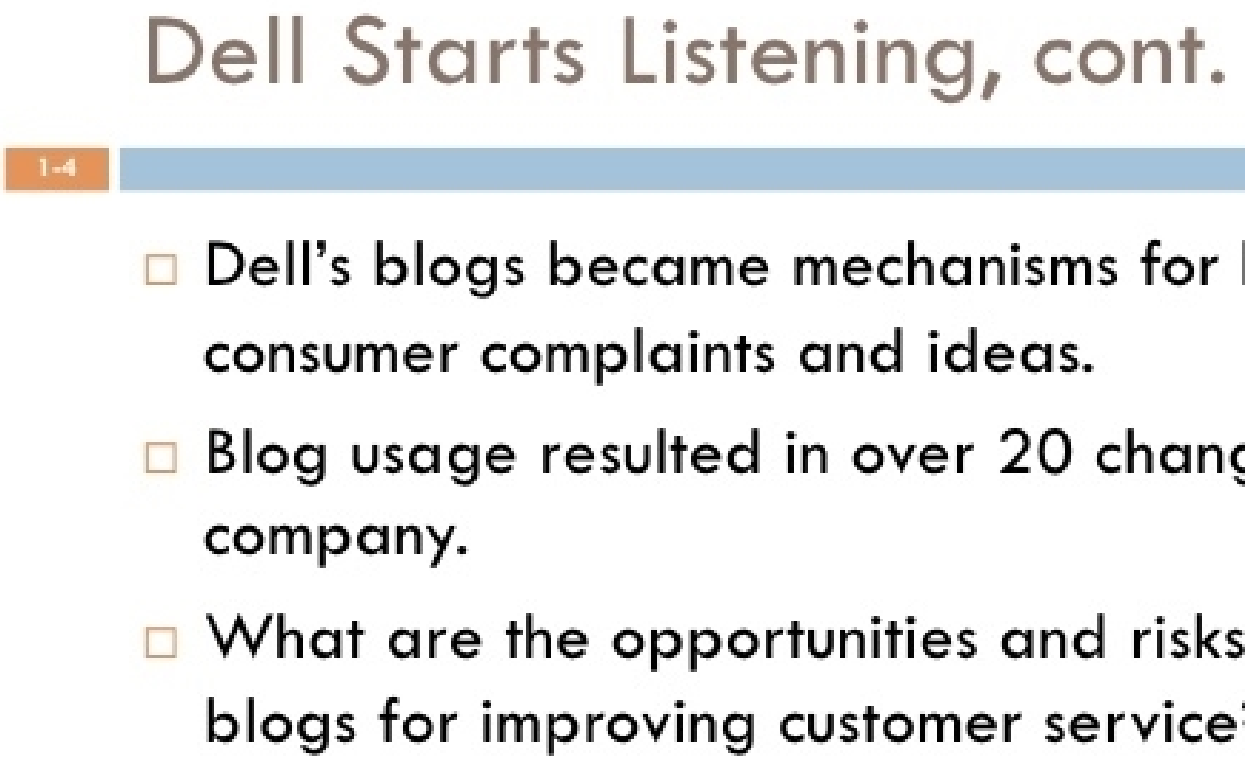
Course Objectives

- To understand the important concepts relate
- To learn the use of different electronic medi
  marketing activities
- To introduce to the students the current too



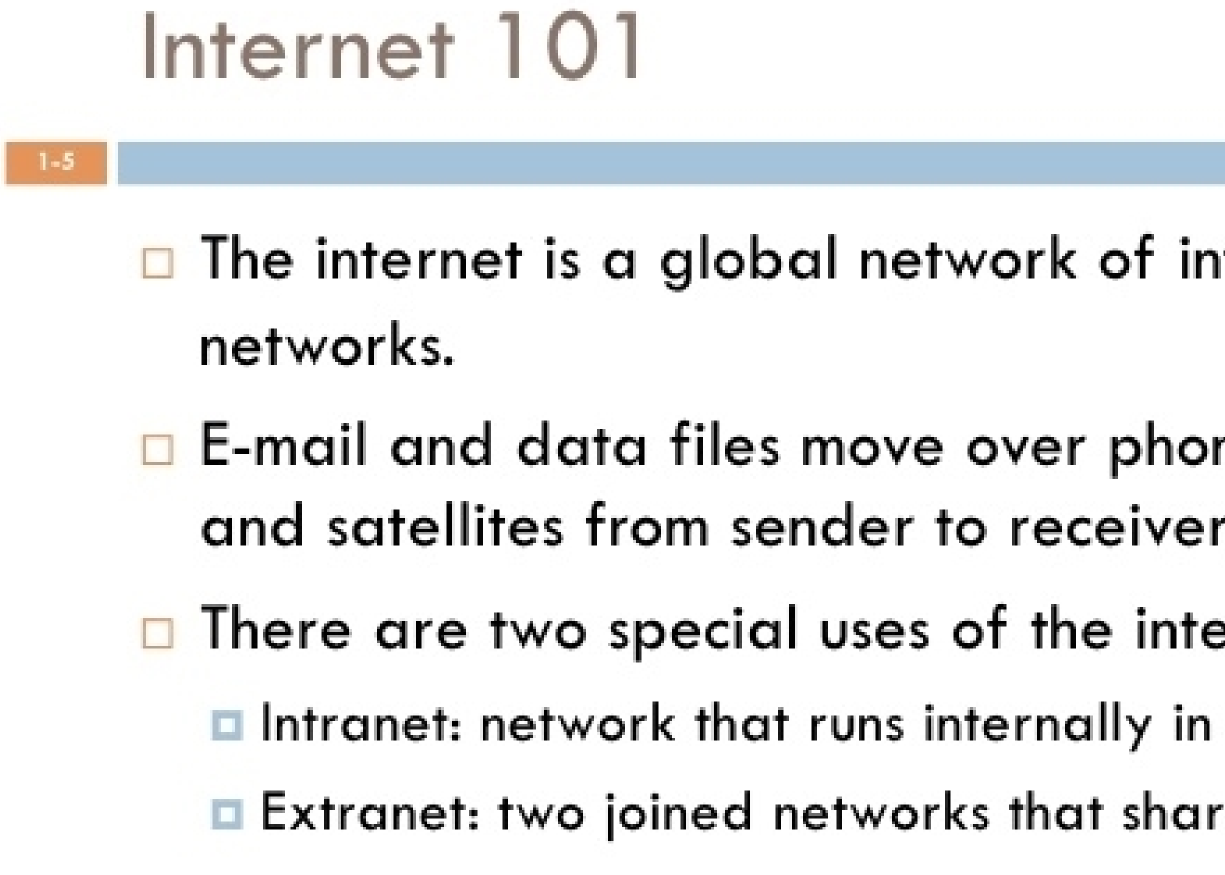
Dell Starts Listening

- ☐ In 2004, Dell held 28.2% of U.S. c share.
- ☐ To reduce costs, Dell Computer beg customer service to a firm in India.
- ☐ Market share increased to 28.8% and consumer dissatisfaction rose.
- ☐ Dell digital media manager initiate several languages to improve com



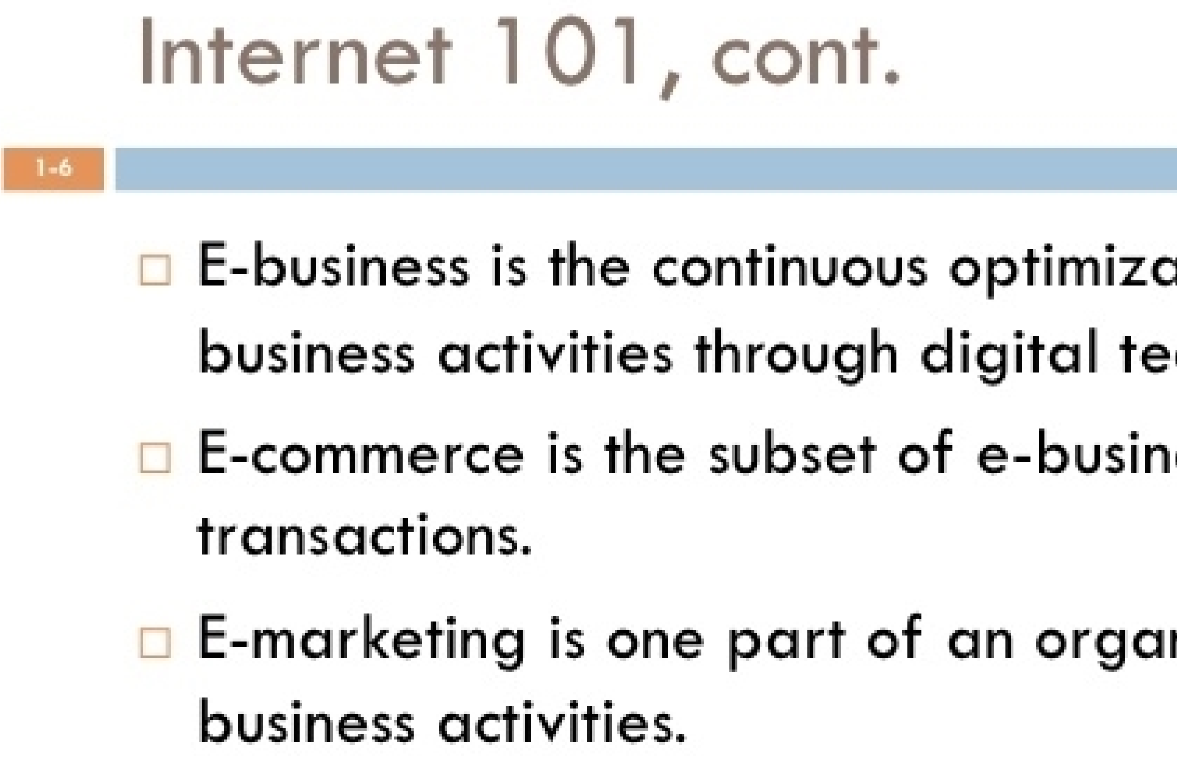
Dell Starts Listening, cont.

- Dell's blogs became mechanisms for
consumer complaints and ideas.
- Blog usage resulted in over 20 chang
company.
- What are the opportunities and risks
blogs for improving customer service



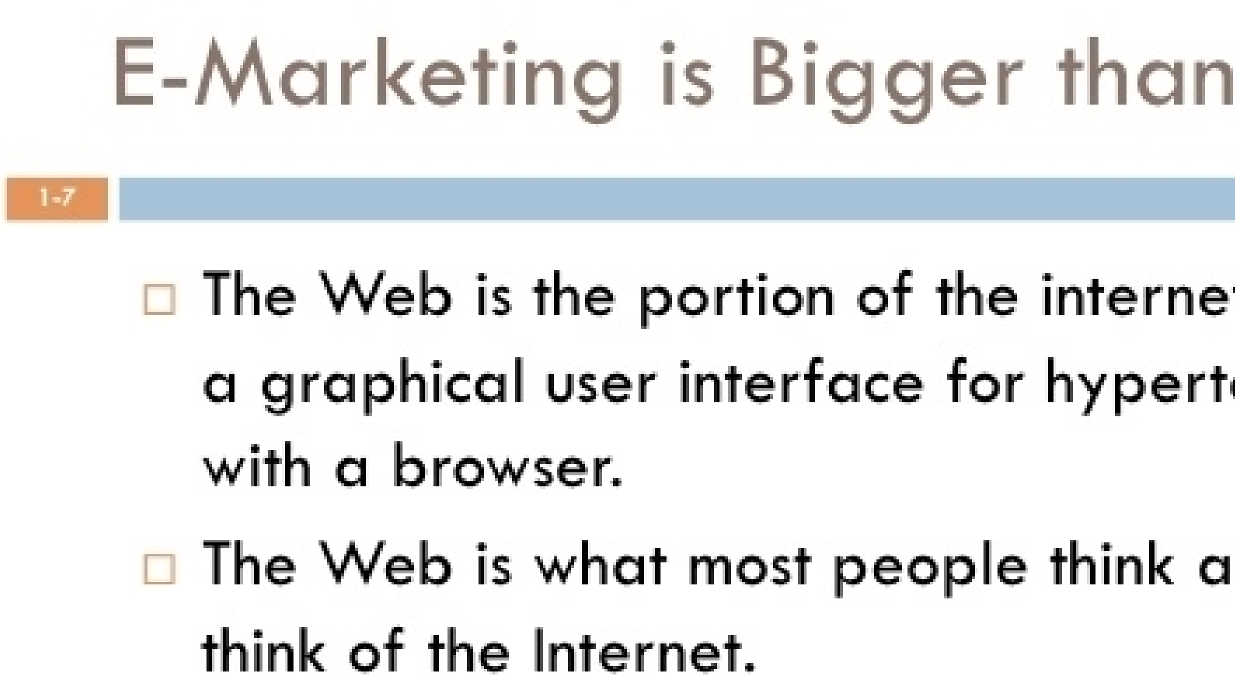
Internet 101

- The internet is a global network of in
  networks.
- E-mail and data files move over phon
  and satellites from sender to receiver
- There are two special uses of the inte
  - Intranet: network that runs internally in
  - Extranet: two joined networks that shar



Internet 101, cont.

- E-business is the continuous optimiza
  business activities through digital te
- E-commerce is the subset of e-busin
  transactions.
- E-marketing is one part of an orga
  business activities.

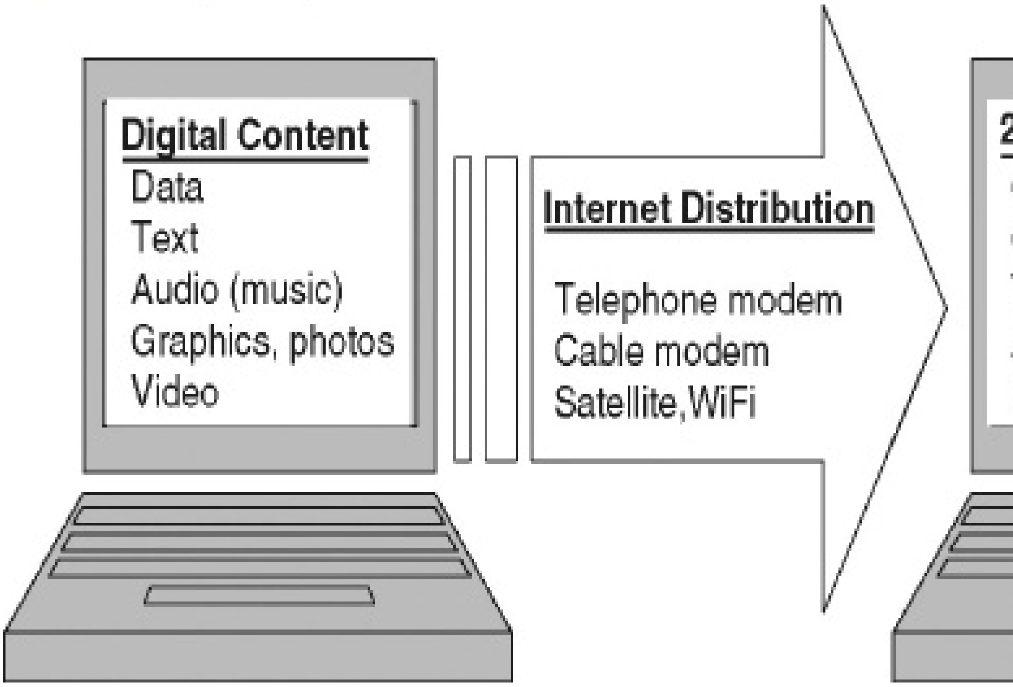


E-Marketing is Bigger than

- The Web is the portion of the interne
a graphical user interface for hypert
with a browser.
- The Web is what most people think a
think of the Internet.

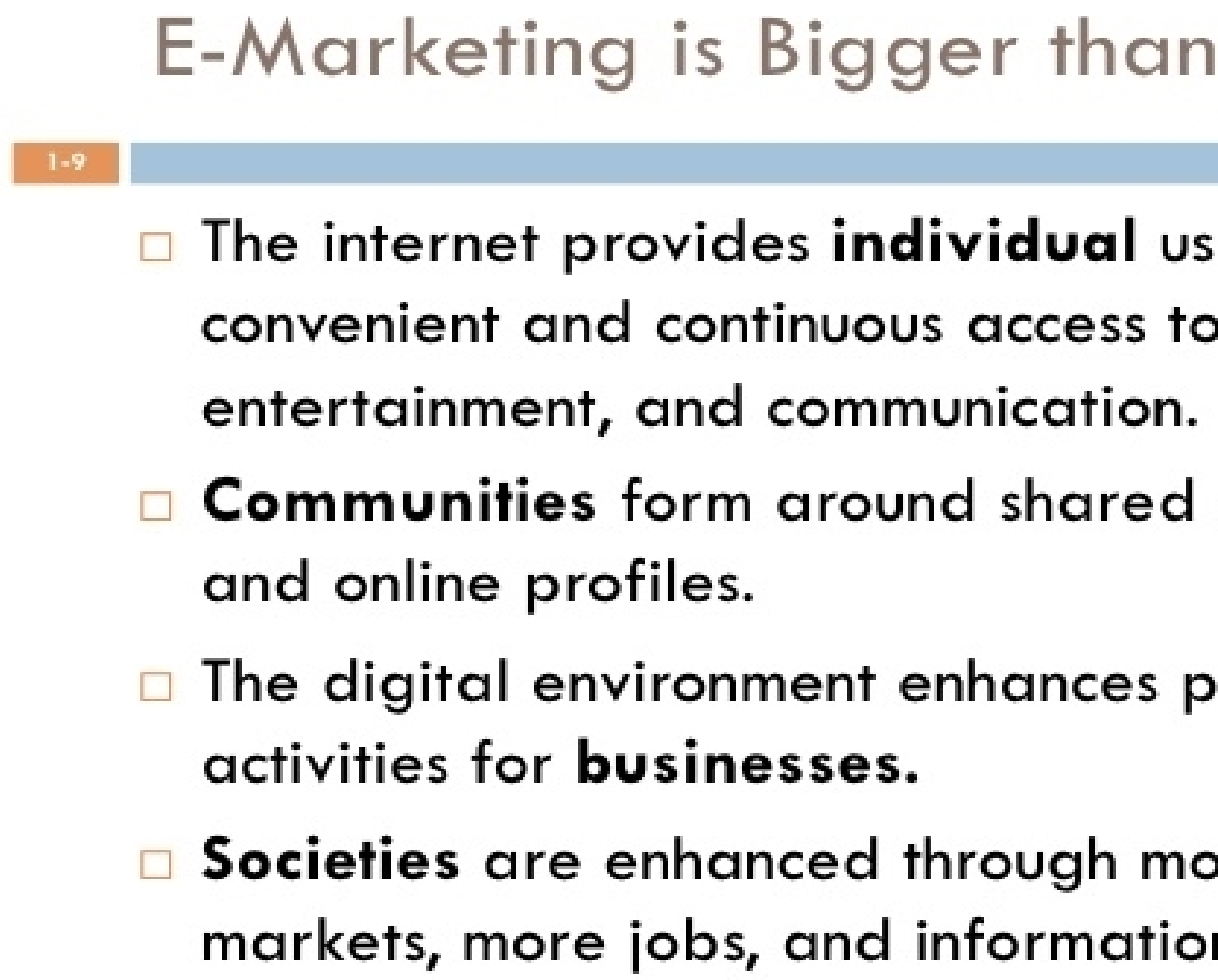
The Web Is One Aspect of E

- Exhibit 1.1



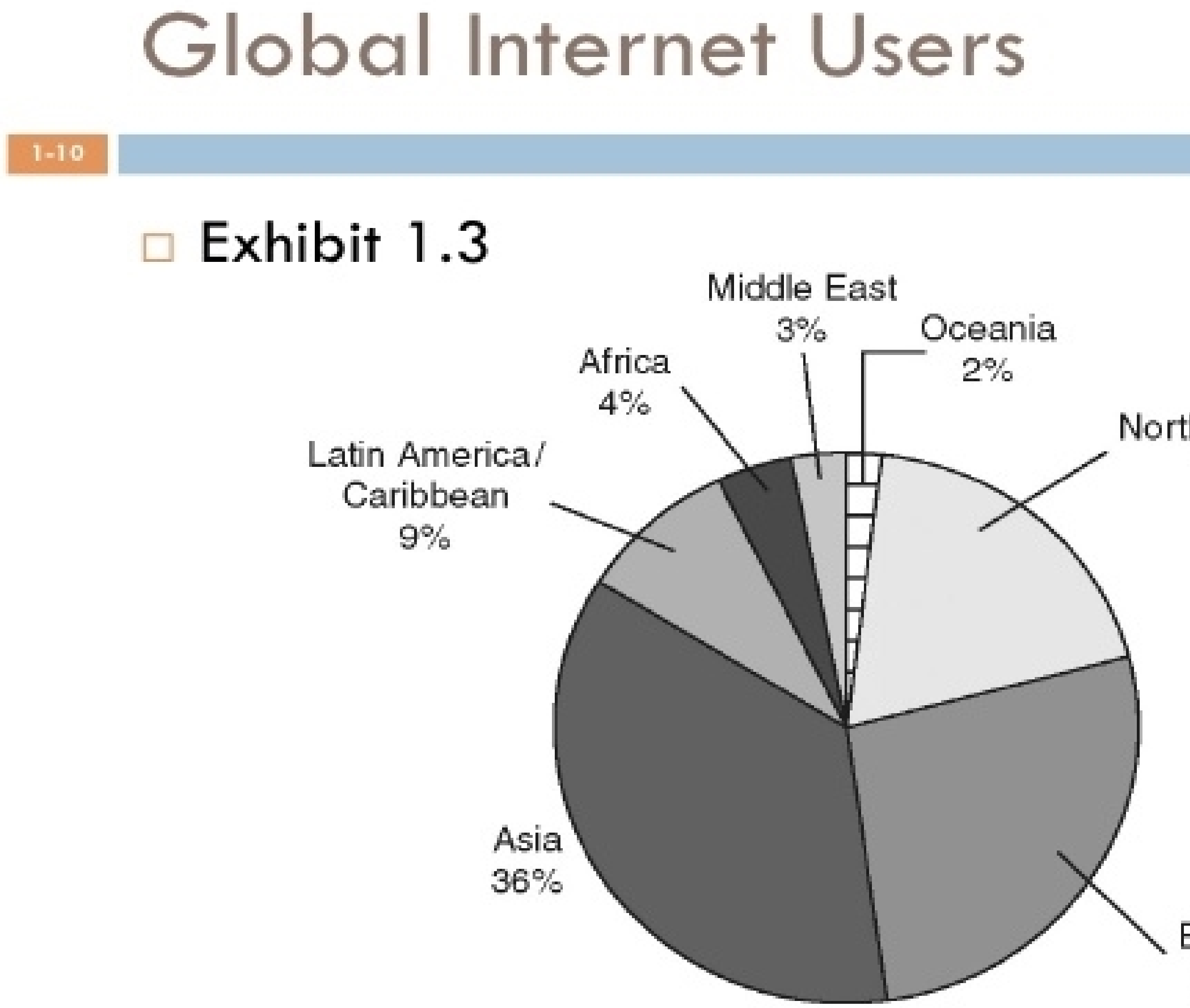
Digital Content
Data
Text
Audio (music)
Graphics, photos
Video

Internet Distribution
Telephone modem
Cable modem
Satellite,WiFi



E-Marketing is Bigger than

- ☐ The internet provides **individual** us convenient and continuous access to entertainment, and communication.
- ☐ **Communities** form around shared and online profiles.
- ☐ The digital environment enhances p activities for **businesses.**
- ☐ **Societies** are enhanced through mo markets, more jobs, and informatio



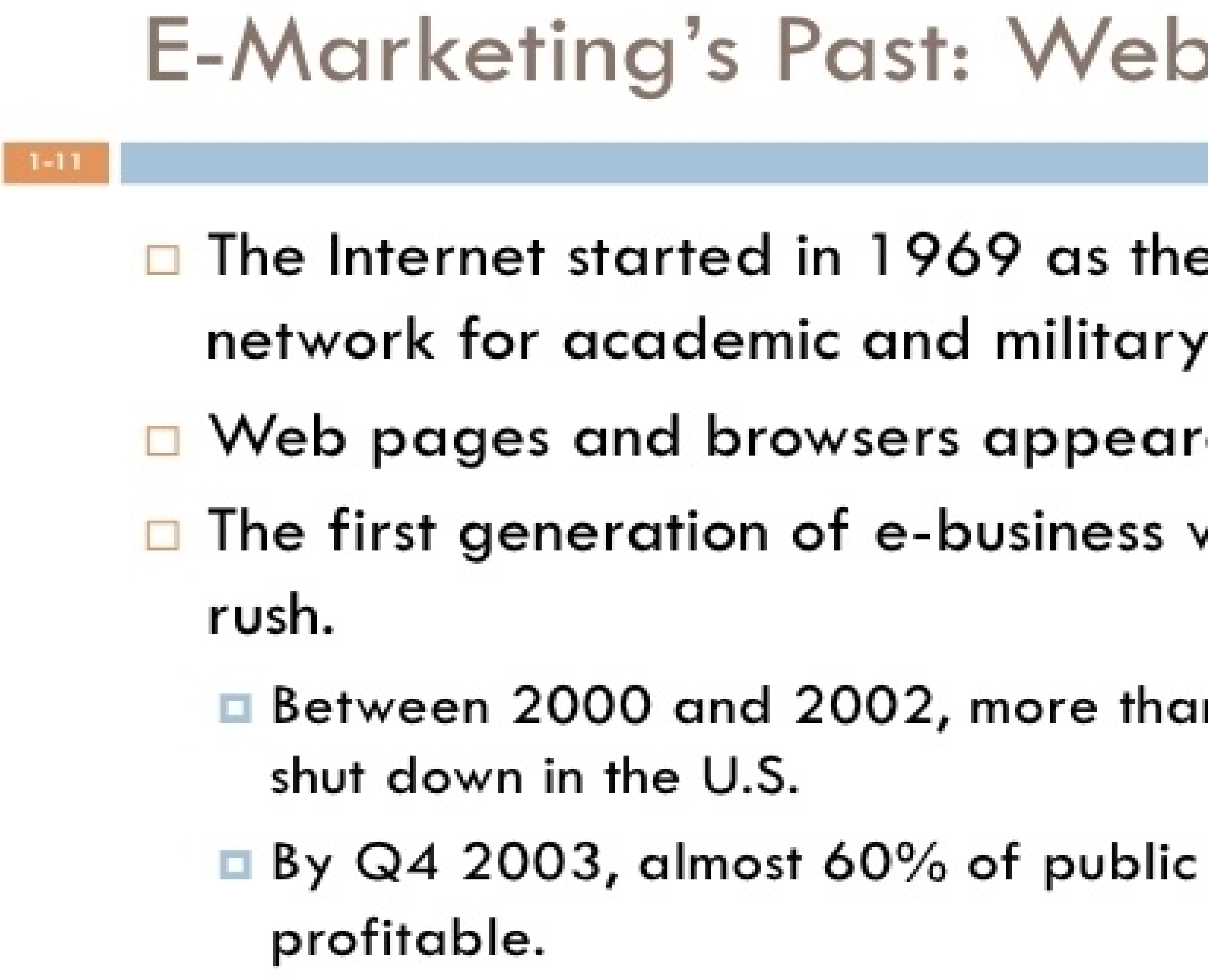
Global Internet Users

- Exhibit 1.3

What is E-marketing?

- It is the use of IT in the process of crea delivering value the customers, & fo relationships in ways that benefits the organ

- E- marketing effects traditional mktg
  - It increases efficiency and effectiveness in tradit
  - Increase in new business models.

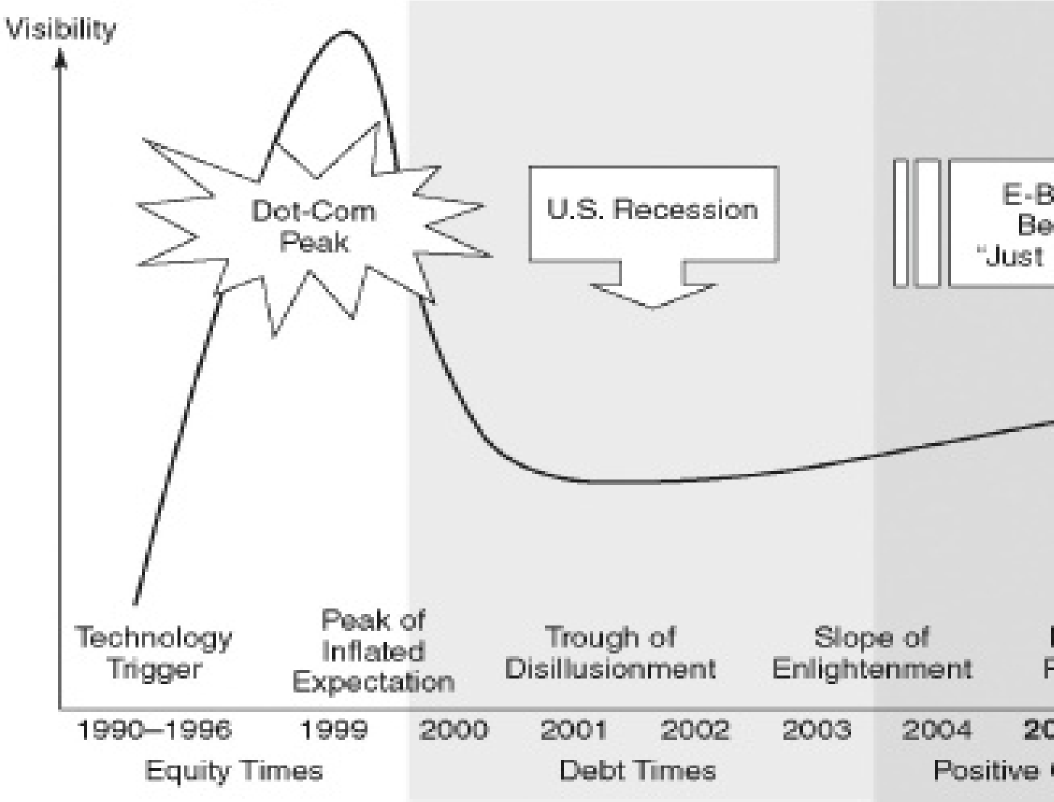


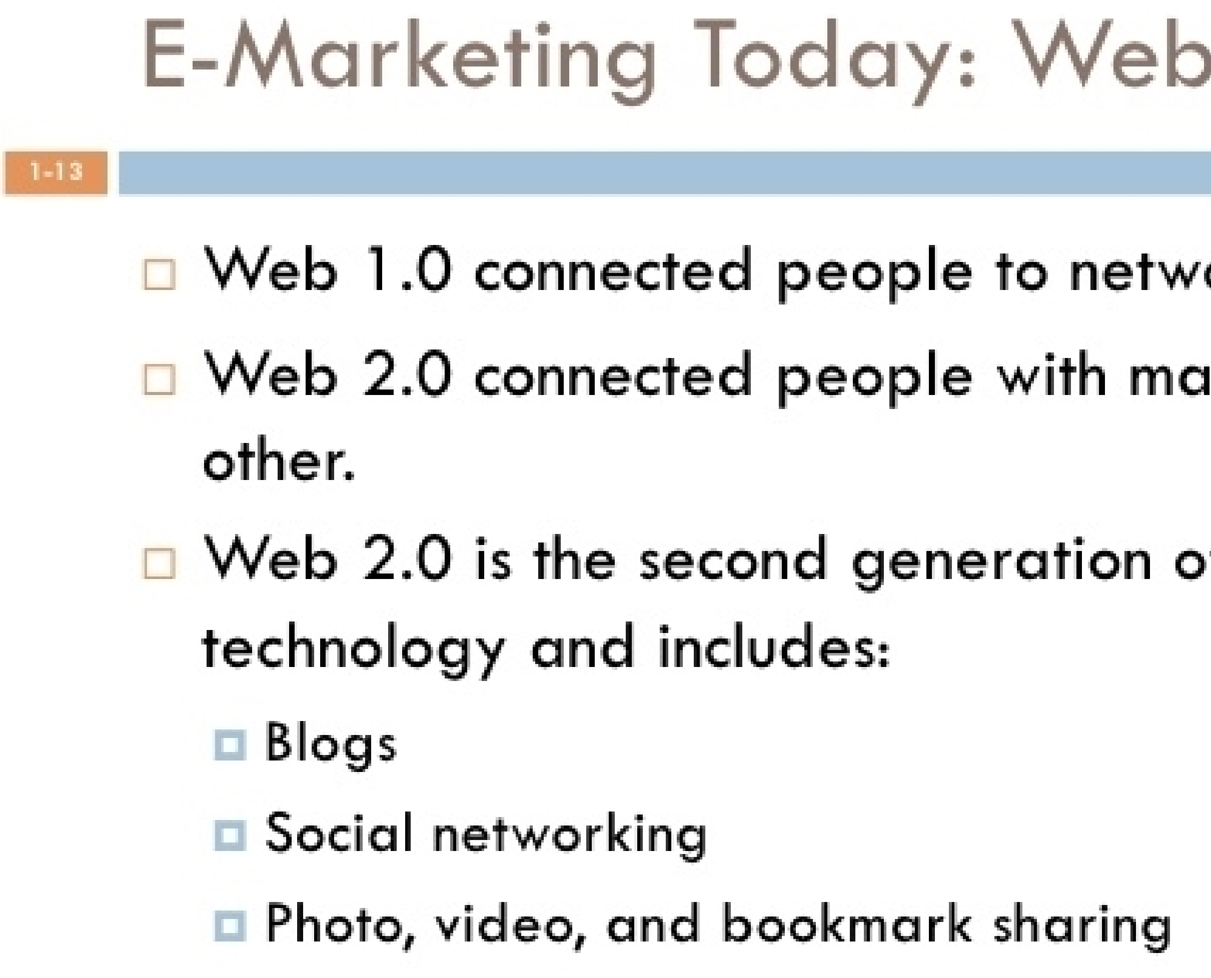
E-Marketing’s Past: Web

- The Internet started in 1969 as the network for academic and military
- Web pages and browsers appear
- The first generation of e-business v rush.
  - Between 2000 and 2002, more thar shut down in the U.S.
  - By Q4 2003, almost 60% of public profitable.

E-Business to Just Busines

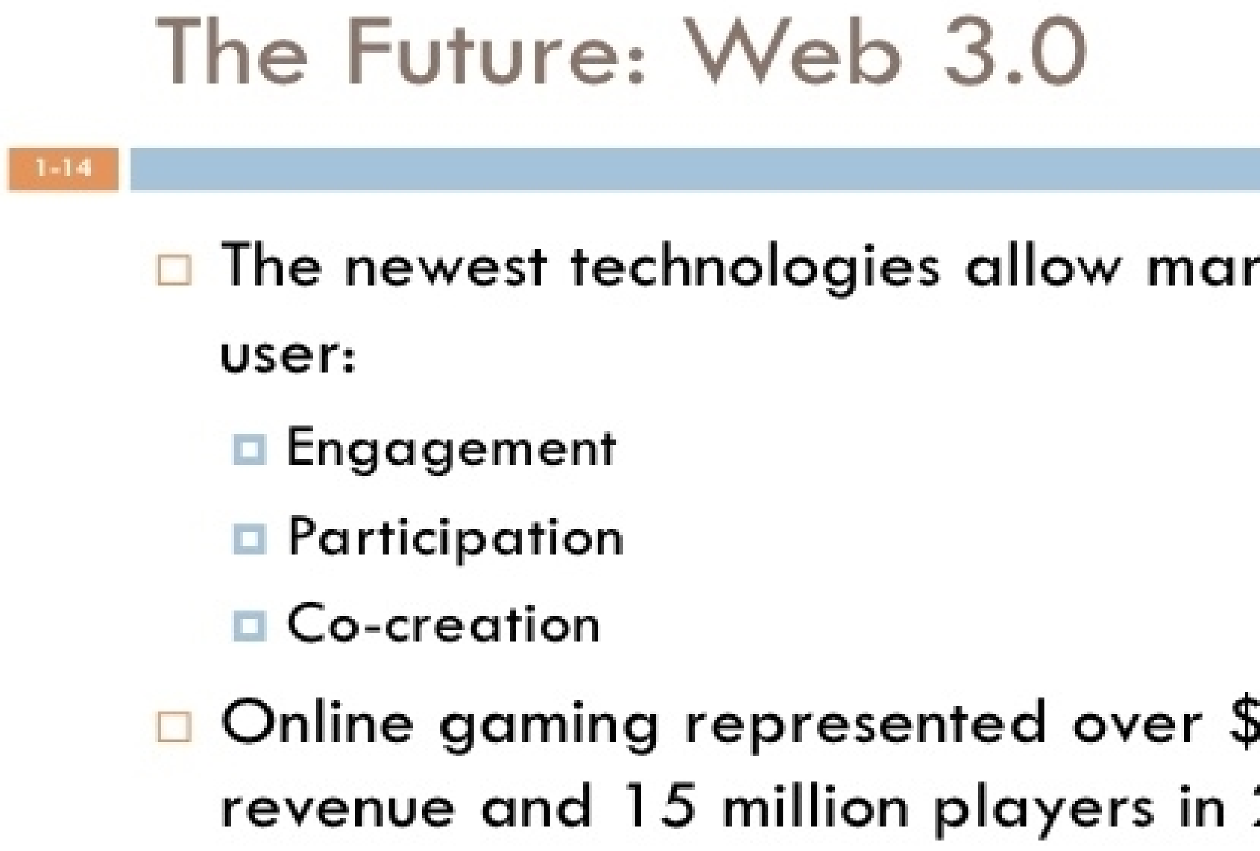
- Exhibit 1.5





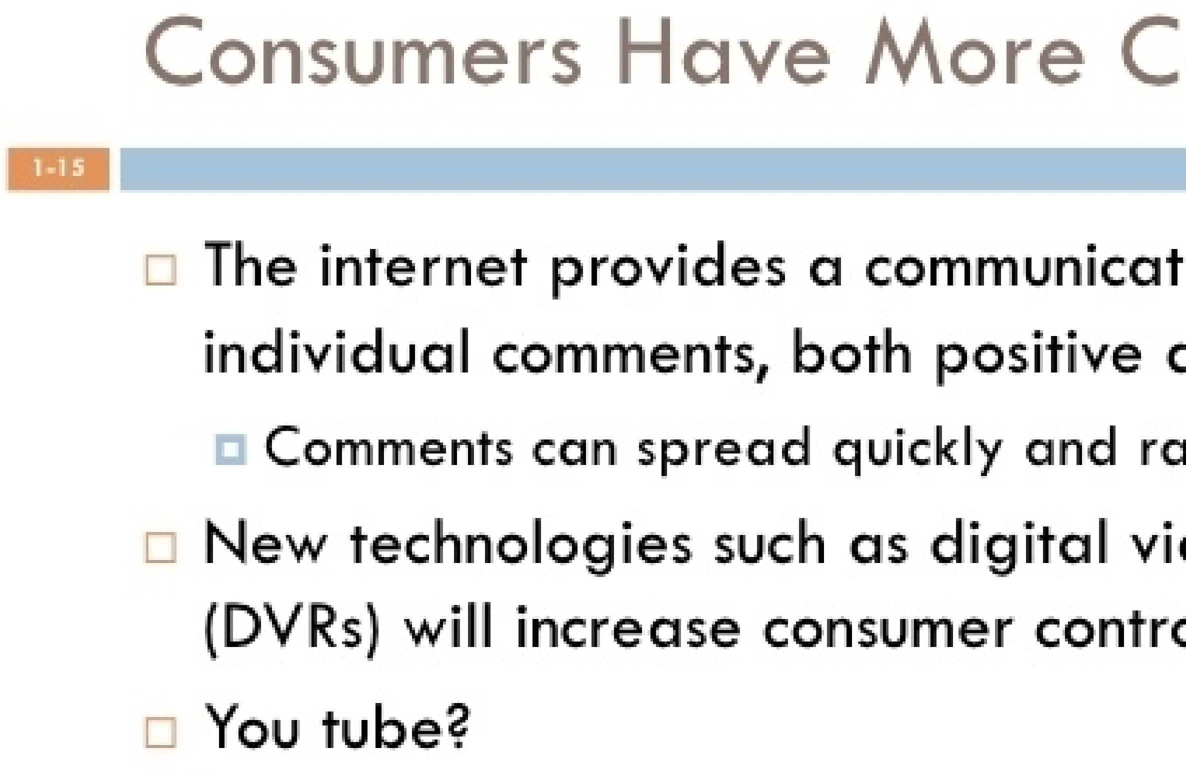
E-Marketing Today: Web

- ☐ Web 1.0 connected people to netw
- ☐ Web 2.0 connected people with ma other.
- ☐ Web 2.0 is the second generation o technology and includes:
  - Blogs
  - Social networking
  - Photo, video, and bookmark sharing



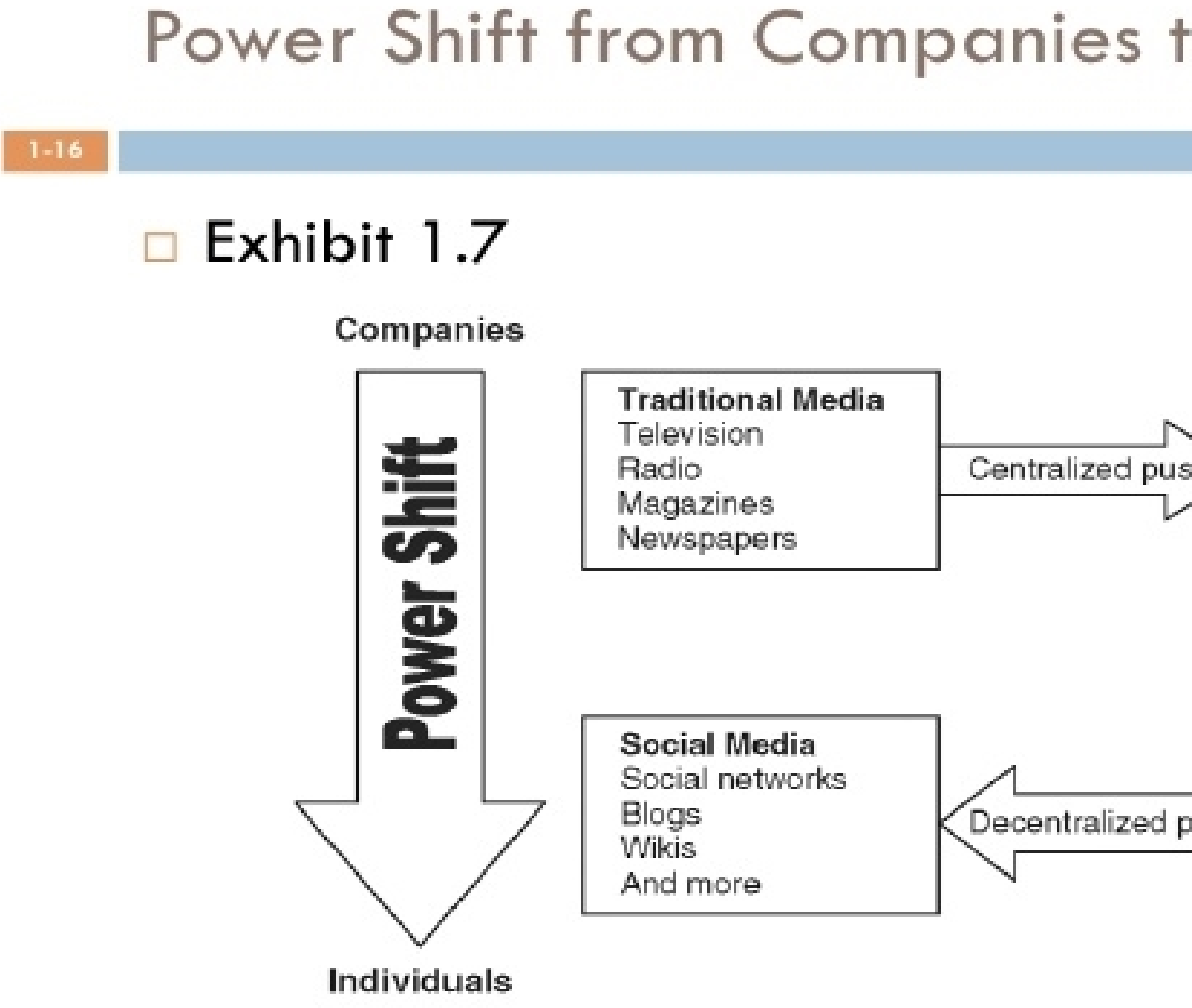
The Future: Web 3.0

- ☐ The newest technologies allow mar
  user:
  - Engagement
  - Participation
  - Co-creation
- ☐ Online gaming represented over $
  revenue and 15 million players in



Consumers Have More C

- The internet provides a communicat individual comments, both positive
  - Comments can spread quickly and ra
- New technologies such as digital vi (DVRs) will increase consumer contr
- You tube?



Power Shift from Companies t

☐ Exhibit 1.7

Companies

Power Shift

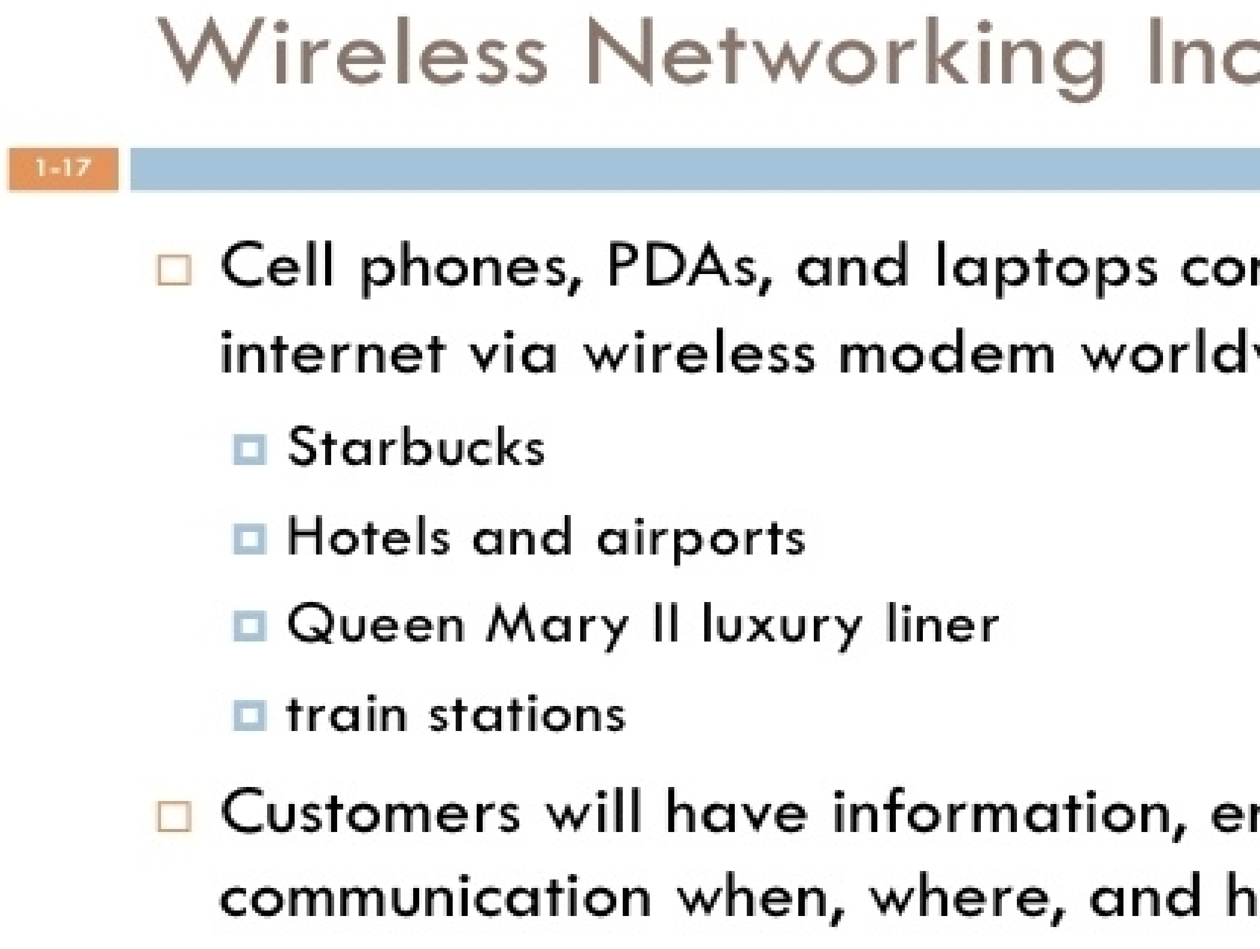
Individuals

Traditional Media
Television
Radio
Magazines
Newspapers

Centralized pus

Social Media
Social networks
Blogs
Wikis
And more

Decentralized p

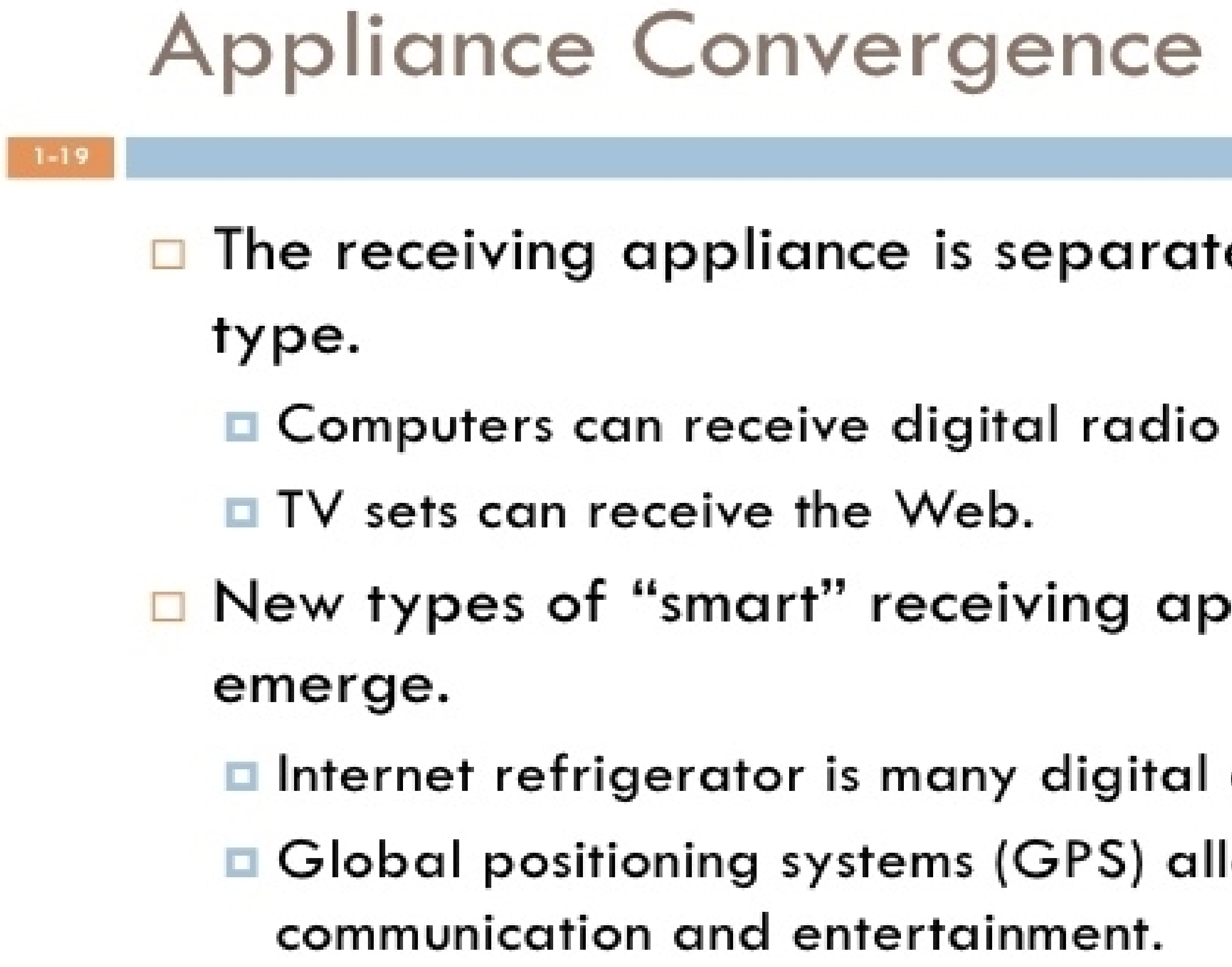


Wireless Networking Inc

- ☐ Cell phones, PDAs, and laptops co internet via wireless modem world
  - Starbucks
  - Hotels and airports
  - Queen Mary II luxury liner
  - train stations
- ☐ Customers will have information, e communication when, where, and h

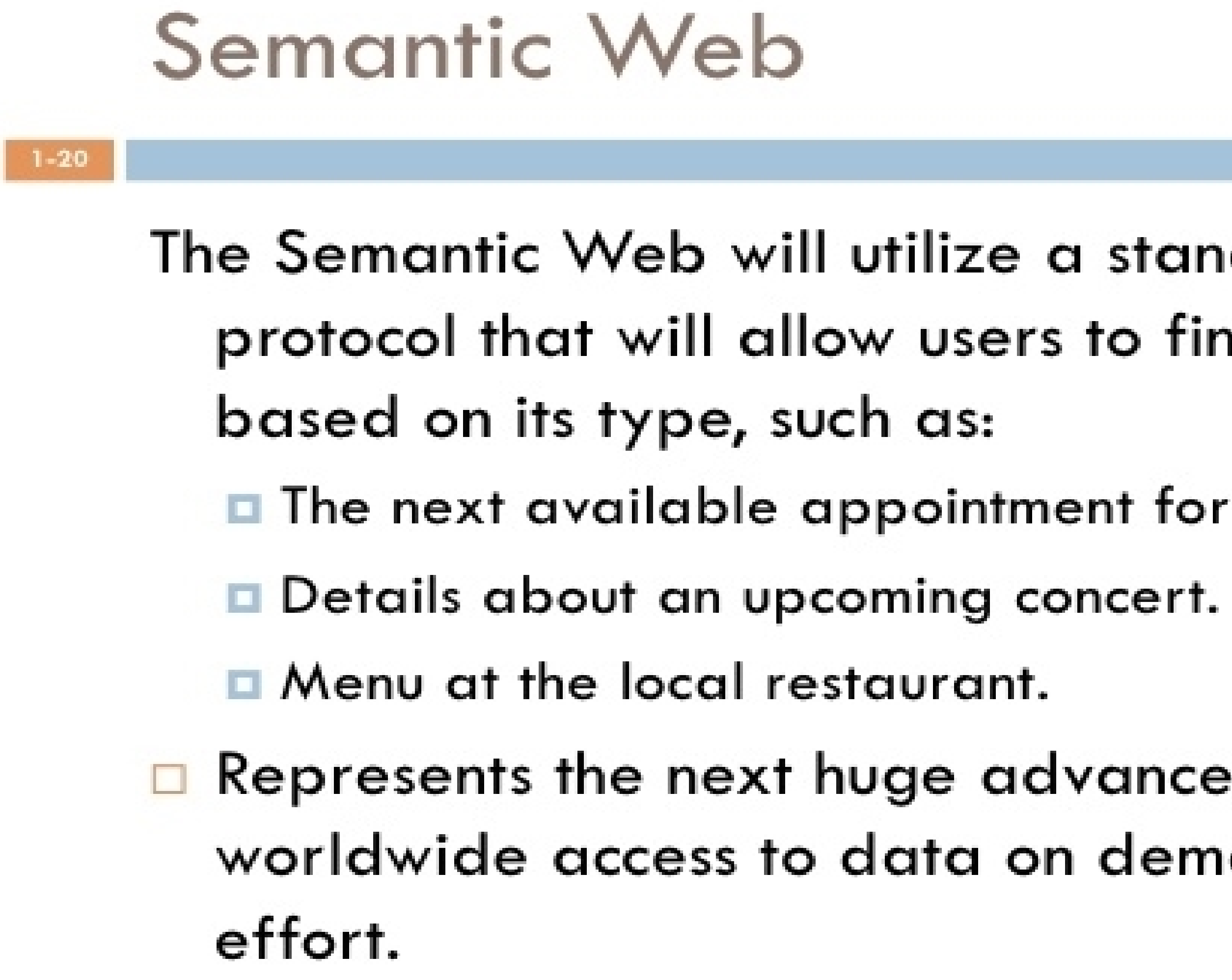
WiFi at Train Station in

Gares
EN MOUVEMENT
WiFi Gare
EN GARE,
le WiFi dépasse les bornes
Vous entrez
dans l'espace
WiFi
SNCF



Appliance Convergence

- The receiving appliance is separat type.
  - Computers can receive digital radio
  - TV sets can receive the Web.
- New types of "smart" receiving ap emerge.
  - Internet refrigerator is many digital
  - Global positioning systems (GPS) all communication and entertainment.

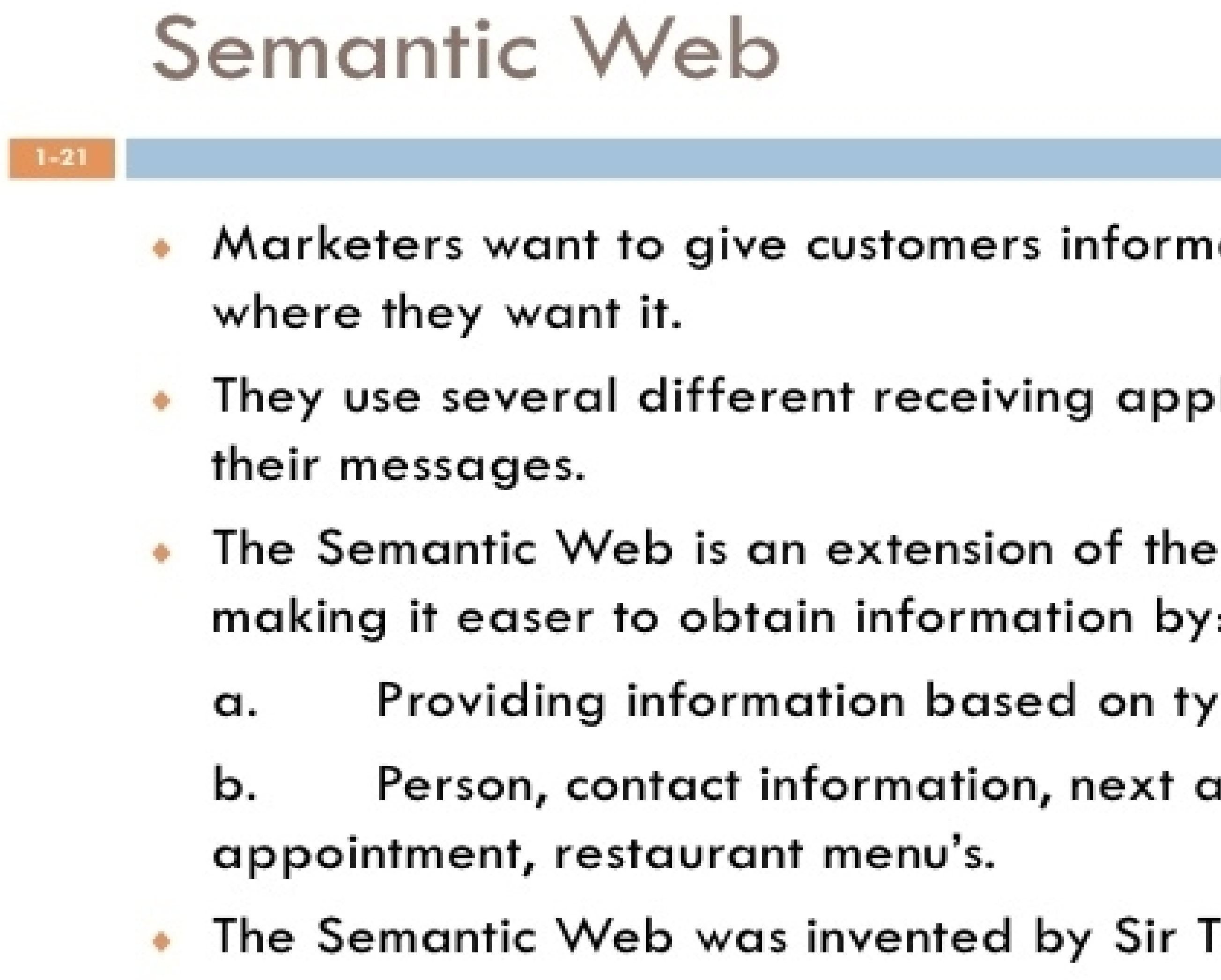


Semantic Web

The Semantic Web will utilize a stan
protocol that will allow users to fin
based on its type, such as:

  - The next available appointment for
  - Details about an upcoming concert.
  - Menu at the local restaurant.

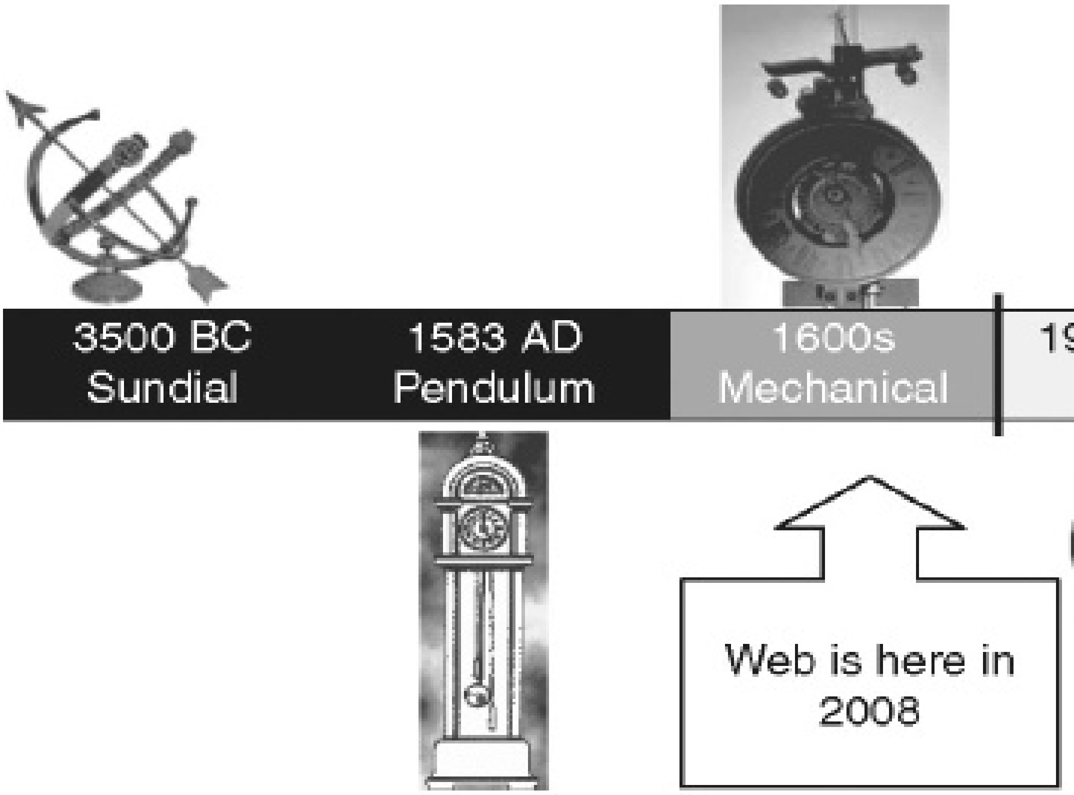
- Represents the next huge advance
worldwide access to data on dem
effort.



Semantic Web

- Marketers want to give customers inform
  where they want it.
- They use several different receiving app
  their messages.
- The Semantic Web is an extension of the
  making it easer to obtain information by
  a. Providing information based on ty
  b. Person, contact information, next a
  appointment, restaurant menu's.
- The Semantic Web was invented by Sir T

Internet-Time Analogy E



3500 BC
Sundial

1583 AD
Pendulum

1600s
Mechanical

19

Web is here in 2008

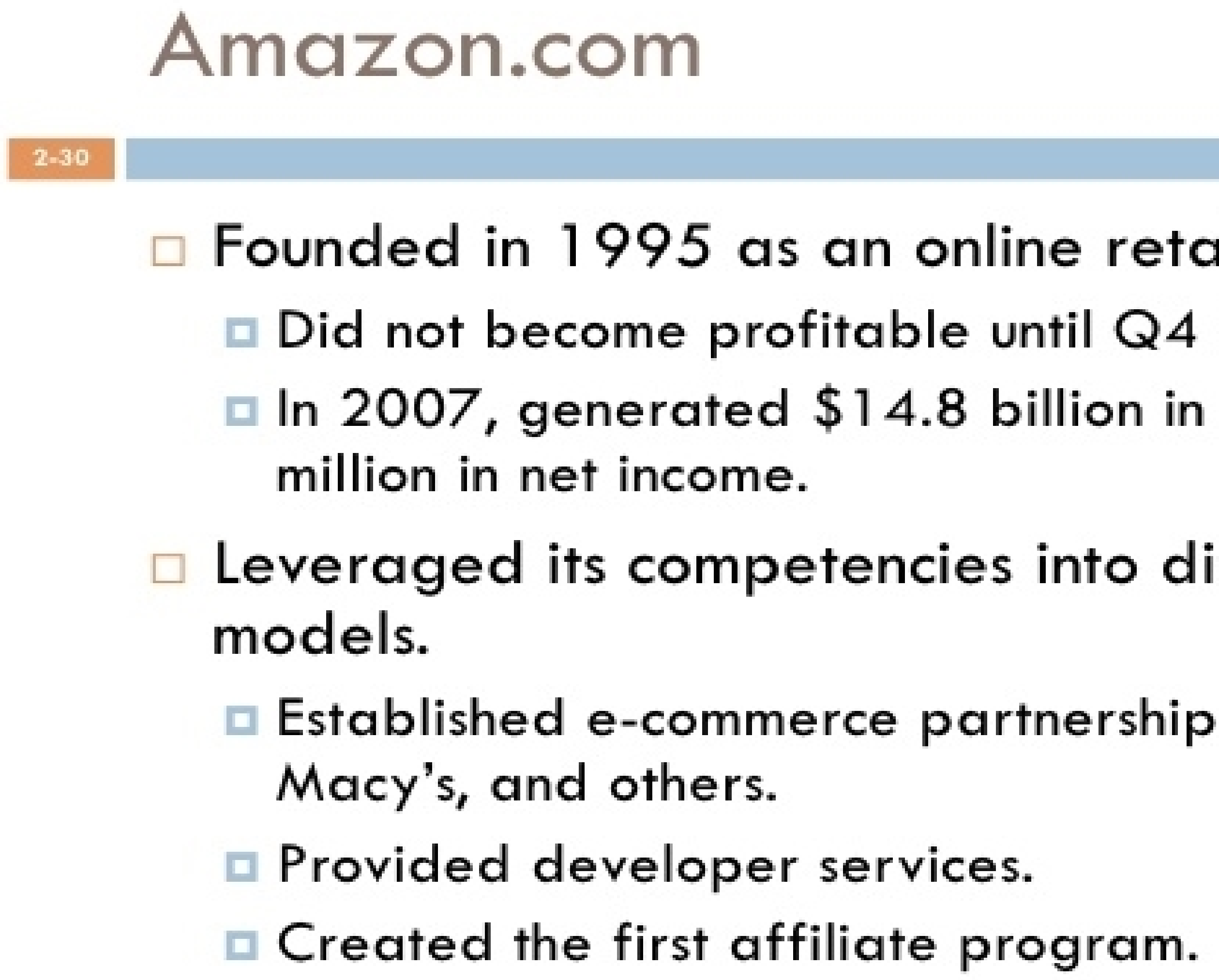
Group Presentations

Part 1 Overview: Internet Properties & Marketing

- Website analysis
- Web and other online content (such as mobile c
- Website properties (table 1.6 in the core textbo
- Website design and usability features
- Multimedia and interactive features

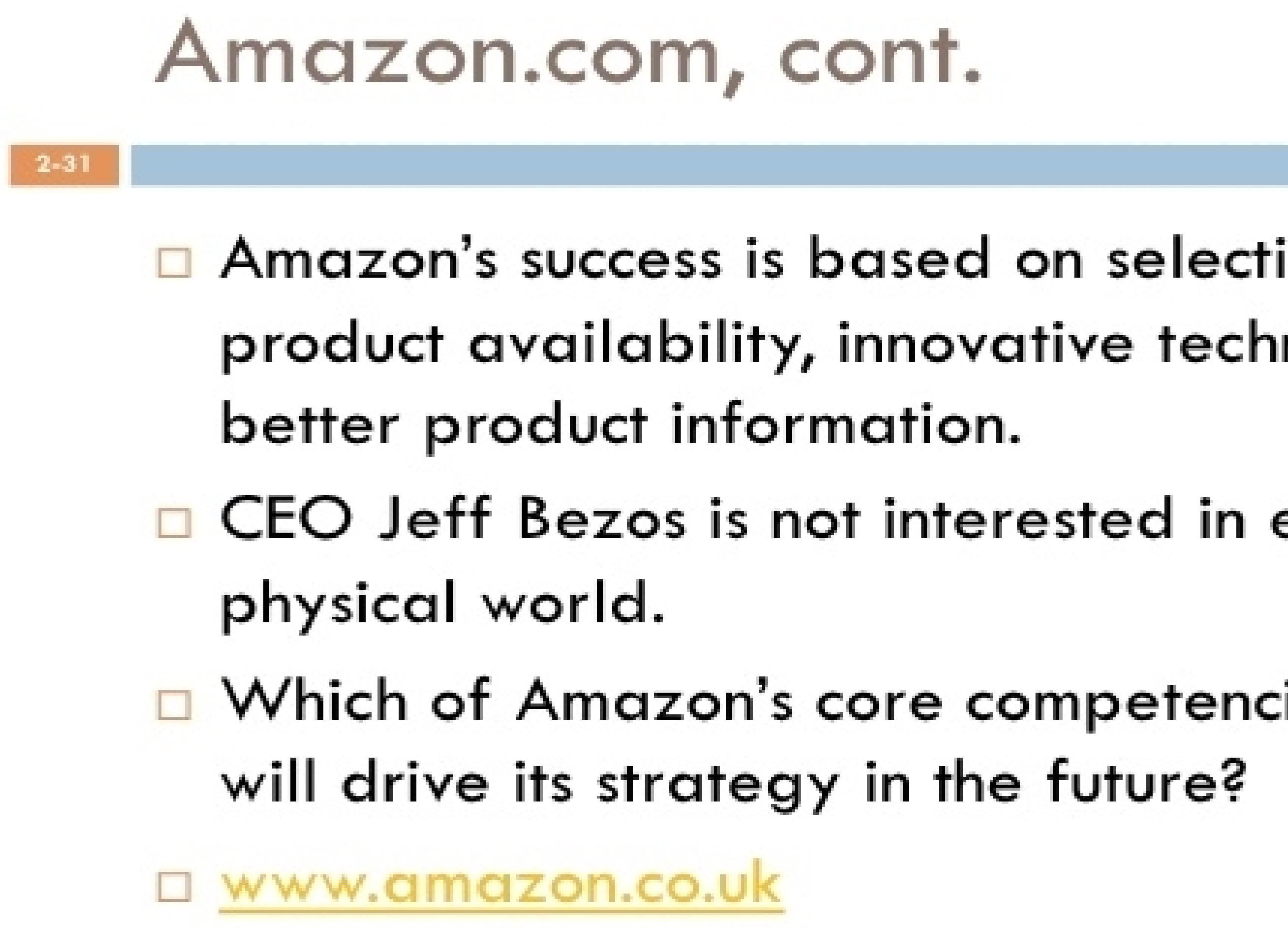
Part 2 Benefit, Cost & Value Creation – The Mark

- Creating a positive customer experience
- Benefit, cost & value creation
- Internet marketing mix
- Customer relationship management features



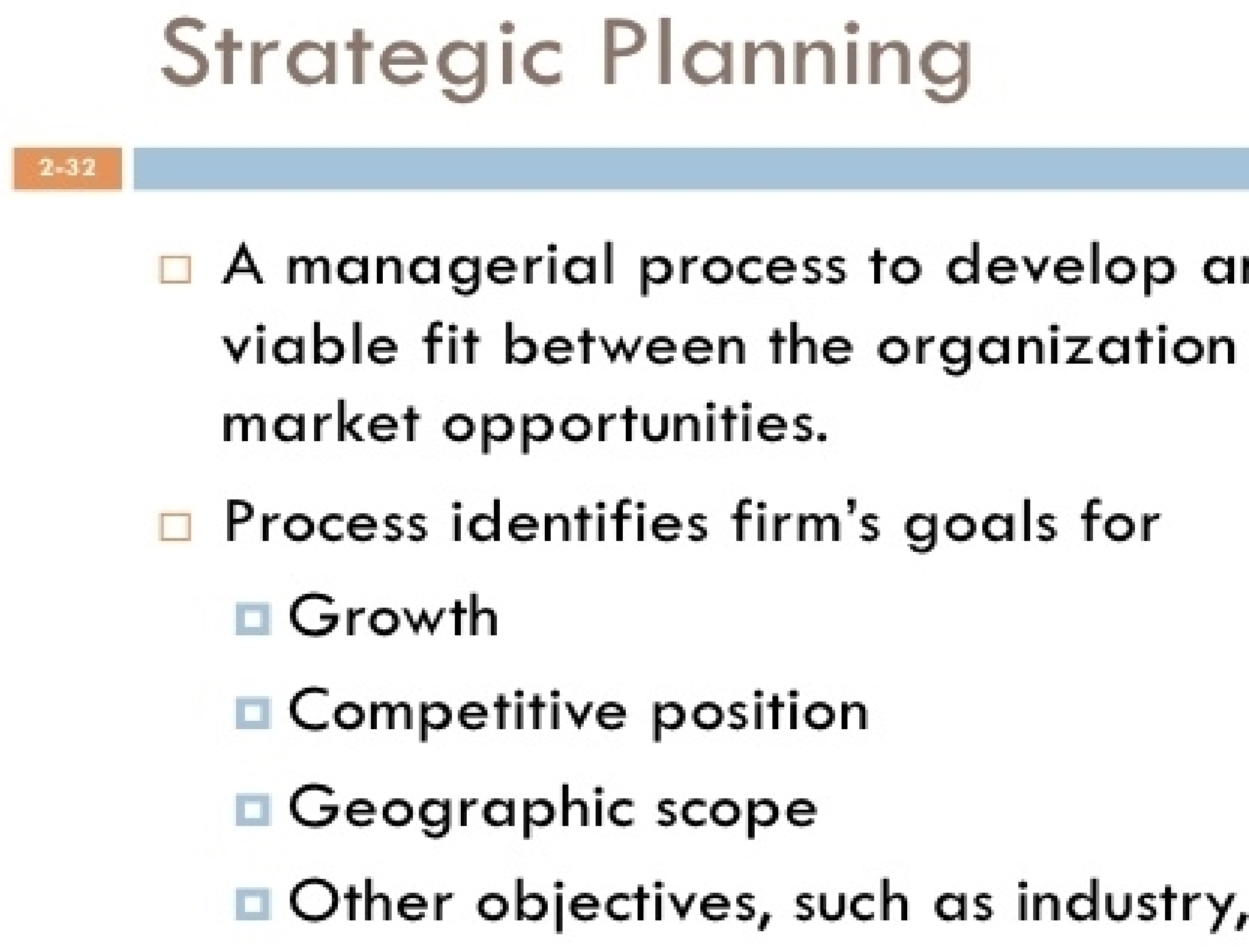
Amazon.com

- Founded in 1995 as an online reta
  - Did not become profitable until Q4
  - In 2007, generated $14.8 billion in million in net income.
- Leveraged its competencies into di models.
  - Established e-commerce partnership Macy's, and others.
  - Provided developer services.
  - Created the first affiliate program.



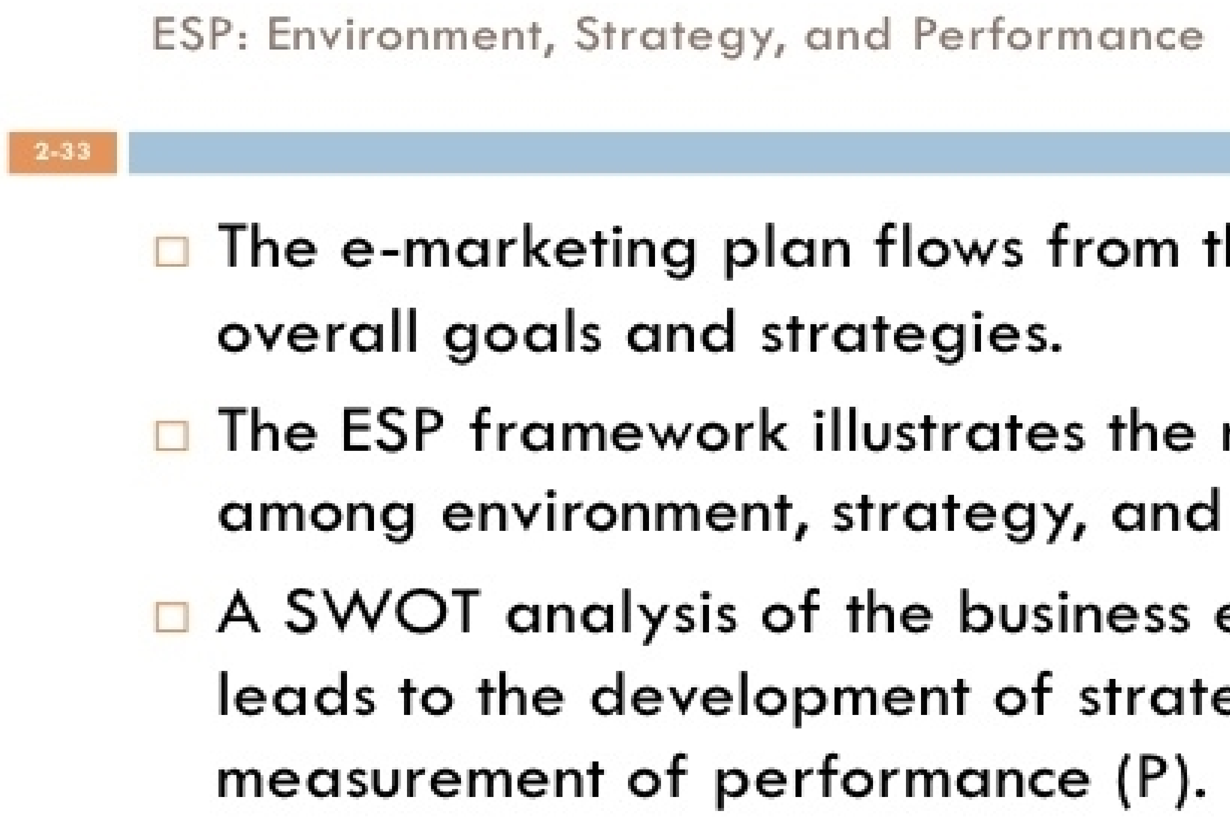
Amazon.com, cont.

- Amazon's success is based on selecti product availability, innovative techn better product information.
- CEO Jeff Bezos is not interested in e physical world.
- Which of Amazon's core competenci will drive its strategy in the future?
- www.amazon.co.uk



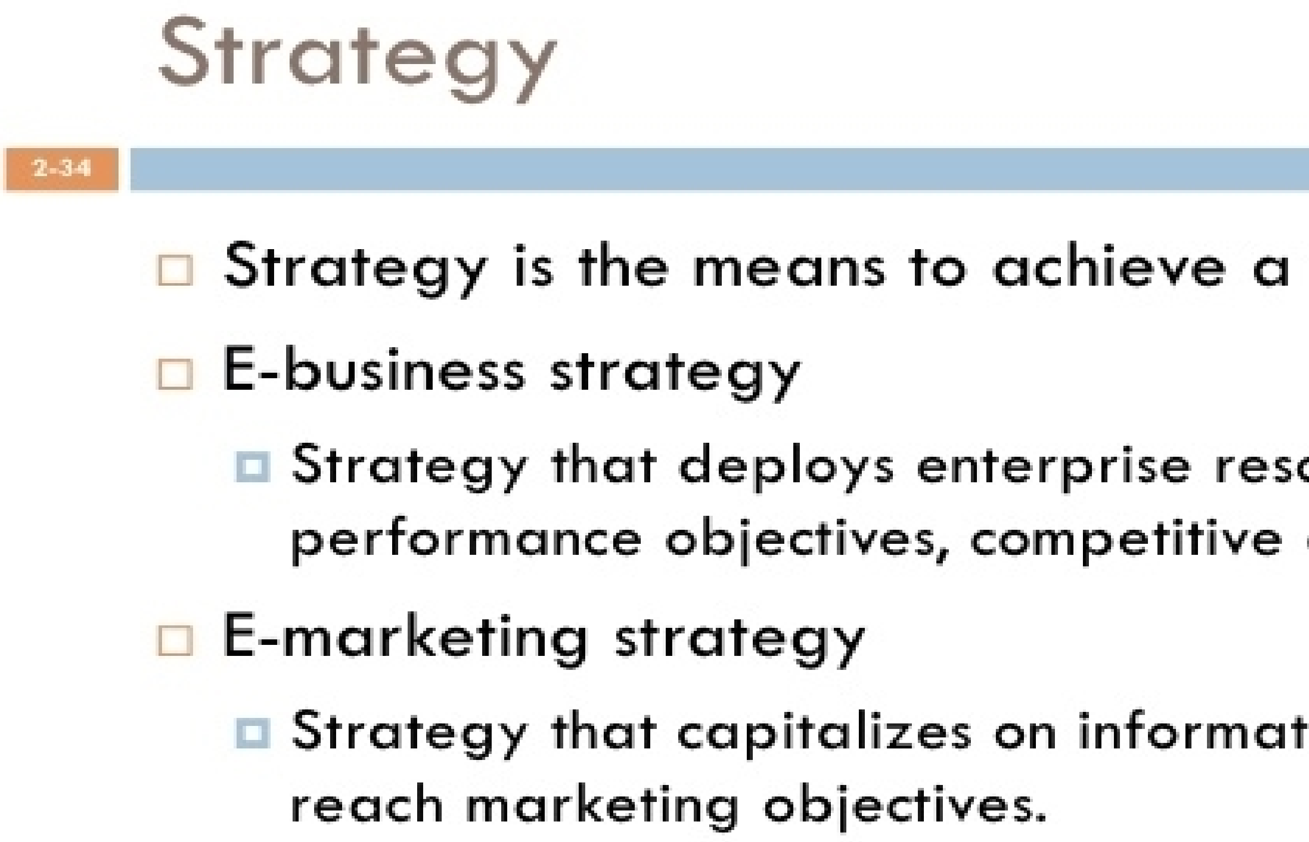
Strategic Planning

- A managerial process to develop a viable fit between the organization market opportunities.
- Process identifies firm's goals for
  - Growth
  - Competitive position
  - Geographic scope
  - Other objectives, such as industry,



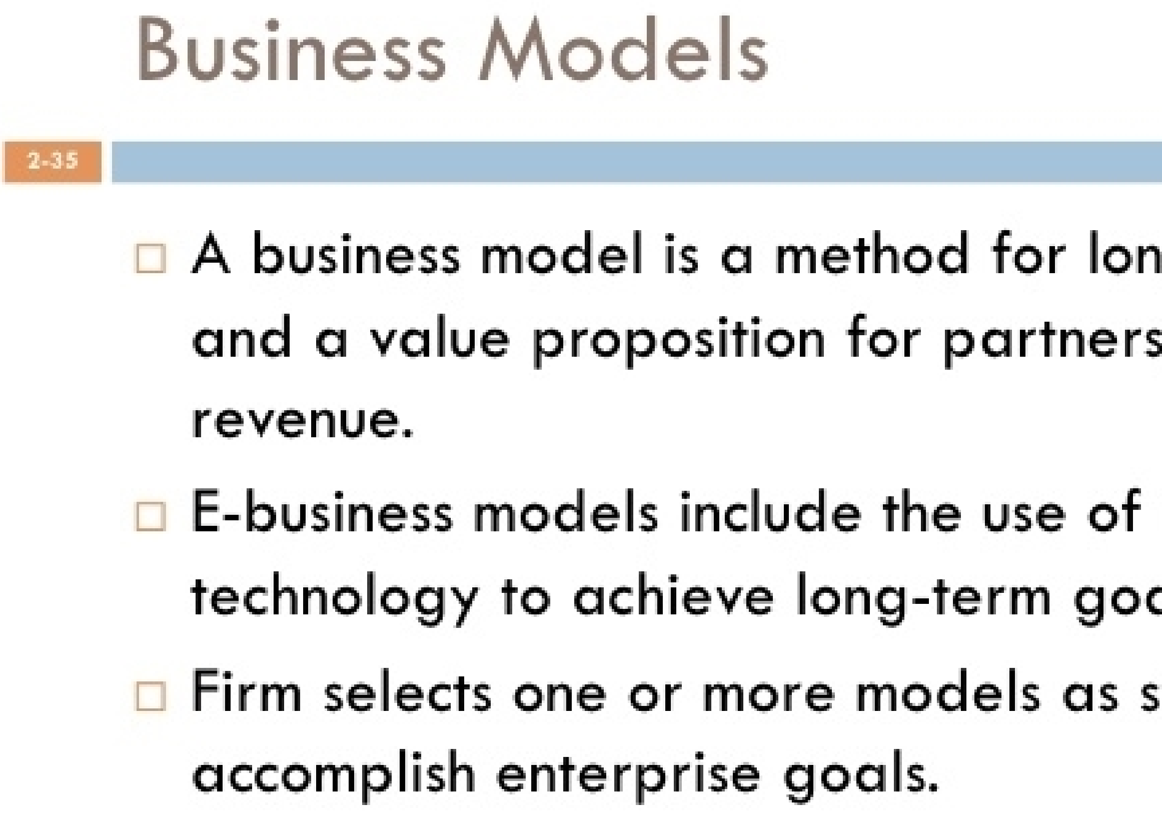
ESP: Environment, Strategy, and Performance

- The e-marketing plan flows from t
overall goals and strategies.
- The ESP framework illustrates the
among environment, strategy, and
- A SWOT analysis of the business
leads to the development of strate
measurement of performance (P).



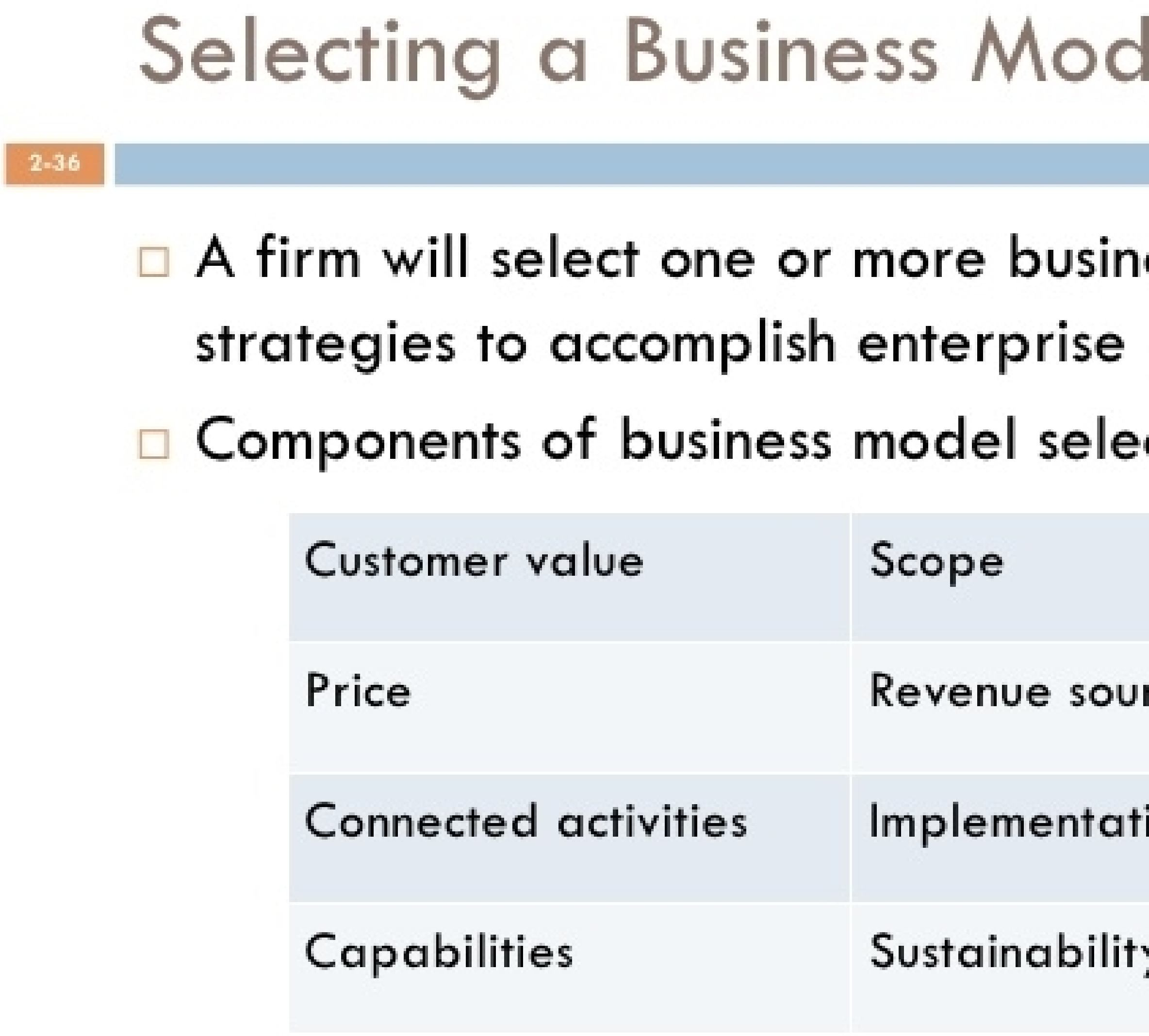
Strategy

- Strategy is the means to achieve a
- E-business strategy
  - Strategy that deploys enterprise res performance objectives, competitive
- E-marketing strategy
  - Strategy that capitalizes on informat reach marketing objectives.



Business Models

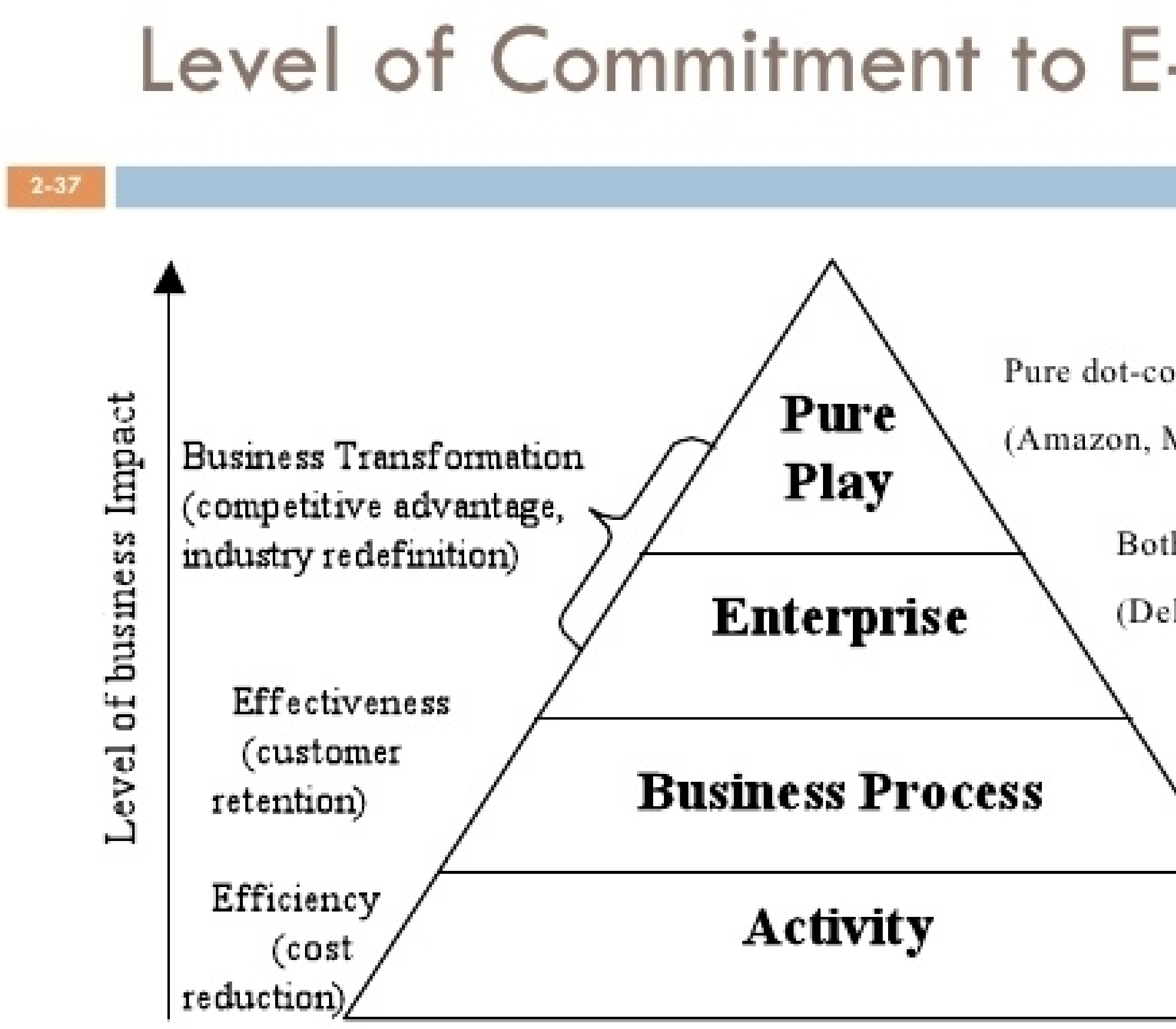
- A business model is a method for lon
and a value proposition for partners
revenue.
- E-business models include the use of
technology to achieve long-term goa
- Firm selects one or more models as s
accomplish enterprise goals.



Selecting a Business Mod

- ☐ A firm will select one or more busin strategies to accomplish enterprise
- ☐ Components of business model sele

Customer value	Scope
Price	Revenue sou
Connected activities	Implementati
Capabilities	Sustainabilit



Level of Commitment to E-

Level of business Impact

Business Transformation
(competitive advantage,
industry redefinition)

Effectiveness
(customer
retention)

Efficiency
(cost
reduction)

Pure
Play

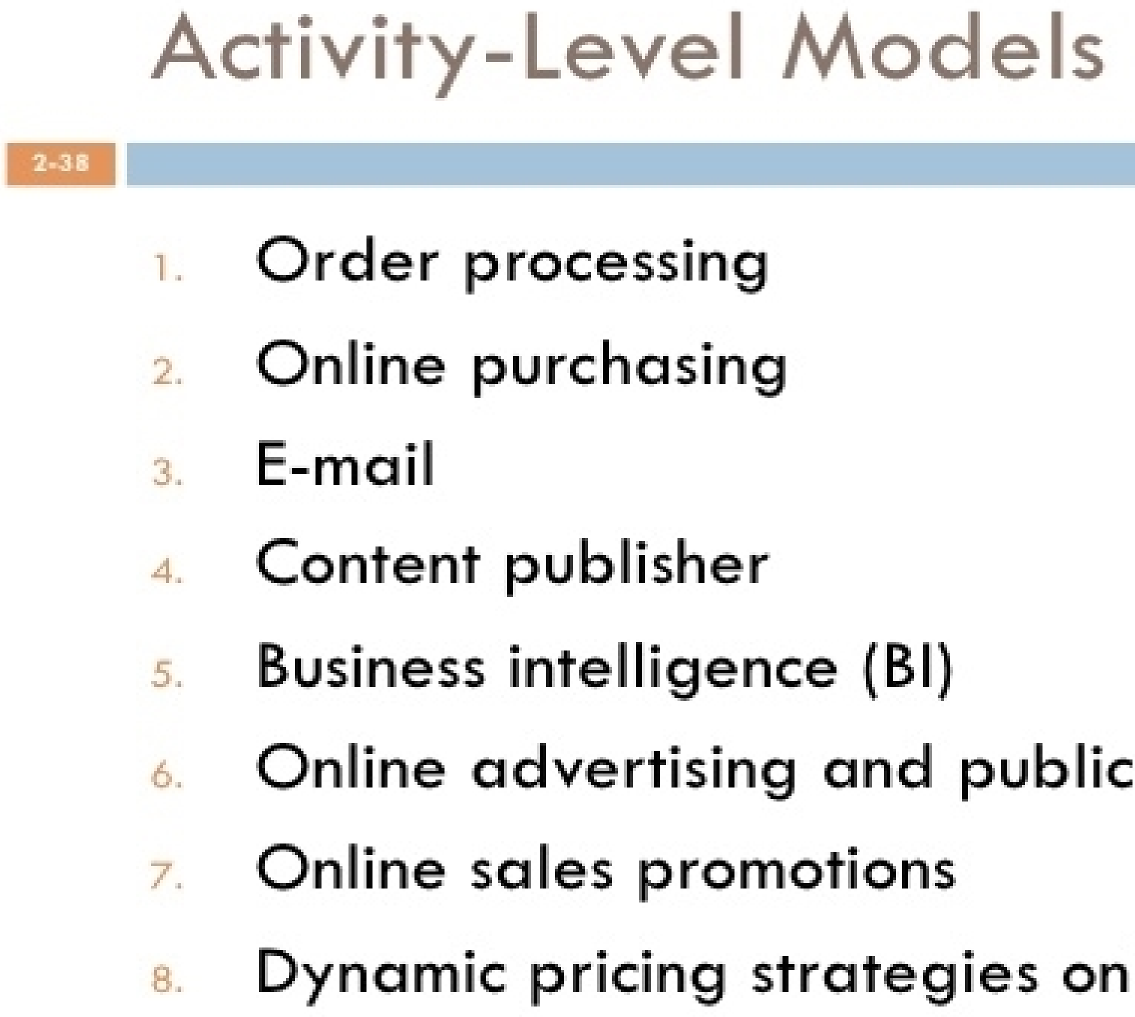
Enterprise

Business Process

Activity

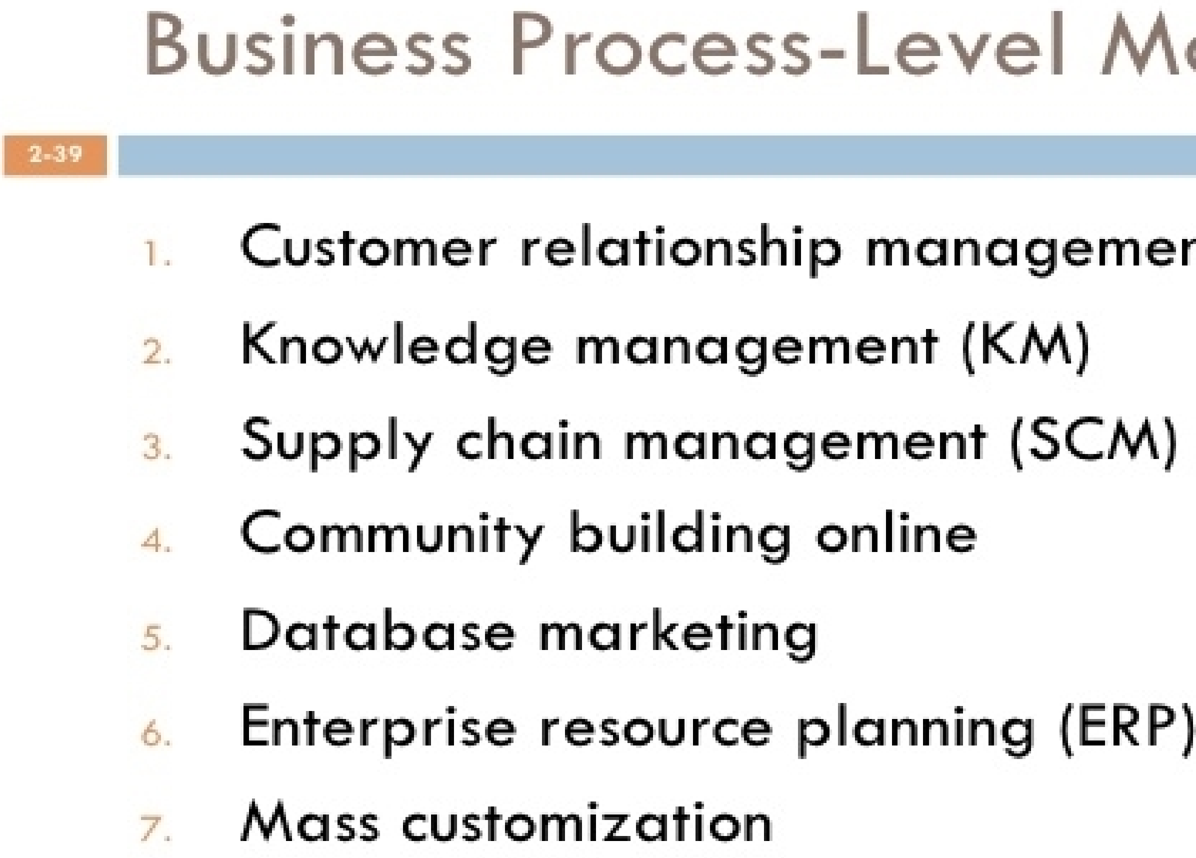
Pure dot-co
(Amazon, M

Bot
(De



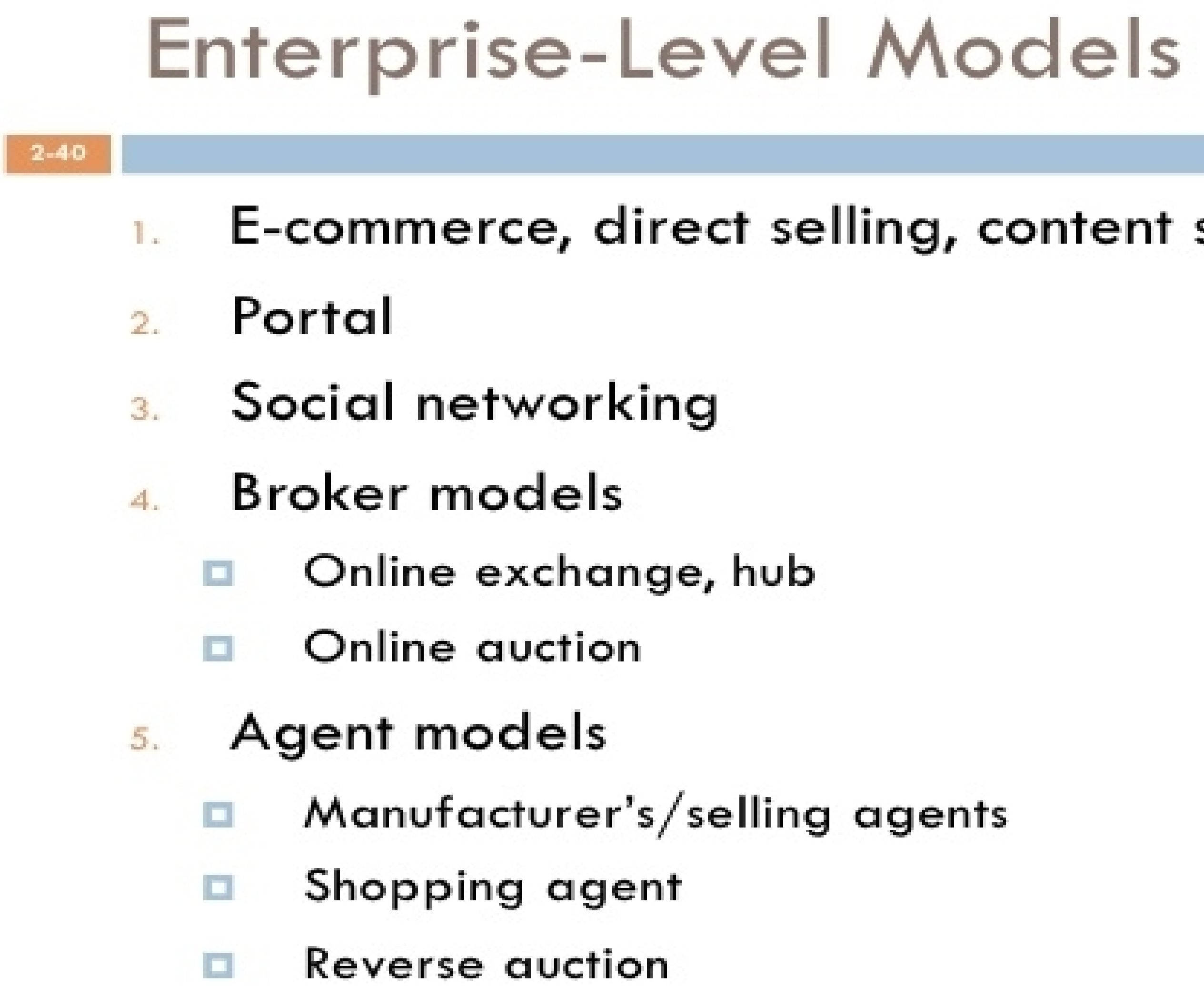
Activity-Level Models

1. Order processing
2. Online purchasing
3. E-mail
4. Content publisher
5. Business intelligence (BI)
6. Online advertising and public
7. Online sales promotions
8. Dynamic pricing strategies on



Business Process-Level M

1. Customer relationship managemen
2. Knowledge management (KM)
3. Supply chain management (SCM)
4. Community building online
5. Database marketing
6. Enterprise resource planning (ERP)
7. Mass customization



Enterprise-Level Models

2-40

1. E-commerce, direct selling, content
2. Portal
3. Social networking
4. Broker models
    - Online exchange, hub
    - Online auction
5. Agent models
    - Manufacturer's/selling agents
    - Shopping agent
    - Reverse auction

Enterprise-Level Models

1. E-commerce, direct selling, content

Online transactions

Manufacturer to seller

Sell advertisement on their web

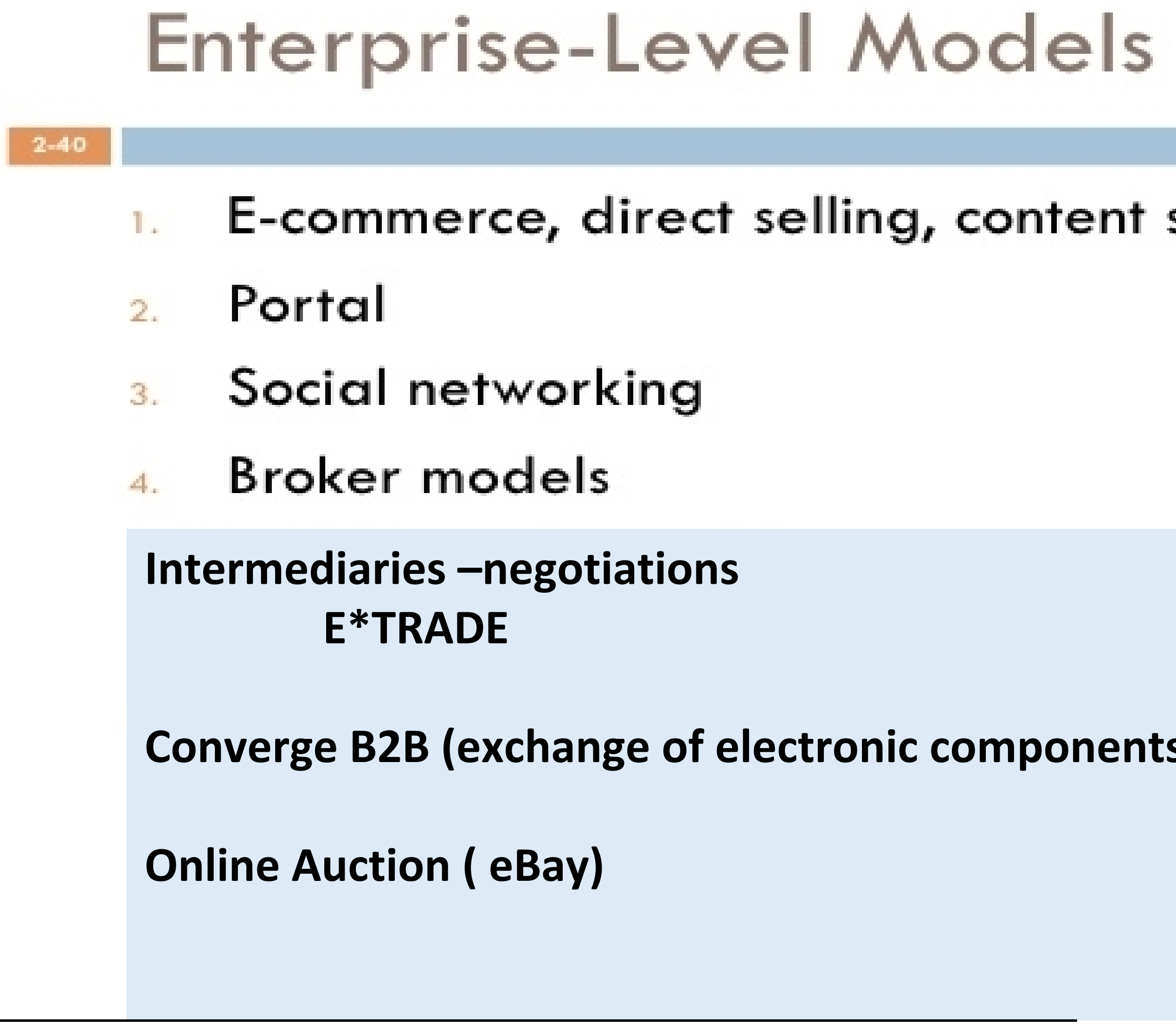
Enterprise-Level Models

1. E-commerce, direct selling, content s
2. Portal

Point of entry to the internet

Include destination for news, games, maps

Yahoo



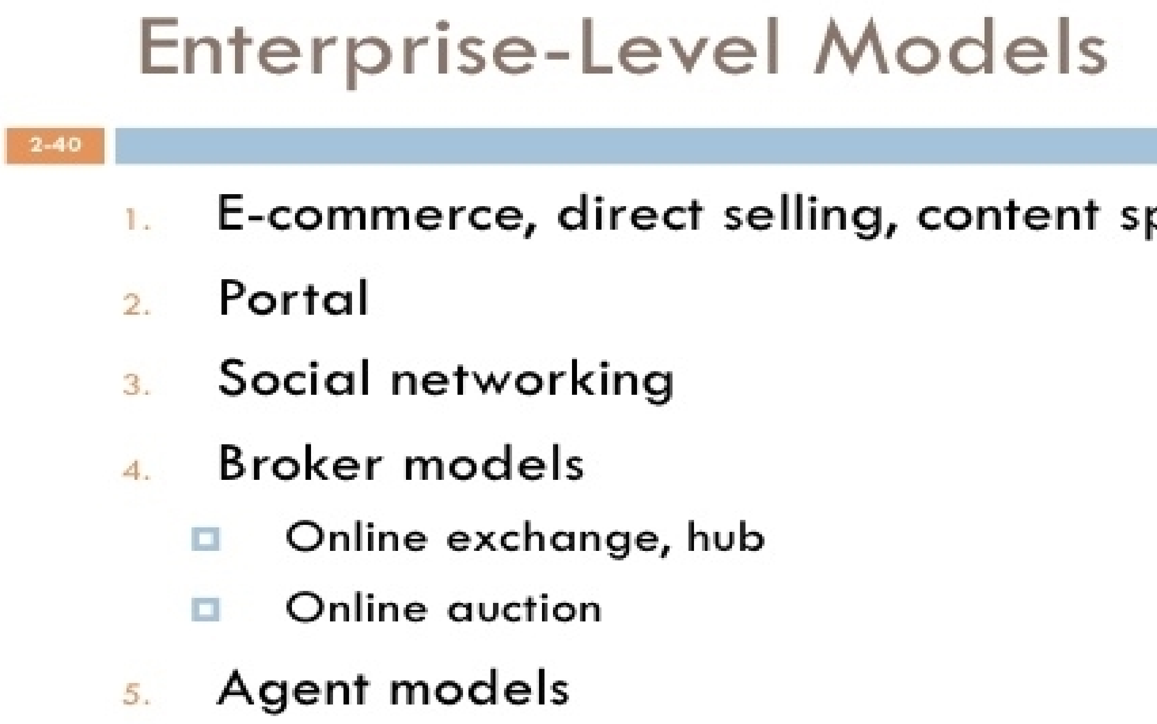
Enterprise-Level Models

1. E-commerce, direct selling, content s
2. Portal
3. Social networking
4. Broker models

Intermediaries –negotiations
E*TRADE

Converge B2B (exchange of electronic components

Online Auction (eBay)



Enterprise-Level Models

1. E-commerce, direct selling, content sp
2. Portal
3. Social networking
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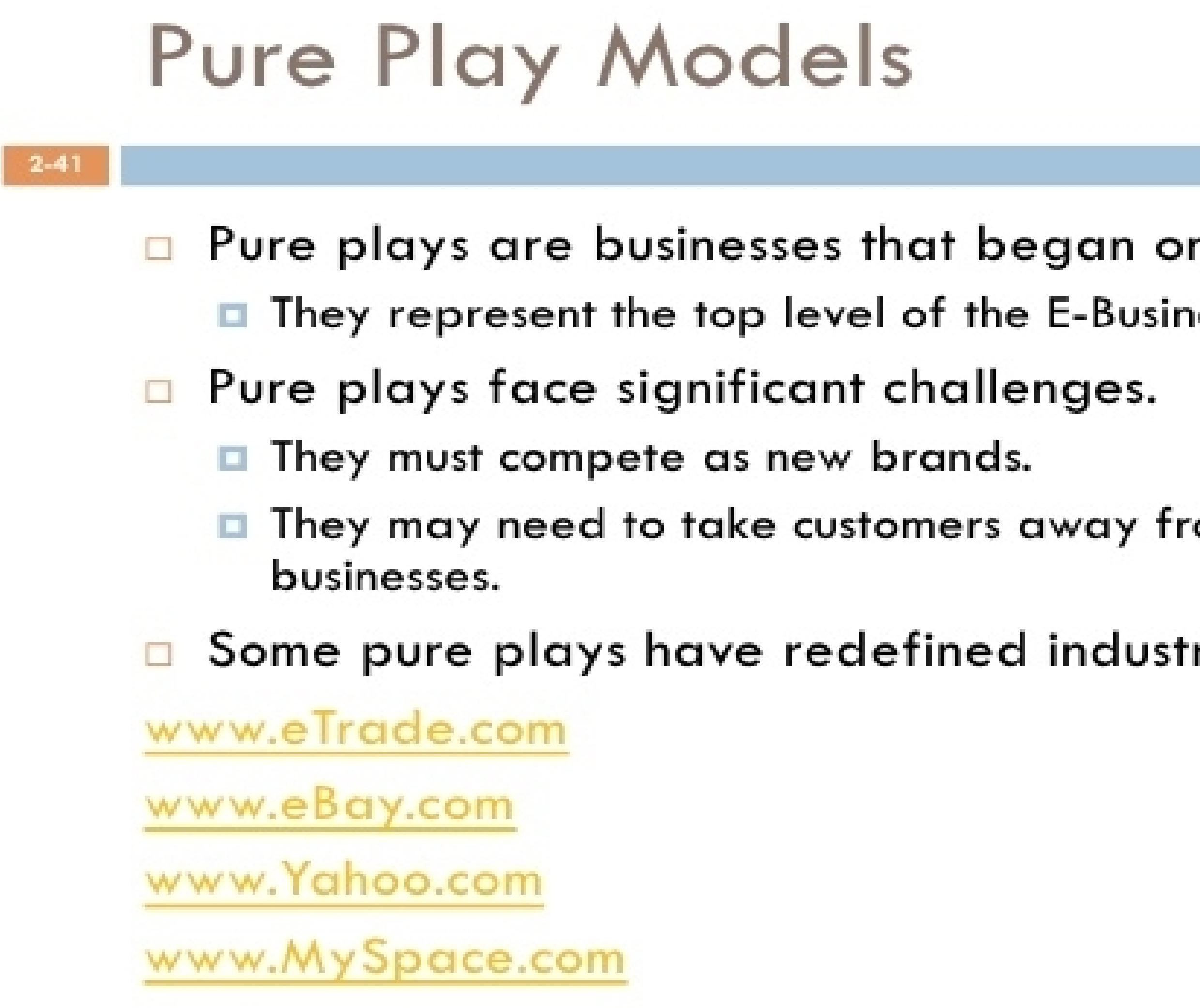
   - Online exchange, hub
   - Online auction
5. Agent models

ONLINE AGENTS EARN COMMISSION FOR THEIR
Make My Trip
Manufacturers Agents : more than one seller. (c
METAMEDIARY : represents of clusters of manuf
content providers
Reverse Auction : individual buyer to enter the p
Purchasing Agents : represents Buyers. (mysimo
A virtual Mall : Host an Website mall and collect



Pure Play Models

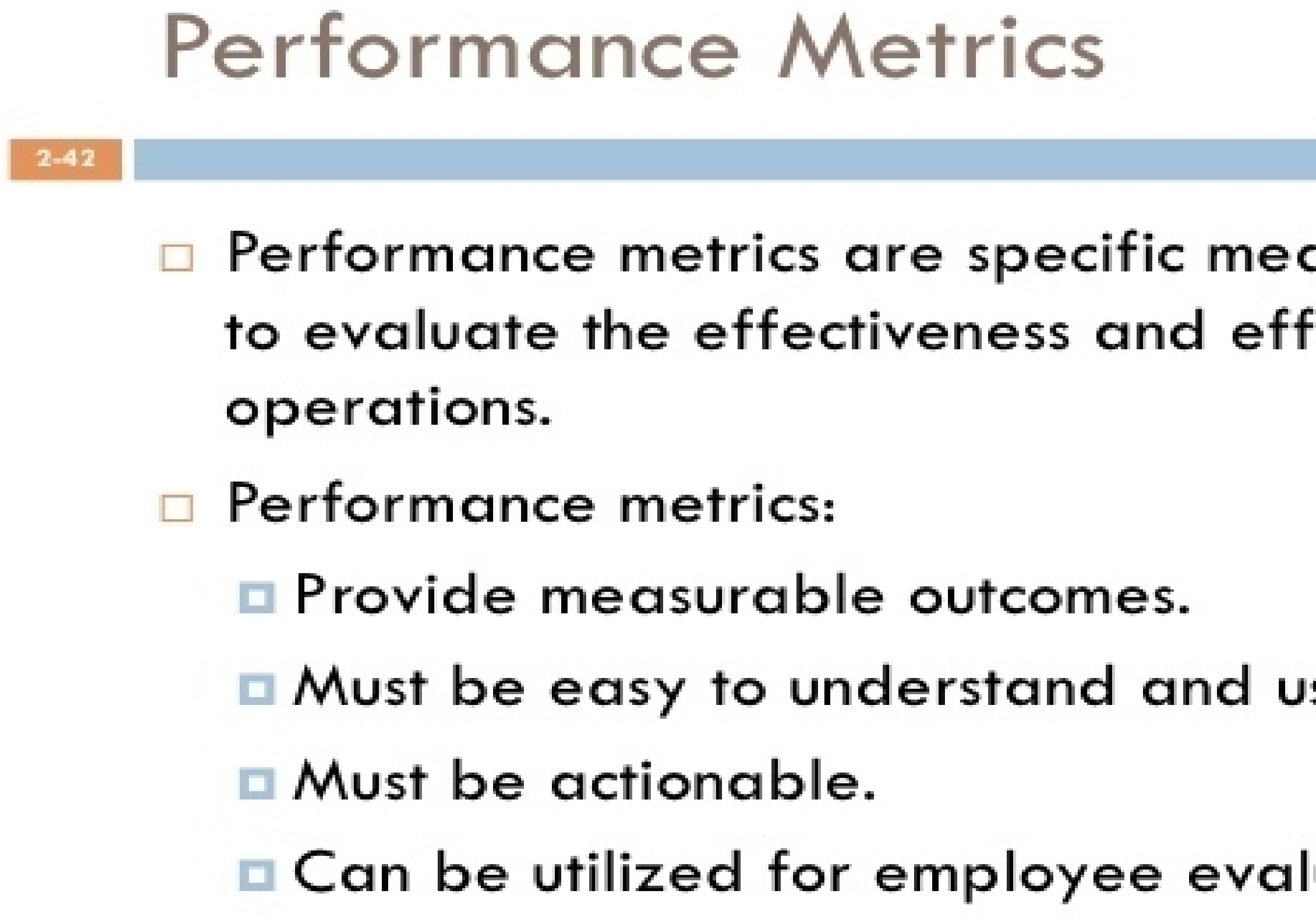
- Pure plays are businesses that began o
  - They represent the top level of the E-Busin
- Pure plays face significant challenges.
  - They must compete as new brands.
  - They may need to take customers away fr businesses.
- Some pure plays have redefined industr

www.eTrade.com

www.eBay.com

www.Yahoo.com

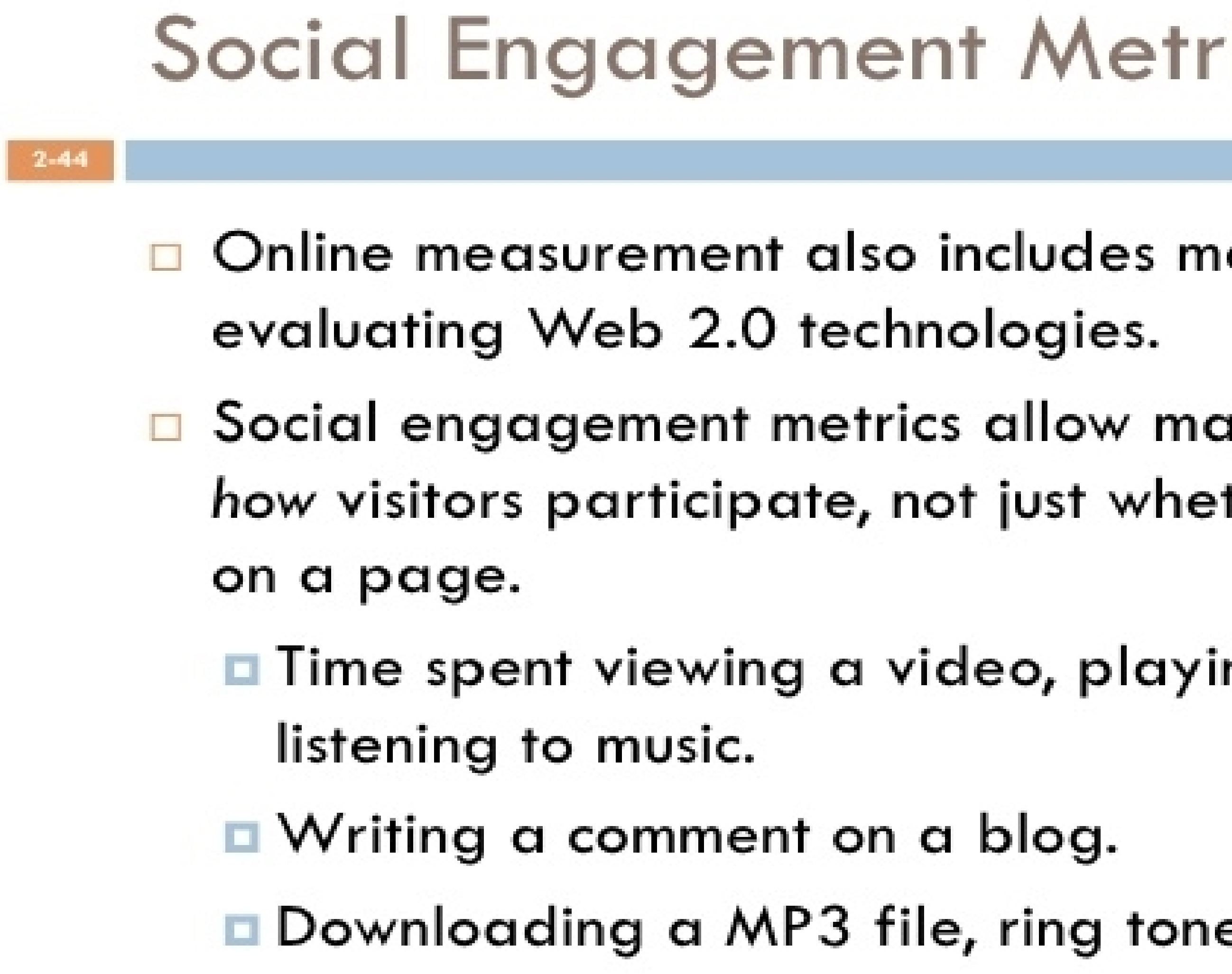
www.MySpace.com



Performance Metrics

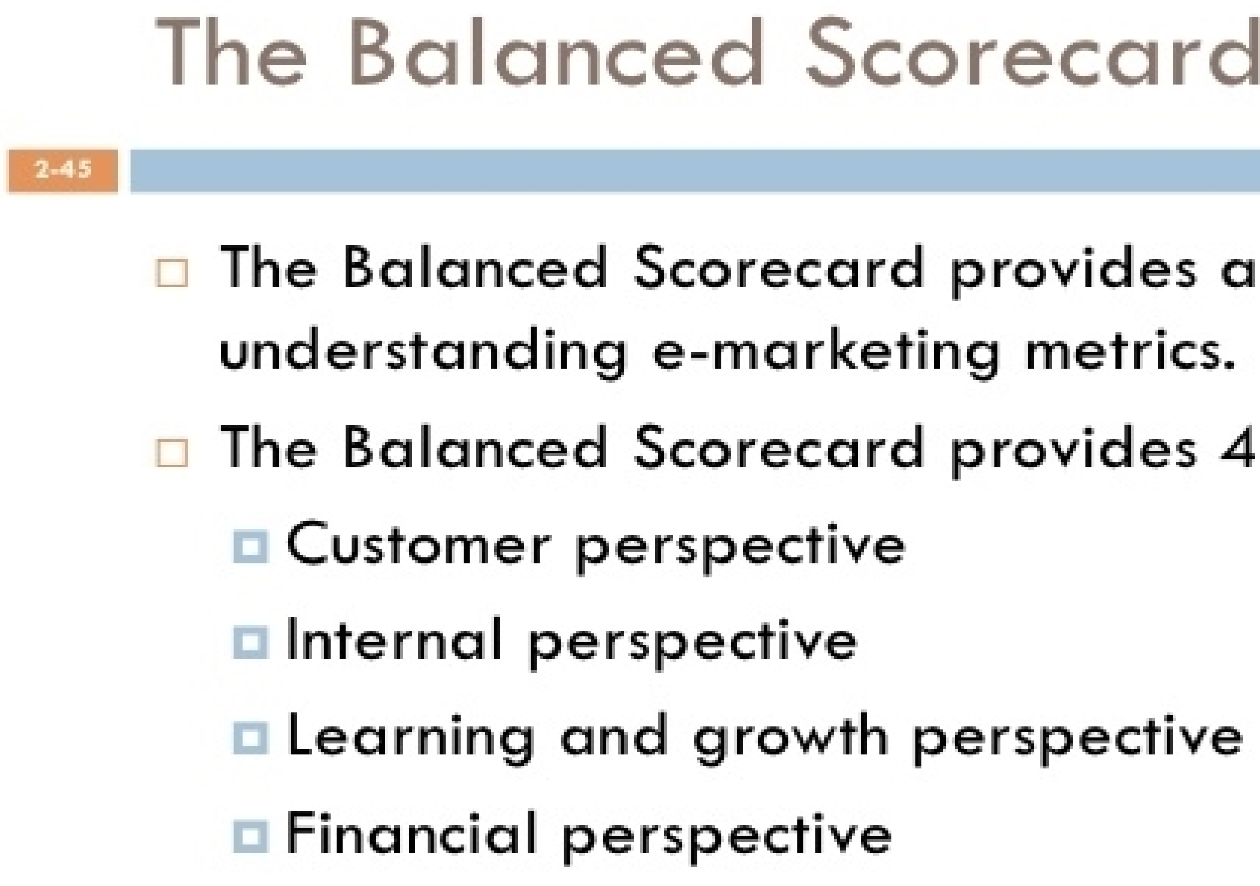
2-42

- Performance metrics are specific me
to evaluate the effectiveness and eff
operations.
- Performance metrics:
  - Provide measurable outcomes.
  - Must be easy to understand and u
  - Must be actionable.
  - Can be utilized for employee eval



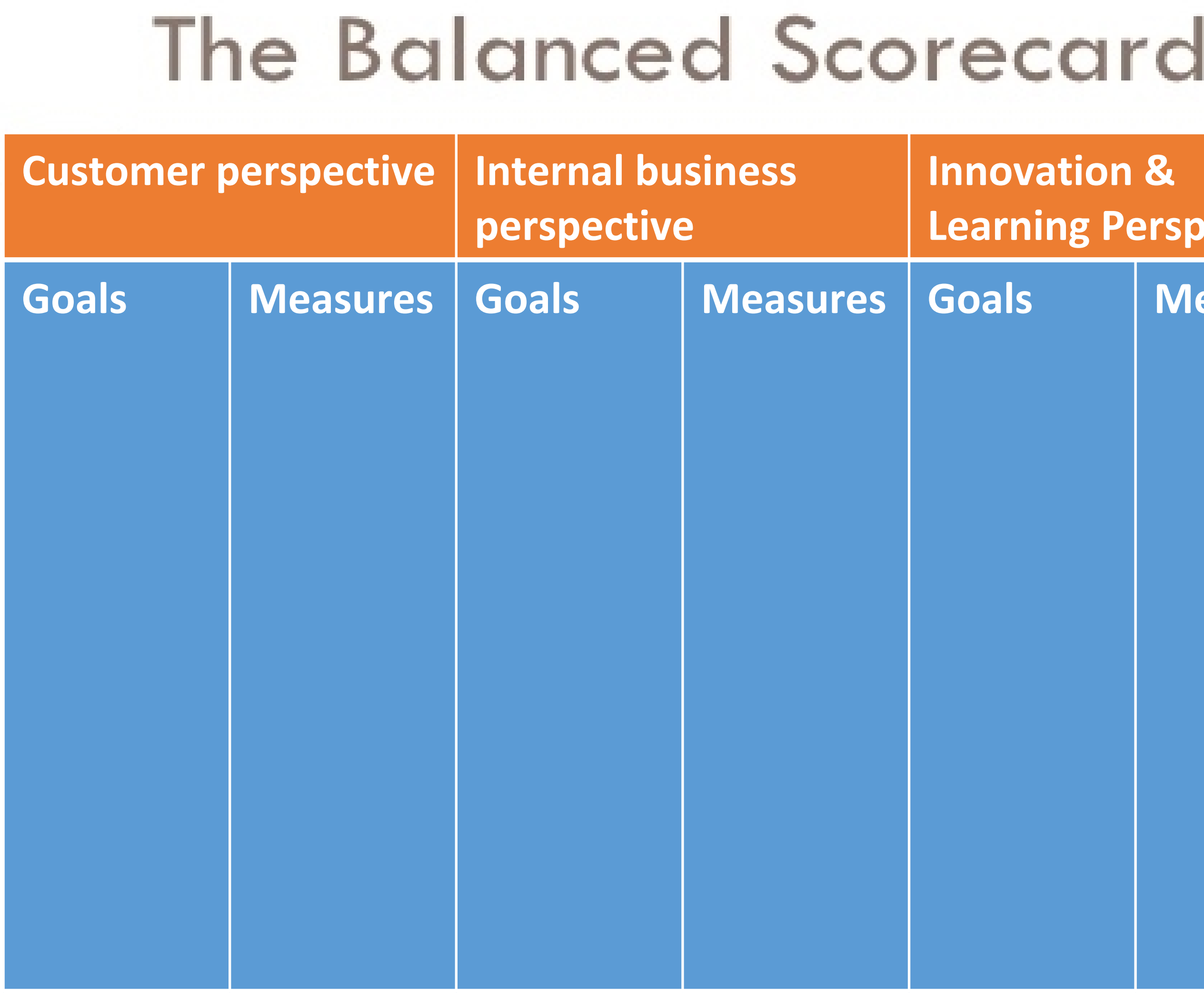
Social Engagement Metr

- Online measurement also includes m
  evaluating Web 2.0 technologies.
- Social engagement metrics allow ma
  how visitors participate, not just whet
  on a page.
  - Time spent viewing a video, playi
    listening to music.
  - Writing a comment on a blog.
  - Downloading a MP3 file, ring tone



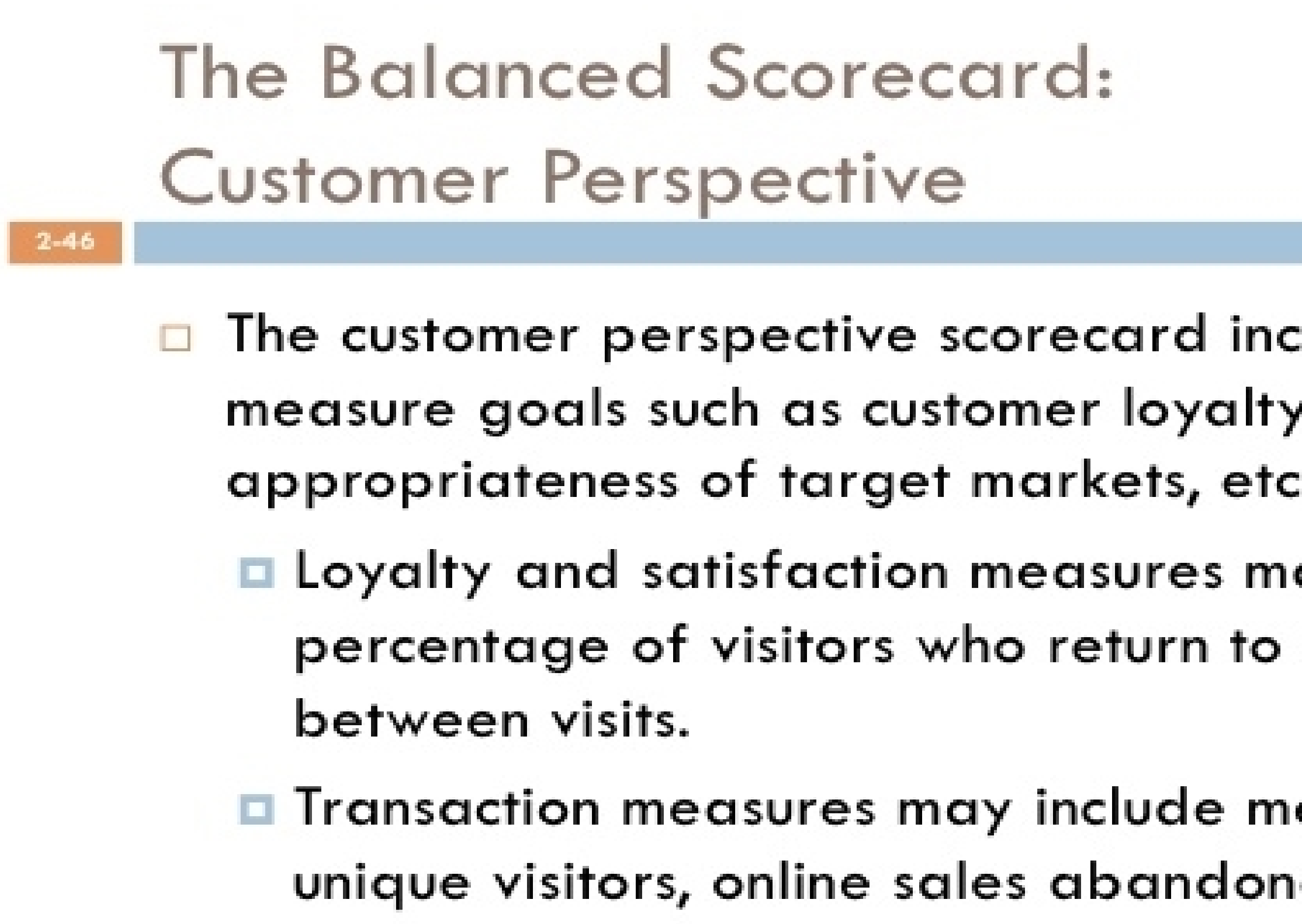
The Balanced Scorecard

- The Balanced Scorecard provides a understanding e-marketing metrics.
- The Balanced Scorecard provides 4
  - Customer perspective
  - Internal perspective
  - Learning and growth perspective
  - Financial perspective



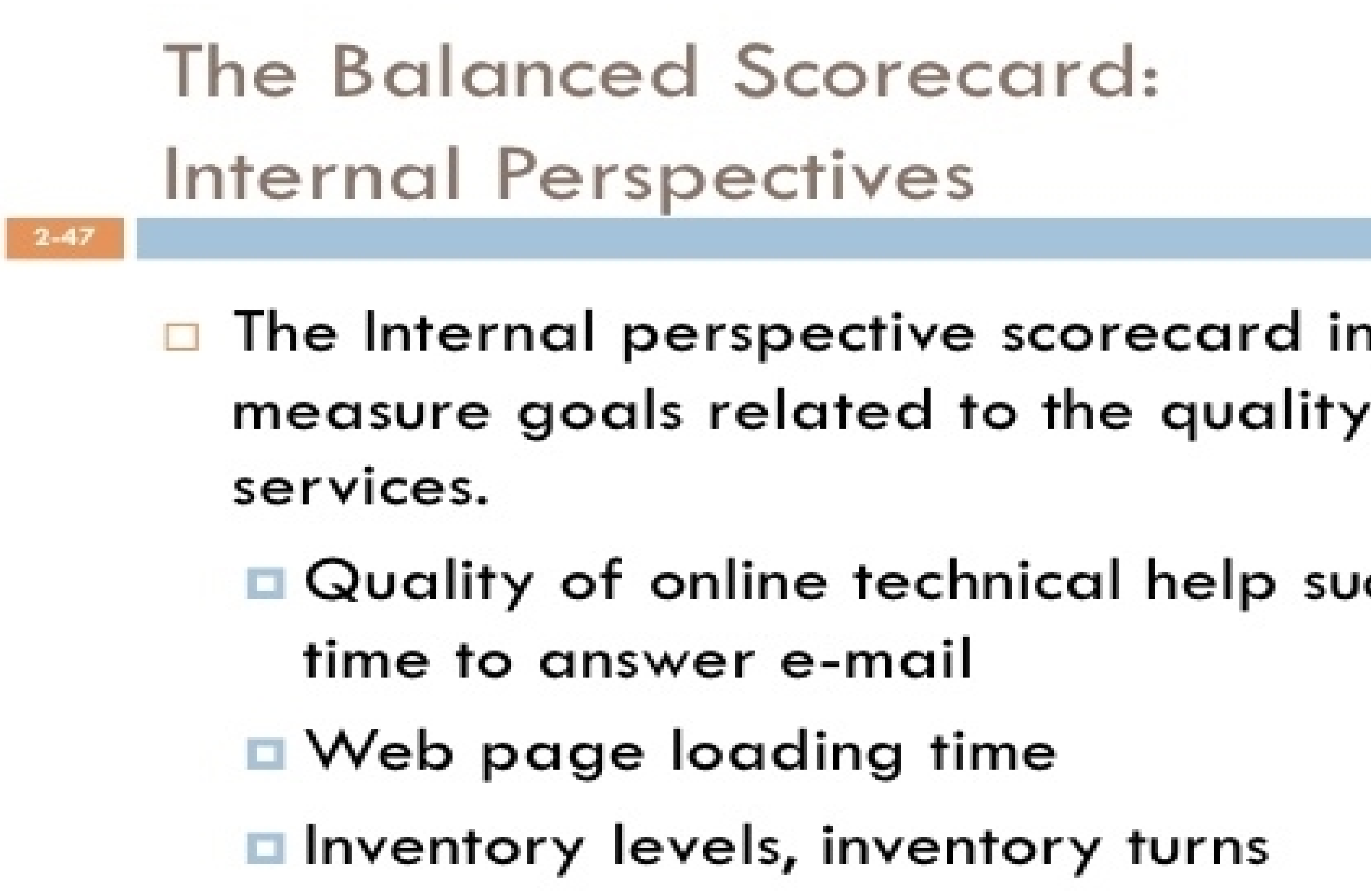
The Balanced Scorecard

Customer perspective		Internal business perspective		Innovation & Learning Persp	
Goals	Measures	Goals	Measures	Goals	Me



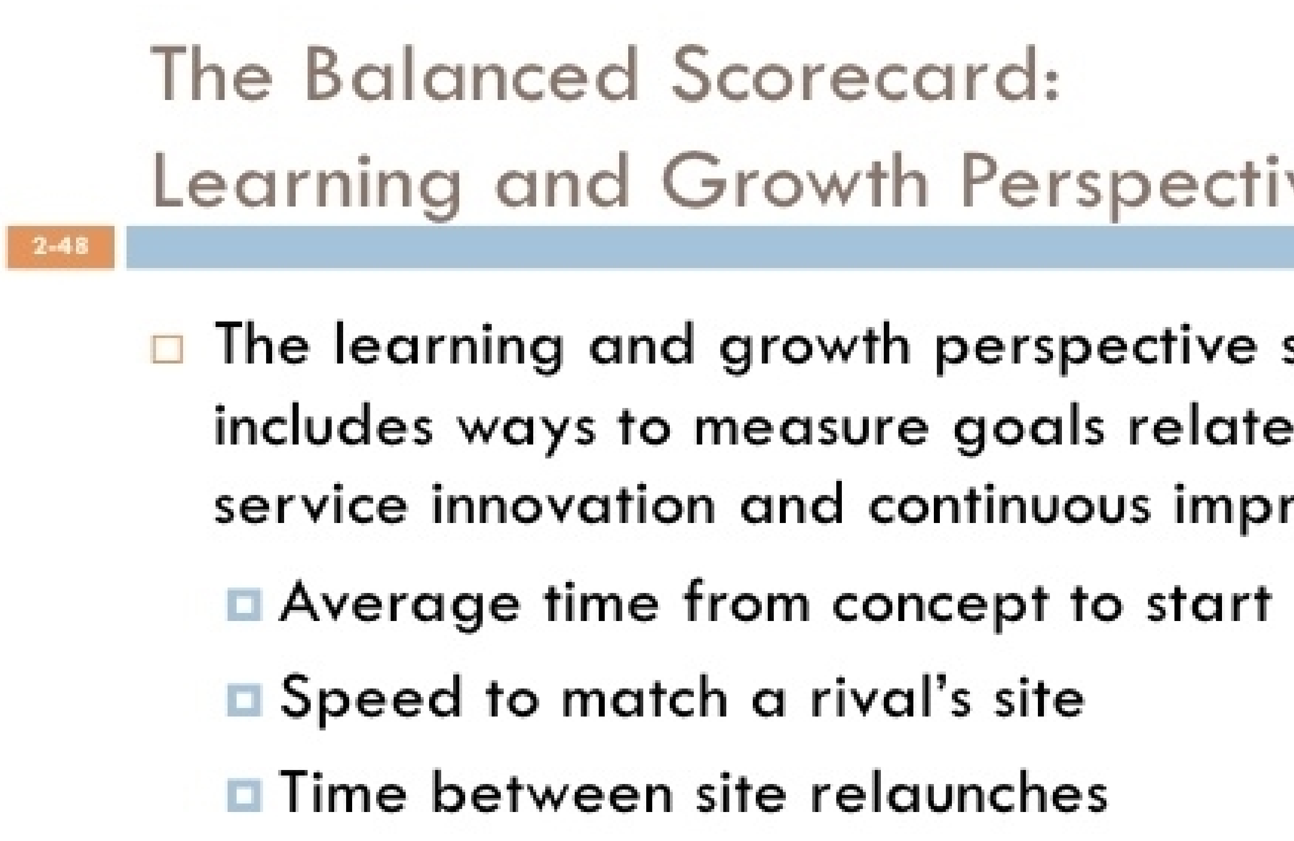
The Balanced Scorecard: Customer Perspective

- ☐ The customer perspective scorecard inc
measure goals such as customer loyalty
appropriateness of target markets, etc
  - ☐ Loyalty and satisfaction measures m
percentage of visitors who return to
between visits.
  - ☐ Transaction measures may include m
unique visitors, online sales abandon



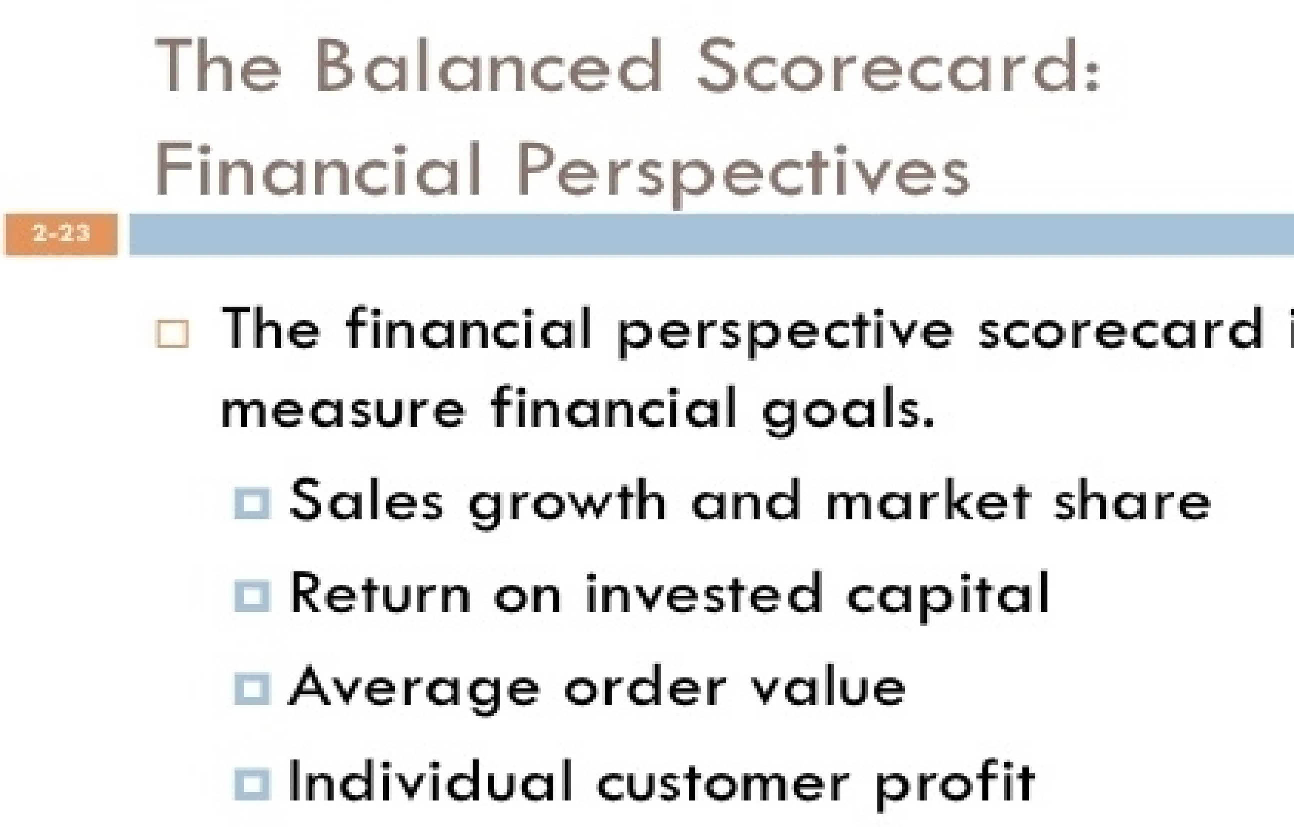
The Balanced Scorecard: Internal Perspectives

- The Internal perspective scorecard in measure goals related to the quality services.
  - Quality of online technical help su time to answer e-mail
  - Web page loading time
  - Inventory levels, inventory turns



The Balanced Scorecard:
Learning and Growth Perspecti

- ☐ The learning and growth perspective s
  includes ways to measure goals relate
  service innovation and continuous impr
  - Average time from concept to start
  - Speed to match a rival's site
  - Time between site relaunches



The Balanced Scorecard: Financial Perspectives

- The financial perspective scorecard measure financial goals.
  - Sales growth and market share
  - Return on invested capital
  - Average order value
  - Individual customer profit

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