



STRATEGY FOR CONTEMPORARY BUSINESS ENVIRONMENT-

An analysis of tools and media for the development of Marketing strategy

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Article DOI: <https://doi.org/10.36713/epra4974>

ABSTRACT

Businesses are taking multifold strides as time passes by, which may be due to the range of opportunities offered by the internet and other technologies. The new technologies have provided marketers with new ways of promoting their products or services to the customers. The paper dodges the traditional marketing media with the new ones and looks at marketing tools which can be used to create a successful e-marketing strategy. The paper also tried to analyse different e-marketing mediums using Porter's 5 forces and SWOT (strengths, weaknesses, opportunities and threats) analysis.

KEYWORDS—*e-business, e-marketing, strategy, digital marketing, social media, Porter's 5 forces, SWOT analysis*

I. INTRODUCTION

Marketing has always been an important aspect to every business, in fact one could say that it is one of their core functionalities. Since the great evolution of the internet, a lot of concepts had to evolve from the traditional way of doing things. This also applies for marketing, as the internet has introduced various new opportunities in this domain.

The web is now indispensable in both business and everyday life as we use it for a lot of things [1]. Businesses were also touched by this era, and that is where the term e-Business was born. Colin Combe [2] defines e-business “*as the use of the internet to network and empower business processes, electronic commerce, organizational communication and collaboration within a company and with its customers, suppliers, and other stakeholders.*”

The remarkable increase in popularity of such businesses, and the advancement of technology, leads to various innovations in marketing. This is widely referred to as e-Marketing or Digital Marketing, which Strauss and Frost [3] defines it as “*The use of electronic data and applications for planning and executing the conception, distribution and pricing of ideas, goods and services to create exchanges that satisfy individual and organizational goals.*”

E-Businesses are now using various mediums available on the internet, to interact with their audience and market their brands, products or services to the public. These mediums help businesses to widen their reach further, and to target better their audience. Doing so, enables businesses to achieve their marketing objectives. The following sections compare the

traditional marketing media with the new ones, and outline how an e-Marketing strategy could be successfully developed.

II. TRADITIONAL MEDIA MARKETING

Before businesses adopted the idea of internet technology to their marketing strategies, they had to rely on other media to spread their word out and promote their products or services to the public. Some forms of media used, which will be considered “*tradition media*” are [4];

- **Television:** Television has long been used as a form of advertisement, which is meant to persuade and inform the watcher visually and verbally. The reason why television has been able to work so effectively as many advertisements is through the use of visuals [4].
- **Radio:** Radio has been around for numerous generations and can be considered the oldest form of informative marketing, where the listeners or users do not need to see or read anything [4]. In fact radio commercials are generally short and straight forward so that the listeners are not distracted.
- **Billboards:** This type of advertisement has been existing for quite a long time and it is in fact still being used nowadays. The main reason of their effectiveness is their ability to catch people's eyes and easily convey a message [4].
- **Corporate gifts:** This idea is still being adopted nowadays, where companies hand out various items with their logo printed on them. The overall idea of a small corporate gift is to remind the receiver of the company [4].

- Corporate fairs or expos: Fairs and expos are organised by businesses to show off their products or services to the public. This gives companies the opportunity to reach a larger number of people who might not have known about the products before visiting the fair [4].

III. E-MARKETING MEDIA

The concept behind e-marketing is still the same to any other form of marketing; people (marketers) connecting with other people (consumers) to build relationships and ultimately drive sales [5]. The only differences here are the mediums that are used to interact with the public, and understanding the technical tools being used so that one could engage more with their audience.

Furthermore, e-marketing is not only about selling products or providing services through IT but it is a lot more than that – it is a strategic model to get brand value and provide customer satisfaction [6]. E-marketing provides other mediums to do so and some of these are outlined in the following sub-sections.

A. Social Media

This medium has shifted from just a personal activity to a commercial one. Businesses are using social media platforms to promote their products or services while interacting with their audience [7]. Some famous platforms include Twitter, Facebook, YouTube, Instagram, and many others.

Such platforms are also used for brand awareness and feedback. Customers tend to engage with a company's page on the platform by sharing their experience and writing their opinion on the brand. Although this can sometimes have a negative effect, it helps other users to decide whether one should trust the said company. Figure 1 shows the famous Social Feedback Cycle which illustrates this better.

Additionally, most of the platforms provide various insights to the company to help them understand their audience and hence target them better. These insights include;

- Demographics: society-based information like gender, age, nationality etc.
- Activity: information about the times people are mostly active
- Content: information about the most popular content

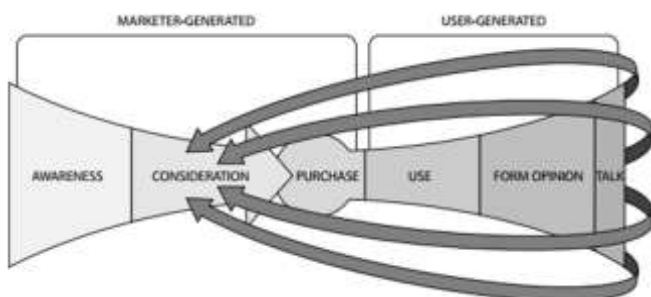


Fig 1. Social Feedback Cycle [8]

used by the business

These insights together with others, help businesses to perform better marketing as they know how to reach other users.

B. Websites

The majority of the mediums used are to market campaigns and reach as much as customers as possible, however, all of these will be ultimately channelled back through a single point: the company's website [5].

The website should include information about the business and the products or services they offer, but should also focus on how to convert traffic to leads and opportunities. These conversions include online purchase (a sales transaction), to an online query (lead generation), to subscribing for the business's online newsletter, or whatever else the businesses decide is appropriate to their customers [5].

C. Email Marketing

Email marketing is a mean of communication available between a business and its customers. This is done on a personal level through a universally accepted digital medium [5]. Businesses send emails to various groups of customers depending on their type of involvement, to let them know about new products or services, and update them on what the business is up to. This serves as a mechanism to maintain consumer engagement, strengthen a brand and add credibility to the business [5].

D. Online Advertisement

Targeted online advertising is another effective way of promoting a brand, used by various businesses. Popular channels of such advertisements include:

- Google Adwords: when searching on Google, advertisements appear on the right hand side of the search and sponsored advertisements across the top [9]. This can be seen in Figure 2 below:



Fig 2. Google Adwords [9]

Businesses pay for these advertisements based on a cost per click or cost per impression basis. This works by specifying a set of keywords which are matched to user's searches and when the specified keywords are used, the advertisement is shown.

- Banner Advertisements: A banner advertisement is an advertisement that appears on a website that is clickable [9]. When the banner is clicked, the user is redirected to the company's website, or to a specific page.

IV. MARKETING MODELS FOR E-MARKETING STRATEGY

A marketing strategy is combining all the marketing goals of a company into one comprehensive plan. To do so, businesses have to understand and analyse the market that they are operating in.



Fig 3. The four P's [10]

In order to assist marketers in creating marketing strategies, popular models such as the Marketing Mix, the Porter Five Forces and the SWOT analysis have become widely adopted [10]. All of these tools help businesses to evaluate what they have to offer, while assessing the competitiveness of the market. Even though the internet had a great impact on marketing, the concept is still the same and these tools can still be used to help develop a good strategy for the business.

A. Marketing Mix

The marketing mix is used to depict what the business has to offer in terms of products or services. This is often portrayed by the 4 P's.

Product:

This part deals with the products and services a business offers. From tangible products to digital goods and consultancy, the internet has allowed for a wide range of new products [10]. The internet gave rise to e-commerce systems where tangible products could be sold online. Digital products such as software and music could now be sold online by using the internet as the distribution medium. This part of the marketing mix helps marketers to analyse the product being offered. Unique selling propositions are identified so that these could be used to target customers better.

Price:

Customers could easily access pricing information on the internet which makes it growing a market of near perfect competition [10]. This allows customers to compare prices offered by different retailers. Because of this, companies had to decrease prices as much as possible and have to consider differentiating on value. Value can be added by offering a better service and hence customers might be willing to pay a higher price for a better experience [10]. Marketers need to outline these value added characteristics so that they could attain more customers by achieving better marketing.

Placement:

This is quite straight forward as the place for an e-marketing strategy would be the internet. Digital products and services are no longer restricted to a specific geographical area, as the internet gave companies access to a global marketplace [10]. Tangible products are also not bound to a specific area, as one could find various shipping channels which transfer goods around the World.

Marketers need to keep this in mind when choosing the marketing mediums used for promotions. This is because one needs to pay attention to where the products offered could be accessed.

Promotion:

The Internet has offered another place of promoting businesses' products and services by offering a range of tools which allows for the marketing of such goods. These tools or media were outlined in the previous sections and include social media, online advertisement, and many more. As already mentioned, this promotion could be measured and targeted by analysing data and insights.

B. Porter's Five Forces

Another tool used by marketers to analyse the industry is Porter's Five Forces, which specifically helps to determine competitive intensity and therefore the attractiveness of the market [10, 11]. The internet affected the analysis of these forces in various aspects and hence marketers need to take these in consideration when creating an e-marketing plan.



Fig 4. Porter's Five Forces

Power of Customers:

The bargaining power of customers is when buyers have more power than the seller [12]. This means that the higher the bargaining power is, the higher the ability for buyers to drag prices down. An example of such case is when a business has a small number of customers, or it is very easy for the customer to switch to another product or service. The former affects e-Businesses positively as the internet provides a broader range of potential customer from around the world. This helps to keep the bargaining power of customers low as the company has better control on its products. On the other hand, the latter might be more achievable over the internet as the competition is increased; this will be tackled later on in this section. Marketers need to analyse this bargaining power to come up with ways to improve their service and promotion to attract and influence customers positively.

Power of Suppliers:

The bargaining power of suppliers is the contrary of the previous one when looking at it from the business's perspective. When this power is high, the suppliers have the overall control over the business. This is likely to happen when dealing with unique products or services or when there a limited number of suppliers. Similarly, internet contributed to this effect by its globalisation, as it is much easier for e-Business to find other suppliers.

Threat of new Entrants:

The easier new rivals can enter in an industry, the easier it is for prices and profits to decrease [11]. The internet has low barriers to entry and hence e-businesses need to find ways to offer uniqueness and better service for their customers. Having strong barriers to entry, helps e-businesses to have a better position in the market and hence have an advantage over new entrants.

Threat of Substitute Products:

This threat deals with the possibility for customers to turn to substitute products. A substitute product or service can be any other product or service which serves a similar function. This is increased because the internet introduces new ways to accomplish the same tasks and hence e-businesses thrive to add unique value to their offerings to have a competitive advantage.

When developing an e-marketing strategy, marketers need to analyse substitute products so that they could come up with unique offerings so that the business could stand out over other competing firms.

Competitive Rivalry within Industry:

All the mentioned four forces constitute in the competitive rivalry within the industry. Analysing all these areas provides a profound study of the competitiveness between rivals in a given market. As mentioned earlier, the internet provides a range of tools and media where e-businesses could market their goods, and hence this creates a means of competitiveness. This therefore intensifies the rivalry between competitors and marketers has to be very innovative to reach as many customers as possible.

C. SWOT Analysis

The SWOT analysis is another way to understand the business and the market by analysing the business's strengths, weaknesses, opportunities and threats [13, 14].



Fig 5. SWOT Analysis [10]

Strengths:

Here, one needs to depict the main strengths of the business. The inclusion of the internet adds various strengths to the business which includes:

- 24/7 operation
- globalisation
- fast and effective selling
- more marketing media, and many more.

Outlining these strengths help marketers to focus on them and attract more customers. Promotions could be based on strengths outlined in this section.

Weaknesses:

This section outlines the main weaknesses of the business. Once again, the internet also adds multiple weaknesses to e-business and include the following:

- no direct interaction with customers
- shipping costs increase product costs
- non-technical people might not want to buy online

These weaknesses with others must be taken care of, so that marketers could mitigate them as much as possible. During the development of the strategy, marketers could plan ahead as to minimize these weaknesses.

Opportunities

The business's opportunities are outlined in this section. The opportunities might be bound to a specific industry but other than those, the internet itself also provides a number of opportunities to e-businesses. These include but are not limited to:

- Internet users are increasing by time
- social media awareness is increasing, making it easier to market products
- business intelligence offers various insights and analytics which helps target people better when applied to marketing campaigns

These opportunities are helping e-businesses to improve their services and hence must not be taken for granted. Marketers need to remain on the lookout for new opportunities to proceed with them and hence have an advantage over other competing firms. For example, trends on social media are continuously evolving, and marketers should make use of such trends so that they could engage with the customers more.

Threats

It is very important for businesses to outline and assess threats to their business so that they can find ways to mitigate them as much as possible. Threats could sometimes also be triggered by the internet for example:

- threat of new entrants as outlined in the previous sub section
- changes in technology might incur further costs to change an e-business strategy

Other threats exist for specific industries and hence one needs to expose as much of these as possible, to assess their significance and find ways to recover from them. Marketers need to outline these threats so that they could plan their strategy in a way to offer more value and hence mitigate these risks as much as possible.

V. DEVELOPING AN E-MARKETING STRATEGY

Now that the main models and mediums used in an e-marketing scenario are outlined, the next step is to combine everything together to come up with a successful e-marketing strategy. E-businesses need to plan effectively to achieve prosperous tactics and hence reach their goals.



Having analysed the market and the industry of the e-business through the marketing models outlined previously, helps to develop a better structured and optimised marketing plan. Once the acquired knowledge is at hand one could come up with the main content of the strategy.

A. Objectives

First and foremost, an e-marketing strategy or plan must have a set of objectives. These normally depend on the business needs and some possible objectives include raising awareness of a brand, increasing business profit, and improving customer retention. Having these objectives outlined, helps marketers to focus the overall plan on them.

B. Competitor Awareness and Target Audience

Previously mentioned analysis help to identify competition in the industry. Being aware of what competitors has to offer, help e-businesses to improve their tactics and plan ahead of what they can offer. Benchmarking against such competitors could also help to understand the environment in which the business is operating in. The Porter’s five forces outlined in the previous section constitutes a great part of this section in the strategy.

Identifying the target audience is also important when developing an e-marketing strategy. Knowing who the prospective customers are, helps to target them better by having specific promotion to that particular sector. This normally involves customer segmentation and this assists marketers to choose the right tactics for the plan. By analyzing characteristics from the marketing tools outlined, marketers could come up with various profiles of targeted audiences who might be willing to but the products or services offered.

C. E-Marketing Media or Tactics used

Once the main objectives are outlined and the business knows about its competitors and target audience, marketers need to come up with a plan on how to achieve the mentioned objectives. Knowing what is out there helps to choose wisely depending on the business needs. The media outlined in the beginning of this paper are some of the platforms or tools that might be used to achieve those objectives. It is very important to conduct some research every now and then to keep informed about new technologies which might help the business to perform better. Choosing the right media and tactics is vital for a successful strategy and these are unique to every scope. The marketing tools outlined in the previous section help to choose the media required based on the characteristics of the business.

Here, one also needs to plan how the e-business is to measure its success by assessing the performance of the e-marketing strategy and identifying areas of improvement. Since this is to be done on online tactics, the internet provide various tools which help convert data into knowledge by offering various analysis and insights on how the business is performing. For example a website’s heat map is used to depict how users interact with specific web pages and content. One could find other tools which portray significant meaning to other marketing tactics. These tools provide various opportunities to the business as they provide ways to acquire further knowledge and hence achieve better marketing.

D. Budget

Finally, the e-marketing strategy includes a budget which estimates the costs needed to execute the marketing plan. Different objectives and tactics are allocated a fixed amount of money which help to have a definite amount that could be spent on each of them. Although a budget is sometimes hard to create, it is important for the business to have a clear amount of what could one spend. Even though the internet offers various tools for free, e-businesses might require additional tools to achieve certain ones.

These outlined sub-sections help develop a successful marketing strategy and marketers need to pay attention to such areas to make sure that the e-business objectives are achieved.

VI. DISCUSSION

The previous sections outlined how an E-marketing strategy could be developed with the help of different marketing models and marketing mediums.

The tables in the following sub-sections outline the main points of the Porter’s 5 forces (Table 1, 3, 5 and 7) and the SWOT analysis (Table 2, 4, 6 and 8) for the marketing mediums mentioned previously.

A. Social Media

Table 1: Porter's 5 Forces for Social Media

Power of Customers	Social Media could be used to widen the reach and attract more customers by using the social network itself as a mean of communication. Acquiring more fans helps the business to lower the bargaining power of customers.
Power of Suppliers	This type of media provides the business with contacts globally. Businesses could use this media to learn about new suppliers, as well as to keep a good relationship with the current ones.
Threat of new Entrants	This threat might be tremendous and hence it is important to look out for new entrants. Nowadays, businesses start off by creating social media profiles, and this allows the business to gather some information at first hand. Additionally, frequent communication with the audience help to improve the relationship with the customers which is known to ultimately impact the customer’s choice when selecting a company.
Threat of Substitute Products	Once a product is on the market, other companies will try to mimic the product and offer other similar ones which can be used to substitute them. Once again social media could be used to look out for these kind of products. The platform could then be used to outline unique selling propositions of the company’s products.
Competitive Rivalry	This type of media provides businesses with a network of contacts which include



within Industry	those of the competitors'. Looking at what competitors are doing, help businesses to add unique value to their offerings so that they could stand out from others.
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Table 2: SWOT Analysis for Social Media

Strengths	Social media provides for better ways to target and communicate with the business audience. This is known to help businesses to attain new customers as well as retain loyal customers.
Weaknesses	The information shared on the platforms is available to the public and hence could be seen by competing brands. This might impact the business as competitors could use detailed information and news for their own good.
Opportunities	This medium is still evolving and new trends are continuously coming out. This provides businesses with a lot of opportunities that businesses must be on the lookout for.
Threats	Comments and reviews from the public should be well managed and communicated. This is due to the fact that social media affects the reputation of the brand, and this could be easily damaged by bad comments and reviews on these platforms.

B. Website

Table 3: Porter's 5 Forces for Websites

Power of Customers	Enabling online sales helps to acquire customers globally which is known to lower the power of customers. Additionally the website consists of various information about the company which help to provide a better understanding to the customers.
Power of Suppliers	The website is visible by suppliers across the globe and hence it is the formal point of attaining new suppliers.
Threat of new Entrants	Normally, new entrants in a market do not offer full blown functionality and sales on their websites. This could be used as an advantage over them by offering better services online.
Threat of Substitute Products	Websites have increased the power of this threat significantly as one could find substitute products easily all over the World. Therefore, marketers need to find ways how to add unique value to their

	offerings so that they stand out from others.
Competitive Rivalry within Industry	Competitors would likely look at what the business is doing in terms of events, and even pricing. Websites expose this kind of information to everybody and hence it is essential to similarly keep an eye of what the competitors are doing themselves.

Table 4: SWOT Analysis for Websites

Strengths	Websites are the main point to provide detailed information about the company and its offerings. E-commerce websites also provides a 24/7 operation.
Weaknesses	Pricing information is available publicly which hence could be also seen by competitors. Selling online incur shipping costs which increase the product cost.
Opportunities	Having an e-commerce system also provides various opportunities in respect to globalization. This is because the target audience is significantly widened.
Threats	Web technology is constantly evolving, this might incur further costs to keep the website up to standards.

C. Email Marketing

Table 5: Porter's 5 Forces for Email Marketing

Power of Customers	This type of marketing could be used to target customers in a more formal and private manner. Email marketing lets businesses have a more personal communication with their audience. This type of communication allows for customer retention which helps to keep the power of customers low.
Power of Suppliers	Newsletters could also be sent to suppliers, to let them know what the business is up to. Suppliers might want to invest more in the business if they see that the business is using good strategies with their customers.
Threat of new Entrants	New entrants will not start off with this type of marketing due to their limited contacts base. It is therefore beneficial to use this type of marketing as a competitive advantage over these start-ups.
Threat of Substitute Products	Private emails could be used to communicate confidential information such as special offers which entice customers to stick to a particular product. Additionally, sending targeted email to group of people help to offer and include information specific to them. This helps to offer better service in hope to retain customers.



Competitive Rivalry within Industry	Email marketing is a more private way of communicating things. It is therefore important for businesses to take an advantage on this fact, to communicate offers and news which are more confidential or targeted.
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Industry	This could also be used to have a listing on top of a search page and hence will most likely be clicked before other competitors.
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Table 6: SWOT Analysis for Email Marketing

Strengths	Email marketing allows for private and targeted marketing. It is also a cheap marketing medium when compared to others. Responses and interaction to emails could also be easily tracked by available software.
Weaknesses	Emails could be filtered as spam which therefore would not have the desired impact. Marketers should be attentive when creating emails to avoid this as much as possible.
Opportunities	Various software are being released which help with the automation of creating the content, targeting people, sending the emails, and analysing the responses.
Threats	B2C companies might not receive a great success from this type of marketing, since customers might abandon their emails, and are more prone to use other mediums such as social media.

Table 8: SWOT Analysis for Online Advertisements

Strengths	New customers could be attained from online advertisements. It is also a very effective way of advertisement since a lot of people search online.
Weaknesses	This type of advertisement is not cheap and is typically payed per click. This means that the business has to pay even if the customer does not buy anything after clicking.
Opportunities	The internet is widely being used by various people, therefore the reach is constantly increasing. Services such as Google AdWords help to automate this function.
Threats	Other competitors might also be using such advertisements. Therefore it is important for businesses to make use of such mediums to benefit from their returns and have a competitive advantage over other competing firms.

D. Online Advertisement

Table 7: Porter's 5 Forces for Online Advertisements

Power of Customers	Online advertisements help businesses to reach more people based on their searches. This will also reach people who might not have heard about the brand before. Therefore this type of medium help to keep the bargaining power of customers low.
Power of Suppliers	Various suppliers could also learn about the business from such advertisements and might be willing to invest in the company.
Threat of new Entrants	Having advertisements visible at the top of a search page would mean that the customer will most likely click on links at the top. This would therefore make it harder for new entrants to compete.
Threat of Substitute Products	Online banners and advertisements could be used to outline unique selling propositions, and hence entice customers to buy that particular product.
Competitive Rivalry within	This gives a competitive advantage over other firms as the business reaches people who might not know about the company.

VII. CONCLUSIONS

As seen already, e-marketing evolves around the same concept as traditional marketing. The only differences are the media used for this promotion to take place. The evolution of the internet and technology has provided business with a range of services that can be used to perform better.

E-marketing strategies mimic the plans done traditionally, however, looks at the impact of technology on the tools used. This paper looked at popular marketing models and analysed how technology influenced the way they are studied. Additionally, this paper looked at how these models could be used to create a successful e-marketing strategy. The main sectors of the strategy were also outlined.

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