

What is internet marketing?

Last Updated Monday, 02 July 2007

Internet marketing is mentioned in just about every marketing discussion today.

- But what is it?

- What are the benefits?

- And what does it cost?

Very broadly, internet marketing covers all the different forms of marketing that you can do electronically. A basic list of internet marketing elements includes the following: Websites A website enables people to find out more about your company, be introduced to your products, services, specials and news updates and even, in the case of e-commerce sites, to buy products directly from your site.

A website also allows you to serve your customers 24 hours a day, 7 days a week — without the cost and trouble of overtime wages! A properly designed and managed website enables you to offer your businesses to clients anywhere in the world - without the hassles of setting up numerous offices in different countries. The more people you make contact with, the larger your client base will become. A website can also help you to run your business more efficiently and productively.

A website is not only great for introducing potential clients to your full range of services, it also allows you to provide them with information particular to your product that they might not be able to get anywhere else. This will position you as a specialist in your field and it allows you to build relationships with your clients that have real value.

E-mail E-mail is a very powerful internet marketing component. It can be used to send clients and potential clients information about your specials or services in general. Such e-mail shots can be sent as once-off promotions or can be combined into a co-ordinated e-mail campaign. You can also send out an e-mail newsletter to provide your clients with interesting or useful information regarding the latest developments in your industry.

However, e-mail can cause one major problem: spam. Spam is unsolicited e-mail i.e. e-mail that the recipient did not ask and / or did not want to receive. In some countries sending spam is illegal and can lead to severe penalties.

Search engines The primary reason people surf the internet is to find information. But, with the net growing at a rate of more than 7 million pages a day, it can be quite a challenge to find the information you're looking for. This is where search engines come in. Search engines, like Google, MSN and Yahoo (among hundreds of others), allow you to type in keywords relating to the subject you're looking for and then bring back results that best match what you're looking for.

Many people mistakenly believe that just because they've got a website their site will automatically be listed in the search engines and that when someone types in anything to do with them, their site will appear in the list of results. Search engine listings and rankings don't happen quite so easily and if you want your website to have a good ranking you need to plan for this carefully and have specific search engine optimization functionality included in the development of your site.

Banner ads Traditional banner ads look much like dirt-world banners except that they are a lot smaller and appear on screen instead of printed on paper or canvas. You'd generally place banner ads for your site on a number of different websites. The purpose of the banner is entice surfers, by means of the graphics and wording used, to click on it so that it can then lead that visitor to your site. Banner advertising space is sold on many sites but their effectiveness, especially for small businesses, is dubious.

Newsgroups and discussion groups Although these groups are mostly dedicated to the sharing and discussing of information of value to the whole group, you can sometimes mention your site or business as part of your contribution to the discussion. Some groups also offer the possibility of placing adverts on their site. This is quite a specialised and time-consuming method of online marketing and, although it can be quite effective, is not recommended for those new to internet marketing.

Classified ads Most people are familiar with the classified ads section in the newspapers. Online classified ads work in much the same way: you place a short text description of the product or service you want to advertise or sell in the classified section of online publications.

The internet offers two ways of placing this kind of ad: paid space and free space. Paid space is often very effective as the number of adverts placed on the advertising site or in the newsletter is usually limited. (However, paid advertising is only worth the money if the site or e-mail is seen regularly by literally thousands of people.)

There are also many sites and newsletters on the net that will swop ads with you – they'll place your ad on their site or in their e-mail newsletters if you'll place theirs in yours. This can be useful if the business you're swopping with has something of value to offer your clients but it can also prove to be a nuisance and annoyance to your clients if you fill up

your site and e-mails with ads about products and services that they have no interest in – and once your client loses faith in you, she'll most often simply stop reading everything you send her.

Benefits of internet marketing Internet marketing is growing tremendously as the internet becomes more accessible to more people world-wide. To give you an idea, South Africa has a population of 48 million people and 3.5 million of us use the internet. Although this number is only 7.3% of the total population, internet usage in SA increased 46.8% from 2000 to 2005. (Internet World Stats) This number is growing daily as computers, laptops and cell phones capable of internet browsing are becoming more accessible and businesses and individuals are using them to be more productive and efficient.

Online marketing offers you a wonderful way to build client loyalty quickly, easily and inexpensively. It allows you to showcase your expertise and valuable knowledge in a way that doesn't leave your potential client feeling pressured and uncomfortable. It encourages customers who have bought from you once to come back to you regularly and it also allows them to forward your original captivating message to their family and friends – this can be great way of getting new referrals.

Some further benefits of internet marketing include:

Convenience:

- A website allows you to be available all day, every day.
- Electronic presentations can be stored, transported and displayed on a laptop or e-mailed to a prospect or client.
- E-mail marketing enables promotions and specials to go out regularly and quickly.

Cost:

- Full colour designs cost the same as one colour designs, unlike print media where each colour costs extra in the printing process.
- Changes to designs and information can be implemented easily and made available almost immediately — without costly reprints and wasted copies of out-dated material.
- The distribution costs involved with e-mail marketing are negligible compared to the costs of mailing promotional literature or distributing flyers.
- Printing costs are eliminated or at least substantially reduced.

Impact:

- Well-designed websites, e-mail campaigns and newsletters have a powerful impact on clients. This makes you more credible and easier to remember and do business with.
- Using the latest technology for effective communication creates the impression that your company knows about the latest trends and solutions. It also makes you appear competent, efficient and up-to-date.

Targeting:

- Focused e-mail campaigns also enable you to reach the people who are most likely to be interested in what you have to offer. Traditional mail shots may be sent to many people who have no interest at all in your current promotion and who simply throw away your expensive pamphlets.
- People who go to your website after being specifically directed there are already interested in your goods and services and are more likely to buy from you.
- Websites and newsletters enable you to build long-lasting and meaningful relationships with people who are interested in what you have to offer and this can lead to a lot of new and repeat business.

How much does internet marketing cost? An exact and answer to this question is nigh on impossible. However, there are a few costs involved in getting started in internet marketing and these are outlined below. (If you compare these costs, most of which are once-off, with the cost of advertising in the traditional way – pamphlets, radio, newspapers, etc – you'll start to realise how effective and relatively cheap internet marketing really is.)

Once-off:

- A computer. Many businesses and individuals already have a computer to work on but if you don't you'll need to consider getting one. (You can work at an internet café etc to start with but you'll soon find you need your own.)
- A website. Our SnapSites websites are built using professional designs and use a Content Management System which allows you to update and expand your site yourself, whenever you want to, at no extra cost.
- A newsletter template. The content of the newsletter is changed with each edition but a well-designed and developed template can be used over and over again.

Monthly:

- A hosting package for your website. This should also include e-mail addresses incorporating your website's domain name. E.g. yourname@yourbusiness.com
- An internet connection from an Internet Service Provider (ISP). This starts at around R79 per month.

- You may also need to get a line (i.e Telkom telephone if you're in SA) if you don't already have one. Wireless internet connections such as those offered by Sentech don't require a land line but unfortunately these connections are not available everywhere yet. (For a more detailed explanation of the terms internet, ISP, e-mail and website, [click here.](#))