

## **E-MARKETING STRATEGY FOR THE PRESENTATION OF THE COMPANIES OF DIGITAL MARKETS<sup>1</sup>**

**Karolina Ilieska, PhD**

Faculty of Economics Prilep, Marksova Street bb, 7500 Prilep

[kilieska@yahoo.com](mailto:kilieska@yahoo.com)

### **ABSTRACT**

The Internet creates conditions, opportunities and offers any company to compete in the market, which successfully presents its products and services. The company will achieve this goal with e-marketing strategy for successful performance of digital markets. Information technology allows introducing innovations and improving the quality of products and services and thus improve the competitive position of company.

The goal of this study is identify the influence of the interest and implementation of e-marketing strategy for successful performance of the company's digital markets.

**Key words:** e-marketing, strategy, digital market.

### **INTRODUCTION**

Digital markets originating from the forms of ordinary markets, got a new look affected by dramatic changes in information - communication technology, and ideas of the participants in commercial exchanges.<sup>2</sup>

According Makena<sup>3</sup> "technology and marketing are now not only connected, but they have also started to complement. The result is the

---

<sup>1</sup> professional paper

<sup>2</sup> Ilieska,K. Marketing, Bitola, p.579, 2014

<sup>3</sup> McKenna,R., "Marketing is everything", Harvard Business Review, jan./feb., 1991, str.65-84

transformation of technology and products and reshaping of consumers and businesses".

Hammer and Mangurian<sup>4</sup> propose framework for identifying the relation impact / value to understand the opportunities offered by technology.

The Internet, as a medium differs considerably from other media. Its strategic advantage is the interactivity, but also it enables employees to realize their tasks but not keep to strict rules of formal communication<sup>5</sup>.

The Internet does not only carry out purchase and sale transactions, it meets typical corporate needs in the stages of development of the product / service, marketing, sales and logistics<sup>6</sup>.

The objective of companies to realize their on-line performance and implementation is - marketing strategy, by which they determine the selection of potential buyers<sup>7</sup>.

Using the Internet as a global network, has the following advantages: available globally 24/7; easy to use, low cost of transactions. Also, for retailers, the cost of realization of their online activities are small compared to the traditional distribution channels. The internet allows interactive communication which, in turn, allows customers to receive a quick response to their questions. The only way the company to differentiate its products and services from the competition is to create products and services that increase the value for the user, while not increasing their price.

The benefits of using the Internet for market, reduces the problem of security. To overcome this problem, encryption, electronic data, firewall software and security procedures are use.

## **INFORMATION TECHNOLOGY AND MARKETING**

Information technology changes the nature of marketing management. This is achieved in two ways<sup>8</sup>, as follows:

-Firstly, the nature of marketing and marketing system changes under the influence of information technology. The emergence of new products, new media, new services, better quality and faster feedback on the behavior of consumers and integrating supply chains indicate the need

---

<sup>4</sup> Hammer,M., Mangurian,G.: "The changing value of communications technology", Sloan Management Review, sv.28, br.2, 1987, str. 65-71

<sup>5</sup> Vassos, Th., "Strategic marketing on the internet", Beograd,, p. 11, 1999

<sup>6</sup> Vassos, Th., "Strategic marketing on the internet", Beograd,, p. 7, 1999

<sup>7</sup> Vassos, Th., "Strategic marketing on the internet", Beograd,, p. 6, 1999

<sup>8</sup>Ilieska,K. Marketing, Bitola, p.585, 2014

marketing managers to see the impact of information technology on marketing activities

-Secondly, the possibility of managing information by means of information systems and specialized software packages, increases the efficiency of managing marketing. The company must carefully see the possibilities offered by new technology, the benefits and costs of its implementation in the marketing process. The advantages of the use of information technology are: efficiency, enhanced competitiveness and profit based on new opportunities in the marketing system. Costs relate to investment in information technology, internal reorganization of procedures and attitudes and education of employees. The opportunities of companies change with the application of information technology and they can act in a completely new way.

The possible impact of information technology is divided into three areas: reduction of time, overcome of geographical constraints and reorganization of relations. The application of information technology is different in certain companies. Reasons for this situation:

-Lack of marketing focus - many companies have implemented marketing concept very low. Promotion of its application is a basic requirement for the implementation of information technology;

-The nature of Marketing - do not encourage the use of information technology in relevant activities. Marketing, often emphasizes qualitative, creative nature of its activities. So today, the innovative principles of segmentation, creative strategy, original and unique approaches to promotion, are the necessary tasks of the marketing manager. Also, marketing managers often show natural resistance to the quantitative approach. They manifest "technological fear" of new technology and are confident that its benefits will exceed the costs and restrictions on it;

-Inadequate Software - software used by marketing managers is often intended for other specialties, while packages intended for the processing of numerical data and databases can be successfully adapted for marketing use, but it takes a certain level of knowledge of the package.

- Concentration of the product - the companies often are not directed towards the application of new technology and the advantages of it, but they concentrate on what they produce, not what the customer buys. The potential user must be informed of the existence of a product and its advantages. Network distribution and sale must be made so that the consumer can purchase and use the product.

## **E-MARKETING STRATEGY**

The creation of e-marketing strategy involves determining the path of the business of companies that want to keep up with modern times. Effectiveness of the strategy for entering the company's digital market depends on the following factors:

- The company has a clear idea of how to perform the digital market, ie how to attract consumers to its products and services, will receive orders and deliver the products as you collect the fees, etc .;

- Ability of the company to organize and implement internal business processes in accordance with the requirements of the new relations between the parties that are participating in the digital market;

- The company has to adjust the organizational structure for the performance of digital markets, ie to develop appropriate levels of management and to provide and develop personnel with a high degree of knowledge. Key reasons for entering the company's digital markets are the following: expanding access to products - a collection of experiences on new customer segments; visibility - strengthening market presence and making it more popular; -recognition of good image of products / services for customers and partners; proposing new services to consumers; development of business relations; cost savings on products, support, servicing and storage; avoiding conflicts ducts.

E-marketing goals that companies set performance at the digital market are:

- A) Maintenance and development of the trade mark. The trade mark, allows recognition of the company's knowledge of prospective clients. The image of the trade mark, creates: the quality, the design, the colours, the time to get to the product or service and the level of consumer confidence. Response to the question of how a small business can be competitive in the global market is to create successful web page. Web - site of the small company can look just as good on the Internet as web of a large company, and it may be necessary accomplished with minimal costs. Web design includes a choice of colors, graphics, edit the contents of the site, choice of navigation, size and quality of images and illustrations. All this affects the company's brand and image.

- B) Generating incomes

Models for generating income are:

- Attracting consumers - a model that is based on using the Internet for identifying prospective to stimulate sales. As a consequence, sales are done by phone, e-mail or directly. This model is successfully dialed by many small businesses, especially in services.

Capital asset model to attract customers is a virtual form. The web - site is a good option to have a "mailto", for establishment relationship between company and consumer, and virtual form allows structuring the information to assess the future prospects of the consumer.

If a decision to purchase a product takes time or additional information, then the model for attracting customers is the basic model for the company to generate income online. This model is particularly significant for products with high price or whose sales are necessary additional information. Internet offers opportunities for stimulating sales with the help of quality on - line information. The internet competition is only at a distance of one click from the company, because on - line presentation of the company should be attractive for the client. Today, companies automate the process of communication with customers, create database and continuously analyze the collected information regarding consumer demand.

-Realization sale on - line - the second model to generate income is realization of actual sales on the Internet. Electronic commerce will greatly affect the sales volume of traditional shops. Thus, competitive advantage will hold the company which will reach consumers who are outside the geographical region where it normally realizes sales. Thus, the company will become part of the world market, with significantly lower costs. Namely, with interesting and attractive content on the web site, the company will reduce the cost of staff and equipment necessary to sell the product / service. Today, it is easy to create a virtual store, but it does not guarantee success, to earn, certain knowledge is necessary.

-Incomes from advertisements and shipments - the third model to generate earnings is from advertising and shipments. These two categories are placed in the same group because advertising managers, often include the cost of shipments in costs.

Many companies believe that advertising income on the web site will attain without additional efforts. The huge number of web pages require additional effort for the company's message to reach the consumer. In order for a site to be effective and to generate income from advertising, it needs a lot more traffic, and it will provide you with appropriate content: The information, novelties and innovations.

Possibility of generating income, especially for owners of small businesses are associating programs. Indeed, the genius of the Internet is the ability to hyperlink (hyperlink), which connects the pages in a huge network and association programs. Average costs for attracting consumers through the program to associate much lower advertising through banner ads (for

example, when sales are realized via an association, merchant pays only when the sale was carried out and the expenses with 10% lower, or more).

#### C) Cost reduction

Opportunities for cost savings that internet has to offer, not so visible in the newly created company, which sells only on-line. But companies can significantly reduce costs by transferring some of the basic elements of its business to the Internet. Thus, the Internet can reduce the cost of company:

- Staff - Internet saves time and personnel. The consumer may make the order on - line and thus companies do not need a lot of assistants for sale. But the simplicity of question time increases the number of consumers that exceed the capabilities of many companies to respond in real time to their demands. Therefore, companies introduce automated system for answering the e - mail.

- Distribution of brochures and catalogs - requires a lot of effort and money. The Internet offers the opportunity for an effective and inexpensive way to disseminate large amounts of information. Updating information is simple and based on using database.

- Cost of advertising - the Internet is much lower than the cost of traditional advertising. Yet virtual businesses must not underestimate the costs necessary for advertising. Buyers need to have a reason to visit the web page of the company and the opportunity to find through the browser.

- Initial cost - the Internet offers opportunities to the company, with minimal initial costs, to communicate with its customers. It creates conditions for the company to focus its resources to support customer requirements. Web sites of successful companies are focused on client needs, and that means to support the customer after purchase. A possible solution to achieve that objective of the company is implementing a system FAQ (frequently asked questions or schemes).

Target groups to which the company should focus its Internet marketing activities:

- Potential buyers - the goal is to set up an additional market and new business sales;

- Existing buyers - the goal is to promote business aggregate market in that segment;

- Journalists - the goal is to get positive publicity;

- Consultants - the goal is with oral communication to convey the good word about the company;

- All customers - the aim is to inform them about all the features of the product;

- Competitors - the goal is to realize better their offer;

- Staff - the aim is to equip them with better tools for more efficient sales. The ultimate goal of marketing today is the maximum consumer satisfaction, i.e. development of loyal customers, increasing profits.

Internet Marketing Plan should be directed towards the implementation of three main objectives<sup>9</sup>:

- Increase of the sales;
- Cost reduction and
- Better communication with stakeholders to increase the sale and customer satisfaction.

The Internet has greater possibilities:

- Development stage of product / service, market research, product development, testing or focus groups , promotion of product and modification of the product;

- Marketing stage: marketing plan, planning of public announcement, devising institutional image and the image of the product and planning sales

- Sale stage: attracting attention, increasing interest, initiating desire, action for purchase, payment, delivery, logistics stage, buying support and support after the buying. On-line consumers belong to all age groups and different lifestyles. They realize mutual contact accessing certain electronic address, and thus globally, without geographical restrictions, exchange messages and multimedia.

Web site should be created according to the needs of the company and its customers. The company's web page can introduce customers and business partners, and vice versa. Web site gives a possibility to reduce the cost of human resources. In that case, employees will carry out creative activities based on knowledge as updating and analysis of data in the database for clients.

The Internet, as a medium differs considerably from other media. Its strategic advantage is the interactivity, but also it enables employees to realize their tasks but not keep to strict rules of formal communication. Marketing experts in the implementation of e - marketing, should be aware of the following aspects:

-Name of the product / company – the big effect of informal witty names;

-Institutional communication, public advertising, articles and newspapers - effective institutional communication provides smaller formality and laid-back style. Particular attention should be paid to the readability and comprehensibility of the text rather than the strict form. Thus, the terms of everyday speech will be better accepted;

---

<sup>9</sup> Vassos, Th., "Strategic marketing on the internet", Beograd., p. 6,1999

- Offer of the product / service - adaptation in the informal environment may create a need for amendment of the product (guidelines or training materials that monitor supply and can be written unconventionally);
- Strategy of support - understandable customer satisfaction by rapid response to their questions or wishes. Thus, the company may recommend over the internet to contact other users of its services / products;
- Basic Internet advantage are several thousand communities - that make individuals, similar in thinking, with the same goals and views on the World;
- Internet users usually communicate and share more content - than in the traditional way;
- E- mail communication – is less controlled than the formal way of communicating;
- An interactive nature of the Internet - more reminiscent of a telephone conversation than a letter.

The users are primarily accessing the world wide web to get free information that will help them find and buy the product / service they need, as well as for fun. The company should continuously update on its web - page for that adequately respond to continuously changing requirements of potential buyers. But creating and updating content on the web - site of the company, is not enough to win and retain customers. The buyer has the opportunity to join the millions of web - sites that offer similar products. On the other hand, the company should make every effort to attract customers to visit its web page. The primary factor for buyers to visit the web site of the company is to know about it and trust the company.

### **RESEARCH THE IMPACT OF IMPLEMENTATION OF E-MARKETING STRATEGY ON THE SUCCESSFUL PERFORMANCE OF THE COMPANY'S DIGITAL MARKETS**

The relationship between an successful performance of the company's digital markets and implementation of e-marketing strategy can be conceptualized at a fairly general level, where a set of factors was determined on a series of indicators for successful performance of the company's digital markets and for implementation of e-marketing strategy. It was recognized that the study would be undertaken across a set of companies, within a discrete point in time, resulting in quite different outcomes, according to companies' responses.

The analysis and results gave insights into the dimensions that should be highlighted in the study for both successful performance of the

company's digital markets and implementation of e-marketing strategy.

The results from the preliminary study guided the researcher in determining the number of dimensions for each of the global themes that appeared in the according to companies' questionnaire.

Goal and hypotheses for research:

-Goal - identify the degree of interest and implementation of e-marketing strategy for successful performance of the company's digital markets.

Hypothesis:

-There is interest for implementation of effective e-marketing strategy

-Implementation of effective e-marketing strategy has an impact to the improvement the successful performance of the company's digital markets.

Research is conducted in the companies on the market of Republic of Macedonia (50 samples - small and medium enterprises). This case study indicates that according to companies' perceptions there is interest for implementation of e-marketing strategy and implementation of effective e-marketing strategy has an impact to the improvement the successful performance of the company's digital markets.

In this context the F test between modalities for improvement the successful performance of the company's digital markets and implementation of effective e-marketing strategy shows high level of statistical significance for  $\alpha=5\%$ , which implies that we should reject the null hypothesis.

F-test- two sample for variances

Ho: implementation of e-marketing strategy does not affect the successful performance of the company's digital markets

By applying the F -test, the null hypothesis is rejected, confirming that e-marketing strategy affects the successful performance of the company's digital markets.

F-Test Two-Sample for Variances

	<i>Variable</i> 1	<i>Variable</i> 2
Mean	3.58	3.46
Variance	0.901633	0.947347
Observations	50	50
df	49	49
F	0.951745	
P(F<=f) one-tail	0.431635	
F Critical one-tail	0.622165	

0,95 > 0.62  Ho is rejected

According to this empirical analysis, there is dependence (impact) between improvement the successful performance of the company's digital markets and effective e-marketing strategy, and Ho is reject. So the companies must have interest for implementation of effective e-marketing strategy for improve the successful performance of the company's digital markets.

## CONCLUSION

The implementation of e - marketing strategy includes: market research online, creating optimum marketing mix, integrating traditional and online advertising to promote the company's image and brand of the product.

The Internet, as a medium significantly differs from other media, and its strategic advantage is interactivity.

The company with appropriate e - marketing mix should build consumer confidence that he will get the products and services it promised him.

According to the empirical analysis, there is dependence (impact) between improvement the successful performance of the company's digital markets and effective effective e-marketing strategy.

## LITERATURE

1. Ilieska, K., Marketing, Bitola, p. 579.585 2014
2. Ilieska, K., Risteska A Miladinovski, C., Marketing information system, Bitola, 2002.
3. Laudon, K., Traver, K., E-commerce, Pearson, 2011
4. McKenna, R., "Marketing is everything", Harvard Business Review, Jan. / Feb., Str.65-84, 1991
5. Vassos, Th., "Strategic marketing on the internet", Beograd,, p. 6, 7, 11, 1999
6. Hammer, M., Mangurian, G.,: "The changing value of communications technology", Sloan Management Review, sv.28, br.2., p. 65-71, 1987
7. Panian, Z., "The richness of the Internet' Zagreb, 2000
8. Smith, P., "Marketing communications – integral approach ", Clio, Beograd, 2002
9. Strauss, J., Frost, R., E-marketing, 5th edition, Prentice Hall, 2008
10. Cox, B., Koelzer, W., "Internet Marketing" Pearson Education Inc, 2004
11. Mougayar, W., Opening Digital Markets, McGraw-Hill Companies, 1998