Internet, a network that revolutionized how information technology is seen, is a medium for marketing that changed the way marketers and consumers think. Marketing as a concept has existed long before the Internet.

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Abstract

Internet, a network that revolutionized how information technology is
seen, is a medium for marketing that changed the way marketers and
consumers think. Marketing as a concept has existed long before the
Internet. The four Ps of marketing are well known: Product, Price, Place,
and Promotion. Approaching the consumer through the Internet is very
different than through common media. Marketers had to think twice, now
they must think trice. Marketers, however, have a wider audience and in
some cases, they may have the whole world as an audience. Consumers have
many more choices and they are free to convince themselves before they
buy. Consumers actively go to the location of their interest, and they
are not passive anymore. Internet is a medium that offers many tools for
the marketers and a wide range of choices for the consumers.

# 1 Introduction

The way of marketing changed because the Internet is used as a medium.
In the past, the way of marketing had to adjust to new media in several
cases. For example, when the radio appeared or even better when the TV
became a domestic must. Internet, however, is a medium different from the
common ones. For the first time, the consumer is not passive and is seen
as the "end user".
This has changed the way marketers must work in order to succeed using
the Internet to promote products. This change however did not happen in
one day. Internet exists for more than two decades. Its use as a mark eting
media, however, started recently.

The purpose of this report is to investigate how marketing using the
Internet is different from using other media. This investigation is

separated in two views: (1) the merchants scope, and (2) the consumers scope.

Merchants do not have an easy job as it is thought by many people. Marketing using the Internet is not an easy task. One can loose its severity very easily. Nevertheless, there are many benefits if used properly.

Consumers can use their free will in order t o choose where they want to go and not where they are told to go. There are of course the search engines that may impose the sites they want, but Internet is so wide that the end user can easily navigate to places that do not have to be prompted by a search engine.

## 1.1 Brief Description of the Following Chapters

Chapter 2 presents the definitions of Internet, Marketing, and Internet Marketing. Chapter 3 contains the investigation of Internet Marketing from the scope of the merchant and the consumer. Chapter 4 is the conclusion and Chapter 5 contains the references that were used. Finally, there are also useful electronic references.

# 2 Literature Review

This chapter tries to give a general idea of Internet, marketing and the connection between them.

## 2.1 Internet

The Internet is a network that is composed of computers connected to each other using a common protocol (TCP/IP) and the preexistent telephony network. There is no need for the computers to be of the same type and this is what makes Internet so popul ar and powerful. (WWW1)

## 2.2 Marketing

The basic components of marketing are the four Ps (Hampton 1996):

? Product which refers to the design and development of the product,

? Price where one must determine the price,

? Place where the selection and design  of distribution channels is involved,

? Promotion involving techniques for generating demand for the product such as advertising.

Historically, among common media are the newspaper, magazines, radio and TV. In addition, the mail still plays a role as marke ting medium. The usage of Internet as a marketing tool has given a new dimension to the marketing strategies.

## 2.3 Internet Marketing

Although Internet exists for more than two decades for personal or academic usage, it has also been used lately for marketi ng purposes. Since 1994, people started exploiting the Internet for gaining financial power. In the beginning the majority of Internet users did not seem to approve that kind of usage. Over the years, however, marketing and advertisement became a common, a ccepted and evolving Internet phenomenon.

# 3 Internet Marketing

This chapter aims to identify the meaning of Internet marketing for different groups of people.

## 3.1 Merchant Scope

From the merchant scope there are several aspects on how Internet can help an enterprise to maximize its earnings by targeting to new customers. A Company that intends to have a successful web presence should follow some standard steps. First of all the company should pay a lot of attention to the domain name that it uses. The Dom ain name is the company's specific address in the Internet. It is convenient and helpful for the company to use a short and easy-to-remember Domain name in order to attract more visitors in the Web site. Moreover the Domain name should contain some information about the company. There are some valuable directions about the choice of the domain name: (Hampton 1996):

? The Domain name should be short in order to be easily remembered by the Internet surfers.

? The extensions (.com .edu .net etc. ) indicate the  type of the Web site

Another important issue on setting up a business Web site is to choose the appropriate Internet Service Provider that can provide the business with the most reliable services. Connectivity, speed, technical support, security are some  of the criteria that a company has to take into consideration in order to have a professional Web presence.  (Hampton 1996):

The success of a business Web site is a result from the way the information is presented by the business.  Every Web site should cont ain various information such as:

? Enterprise Name

? Contact information of the company

? Comprehensive presentation of the business activities and services

? A guestbook form to receive the comments of the visitors of the Web site

? A press release that i nforms every visitor on the news of the enterprise.

In addition to all that the web design point plays a special role to the presentation of a business web site.  Nice designed web sites always attract a lot of visitors.  Some visual and sound effects may in spire the visitors of the site to spend more time on line browsing the contents of the site.  However there is no reason for the site to be only well designed but it also should provide everyone with the information that the company wants to provide.  There  are some basic principles in the Web design:

? The web site should be simple and easy to navigate

? The web site should not contain many and heavy graphics

? A quick and informative web site is always advantageous for the business.

? The information should  have quality in a way that the company should have the control over the communication with the customers [Web Services]

One of the most popular and helpful uses of the Internet is the well -known Electronic -mail. E-mail can provide some special services t o a commercial web site. The most common and powerful aspect of E -mail is the development

of mailing lists. The main aim of the mailing list is to provide some free and useful information to the subscribers. E -mail is probably the simplest way to find customers on the Internet. It combines the ease of use and communication with the members of the mailing list. The strategic use of e-mail can be a serious advantage to every business.

One of the most important issues on the success of a web site is the customer on line service The majority of the successful companies on the Web pay a lot of attention to the customer service in order to maximize the sales. It is acceptable that good customer service has a great impact on generating sales. The Internet has some features that make it a powerful tool for customer service. First of all, in the Internet there is on line support 24 hours a day so the customer satisfies every need immediately. Moreover in the Web site each business can provide every necessary information about its products in an interactive way.

Another significant point is the online payment. Although online payments are still in their first steps, everyone seems to agree that in the future they will be very important. A successful online payment syste m should follow the following guidelines:

? Promotion of the Web site in order to attract a lot of customers.

? Keep your pricing in competitive standards.

? Security of transactions between customers and on line  - stores

? Secure delivery of the goods

Undoubtedly the most crucial factor of the success of a commercial web site is the way some traditional marketing tools can make a business' web site known to the mass. It is very important for an enterprise to include its domain name on every business paper  This URL should appear on everything the company prints. The traditional mass media like TV, radio, newspapers and magazines may probably be the best way for an enterprise to advertise its Internet presence.

# 3.2 Consumer Scope

Internet marketing has been presented from the merchant's point of view, nevertheless the consumer's point of view is important. This section

presents the benefits Internet marketing brings to the consumer, or the disadvantages it brings.

Internet users are facing the same war of ad vertisement as they are used to watching the TV. The main difference is that in most cases (banners, links) they can choose not to follow the rest of an advertisement.

Internet marketing is very different from conventional marketing because of the fact that the consumer is not passive. On the contrary the consumer thinks and has his/her own opinion about whatever is served. This truth comes from the fact that the end user can choose what to accept and what not to accept by following or rejecting the various  links. This is an advantage for the consumer.

Some sites can even adjust the banners according to the preferences of the user. This means that the end user can interact with the market he or she prefers. Similar features can be placed into the list of adv antages but into the list of disadvantages. Indeed, it is seen as a disadvantage by some people because that kind of preferences tracking can be seen as invasion of privacy.

Consumers are not protected against fake companies. Internet is a medium one can use and it is by far cheaper than using TV for example. So, companies that are created over night can appear in a certain address, interact for one-day and then disappear. On the other hand, making dirty money using the Internet is not exactly an easy task  to accomplish.

Invasion of privacy with the use of unsolicited e -mails is a much-discussed topic by itself. Unsolicited e -mail, or more known as "spamming" is one of the most irritating drawbacks of the Internet. Personal experience and experience of many  people has shown that even a change of email address was necessary in order to escape the spamming.

Another issue that can be seen as a drawback is the fact that the consumer can be anywhere in the world. This means that there are many different cultures, which can be a problem for a consumer. Many sites are not aware of different cultures. This can cause irritation to a potential consumer.

# 4 Conclusion

As a conclusion Internet Marketing seems to be one of the most critical factors of the success of an In ternet site. It has various impacts on both the merchants and the consumers. From the merchant scope there are several aspects on how Internet can assist a business to maximize its earnings by targeting to new customers all over the Internet. The harmonic connection of the traditional marketing tools and the new powerful technologies provided by the Internet could create a competitive advantage for every enterprise that invests on the new technologies.

Moreover Internet Marketing has effects on the consumer s. There is a basic difference between Internet marketing and conventional marketing where the consumer accepts passively the messages from the other media. The consumer can decide whether to follow or reject these links. The major drawback of the Internet marketing to the customer side is the invasion of privacy. Many web users have faced the major problem of unsolicited e-mail and they even change their email address in order to avoid the mail

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