Abstract

This paper is an attempt to show how traditional business models have been traumatised by technology as the old ways of doing things are swept aside and the tables have turned in favour of consumers. Indeed, what became clear as we spoke to retailers, developers, businesses, lawyers and academics in the course of putting together this era of online business is that it is all about the consumer – consumers who have undergone a cultural shift in the way they shop, whose spending is no longer concentrated in high street stores, who are increasingly sophisticated in their use of technology, who are more knowledgeable about the choices they make and consequently more demanding. With the knowledge of Electronic Commerce (E-commerce) this paper helps to find ways of meeting those consumers and their expectations at every point, from offering them what they want or might desire, through the process of purchase to delivery, and beyond through return and follow up. The online market space in the country is burgeoning in terms of offerings ranging from travel, movies, hotel reservations and books to the likes of matrimonial services, electronic gadgets, fashion accessories and even groceries. India is home to 3,311 e-commerce hubs, 1,267 rural hubs, 391 export hubs and 2,217 import hubs. To capitalise on the anticipated growth potential, a host of investors, including venture capital (VC) and private equity (PE) firms are closely eyeing opportunities in e-commerce start-ups. At the same time, the sector is witnessing a swathe of consolidation owing to various mergers and acquisitions. In this paper I have shown the effects of internet marketing on business growth & the impact of Internet Marketing in India. With the advent of Internet wave and rapid development of it, it has facilitated the expansion and innovations in online business. In recent years, advancement in E-commerce enabling unconstrained space and time for the people in all over the world along with the ubiquitous networks and devices were applied. The e-commerce marketing in India would surely witness a new world of digitalisation in the coming decade, with a host of start-ups emerging to compete with existing players in order to draw benefits from the new and existing markets. Data For this study has been collected from various online resources, e-books, e newspapers, working papers, India’s business Sites & marketing Magazines.
1. Introduction

Marketing today is about understanding how consumers research and make purchase decisions in this hyper-connected, digital world. It’s about meeting them at every stage of that decision by integrating relevant content with context on your consumers. It’s about a unified process of attracting audience, converting prospects, closing leads, and delighting customers in ways they actually desire. Today, as far as we concern, the business world is changing. Electronic commerce (E-commerce) as a novel business pattern is depended on the Internet and the original technology from the telecommunications and network computing. With the speedy expansion in ICT (Information and Communication Technologies), the development of E-commerce have been witnessed by all of us, which facilitated the changes in the development of E-commerce. The information revolution aided by the revolution in the telecommunications and institutional innovations initially promised to change the nature of the market altogether. The market’s primary role as merely a place where buyers and sellers meet has now been revolutionised by the impact of the information revolution in its subsidiary role, i.e., as a transmission belt of information. Today a market is a place where there are no intermediaries between a seller of goods and their final buyer, to the mutual benefit of both parties. We communicate with each other via e-mail and we interact with enterprises by their website.

The trend of online shopping is set to see greater heights in coming years, not just because of India’s rising internet population, but also due to changes in the supporting ecosystem. Players have made intensive efforts to upgrade areas such as logistics and the payment infrastructure. Furthermore, the Indian consumer’s perception of online shopping has undergone a drastic change, and only for the good. Given these developments, venture capital investors, who were restricting themselves to the side-lines, are now taking a keen interest in the country’s e-Commerce market. The massive Indian market is changing fast. Internet access is mainstreaming among professionals and the use of mobile is intensifying. The pace of change continues to be rapid with digital channels constantly growing in volume and strength. More people spend more time online in India every year, and the digital tools and sites they use play an ever-growing role in their lives. Smart marketers keep on top of the scale of change and ensure their marketing strategies and touch point’s mirror where the consumer is spending their time. These notes give a sense of the scale of change we’ve seen so far and imply the scale of what is coming. The innovation of the Internet has major impact from both technology and business point of view.

With the rising trend of Internet use, it is important to ensure that the environment that is being created allows for the strengthening of long term relationship with customers. The number of companies and countries all over the world are using E-Marketing. If India could not meet this challenge, it will suffer the market globalization. It is therefore imperative to understand the structural changes taking place in market and also the long term impact of the changes due to online buying especially to understand the reasons/causes influencing the customers to buy online. Internet marketing has brought forward various strategies such as affiliate marketing which consists of pay per click, pay per view, pay per call and pay per click advertising. Affiliate marketing also includes banner advertisements. In addition to this e-mail marketing, viral marketing, interactive advertising, blog or article based marketing are also found to be popular. There are new marketing techniques being invented all the time. It is important to know how the trend would be. Companies are inventing new techniques to find better ways to generate revenue and also to establish their brand on the internet. Internet user base has been growing significantly, with an exponential increase in internet usage. This trend has been aided by the increasing PC and broadband penetration, coupled with the declining prices of PCs. Tablets and smartphones have given a new meaning to connectivity and user
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The adoption of 3G, coupled with the declining prices of smartphones, is expected to further increase internet usage in the country. Improvements on the payment front have brought about the increasing use of plastic money by Indian consumers. Payment gateways have now been made more secure through multiple levels of authentication via one-time passwords (OTPs) and transaction passwords. This has helped strengthen users’ confidence in carrying out online transactions. These enablers augur well for the development of e-Commerce in India.

![Figure 1: Growing Internet User Base in India](image)

### 2 Services provided under the various modes of e-Commerce

E-Commerce transactions can be segmented into three broad categories or modes, based on participants involved in the transaction.

- **Business-to-Consumer (B2C):** The B2C market in India generates the bulk of revenues across the consumer-facing modes of e-Commerce. Furthermore, though online travel has typically held a major share of the B2C market, online retail is also growing rapidly and is expected to significantly increase its share.

- **Consumer-to-Consumer (C2C):** India’s C2C market, though currently small, is set to grow with the entry of several players. These entrants are attracting VC investment. Their online portals are also garnering significant traffic. We expect the C2C segment to show rapid growth in coming years.

- **Business-to-Business (B2B):** The most common users of B2B online classifieds are micro, small and medium enterprises (MSMEs). These small businesses lack the requisite financial resources and, therefore, find it difficult to market their products and services to potential clients through traditional media such as newspapers, banners and television. Trade through
online B2B portals increases the visibility of MSMEs in the marketplace and helps them overcome barriers of time, communication and geography.

Figure 2: Modes of e-commerce transactions

The sector is classified into four major types, based on the parties involved in the transactions – Business-to-business (B2B), business-to-customer (B2C), customer-to-business (C2B) and customer-to-customer (C2C) (Exhibit 2). According to an Internet and Mobile Association of India (IAMAI) report, the overall e-commerce market in India has recorded a robust CAGR of 54.6 per cent and crossed USD10.0 billion during 2007–11. It is estimated to add another USD4 billion and reach USD14 billion by end-2012. Segment-wise, B2C dominated the sector with a 56.0 per cent share in 2010–11. Together, the B2C-C2C segments have shown significant growth; their aggregate market size stood at USD9.9 billion in 2011, while that for B2B segment was estimated at around USD48.8 million. However, B2B’s acceptance is on an upward trend due to its rising awareness amongst Small and Medium Enterprises (SMEs), which are close to 13 million in number.

3 Effects of internet marketing on business growth

Sales management Activities: We are running the age of addressability, in which the enhanced capabilities of improved and interactive communication imply new marketing opportunities and trends, such as database marketing, micromarketing, and integration of marketing activities. Moreover, the Internet is going to lead companies to even finer market segmentation. In a similar context, the attributes of the new IT, (i.e., the Internet), will lead to new marketing paradigms of micro segmentation and targeting in niche markets, which have been characterized as mono casting and point casting marketing. Thus, that “marketers will then (when they will be fully exploiting virtual markets such as the market that can be developed through the Internet) need to wrestle with micro segmentation not just at the level of the individual customer, but at the level of the individual customer at specific points in time.” Furthermore, the Internet may facilitate the interactive communication between salespeople and their markets, by providing them with new capabilities, such as access to distant databases through on-line connection, performance of audio-visual presentations, and efficient transmission of electronic catalogues and infomercials. Thus, it is imagined that the greater the use of the Internet tools, the larger the impact on sales management.
activities, involving market segmentation and customer classification, managing customer databases, sending electronic catalogues to the customers, and making audio-visual presentations.

Product management activities: The Internet has been characterized as the ultimate medium that promotes interactivity, which, in turn, reshapes the marketing paradigm. The two most important features of the Internet interactivity are addressability (ability to address an individual) and memory storage (ability to gather and remember the response of that individual through properly designed computer databases). The above attributes enables the formation of market-oriented product strategies that would have been unthinkable in the past. Thus, the Internet may drive marketing to a new paradigm, where differentiated products would be sold to differentiated markets. Indeed, firms interested in marketing within a hypermedia computer-mediated environment probably should adopt a market orientation. Similarly the virtual world of Internet has permitted business-to-business organizations not only to manage information, but also to create new value for customers by serving a broader set of their needs. In this way, they seem to adopt demand side thinking and follow demand-side strategies rather than simply making and selling products. Furthermore, the easiness of communication flows among the organizations, which is facilitated by the Internet, is expected to lead to increased information exchanges between the organizations. This will promote the faster discovery of customer needs and the acceleration in the rates of innovations’ development and mature products’ elimination, thus resulting in shorter product life cycles. Additionally, many scholars have stressed the Internet’s ability to enhance cooperation efforts among the market actors (suppliers, customers and even competitors), leading to customization of products to the ever-changing customer needs, in a faster and more effective mode, than through traditional marketing.

### 4 Growth of E-commerce market in India

The e-Commerce market in India has enjoyed phenomenal growth of almost 50% in the last five years. Although the trend of e-Commerce has been making rounds in India for 15 years, the appropriate ecosystem has now started to fall in place. The considerable rise in the number of internet users, growing acceptability of online payments, the proliferation of internet-enabled devices and favorable demographics are the key factors driving the growth story of e-Commerce in the country. The number of users making online transactions has been on a rapid growth trajectory, and it is expected to grow from 11 million in 2011 to 38 million in 2015. Venture capitalists (VC) and private equity players have demonstrated their faith in the growth of e-Commerce in the country. This is amply substantiated by the significant increase in the total investments (US$305 million in 2011 against US$55 million in 2010). Online travel has traditionally been the largest e-Commerce sub-sector (by revenue) in India. Nevertheless, online retail is catching up fast and is expected to match online travel revenues by 2015. Online travel, growing at more than 25 percent per year, has been driven by diverse online players ranging from the IRCTC (the online ticketing arm of the Indian Railways) to indigenous travel aggregator sites such as Makemytrip, Cleartrip, and Yatra. More recently, international travel aggregators such as Expedia and Kayak, as well as review sites such as Tripadvisor, have begun to make a strong push into India. Consumer traction has been driven by ease, convenience, lower prices, and better customer offerings. Consumer electronics has been among the fastest-growing online categories and is expected to grow by about four times through 2015, from a current market size of about $600 million to $700 million.

Players range from online store-fronts of offline retailers (for example, Croma) to manufacturers’ sites (for example, Sony, Samsung) and pure Internet players (for example, Flipkart, Infibeam). Large assortments, powerful product comparisons, and attractive pricing are the key value propositions for...
Indian consumers. Apparel is expected to be the fastest-growing online category in e-commerce in India, with revenue expected to grow by a factor of 10 to 15, from a current $15 million to $200 million by 2015. Pure online players (for example, Myntra, Jabong) are dominant, along with online store-fronts of offline retailers (for example, Shoppers Stop, Central). Convenience, cash-on-delivery, limited-period free returns, and attractive offers are driving the fast-growing consumer interest in the online purchase of apparel. The changing consumer lifestyles, supported by the younger population base of India, have given a boost to the e-commerce business. More than half of the total 1.2 billion population of India falls under the ‘below 25 years of age’ bracket. Also, 65.0 per cent of India’s population, representing the working age group of 15 to 64 years, would aid the further growth of e-commerce, driven by their rising disposable income. Notably, discretionary spending in India is expected to jump to 70.0 per cent by 2025 from 52.0 per cent in 2005. Also, the growing inclination towards purchasing online is reflected in a trend for higher value online transactions. Shoppers are ready to shop for values exceeding USD500.0, which earlier hovered in the range of USD40.0–100.0.

A financial Performance payoff model for internet marketing (IM)

Building a payoff model for evaluating the financial performance of IM begins with an analysis of the drivers and objectives of IM activities. Online presence and processes are driven by strategic decisions at the highest levels of the organization. IM is an increasingly important tool for implementing, evaluating, and managing organizational strategy. As information technology and marketing sophistication increase, and value chains become increasingly dispersed geographically, the role of IM will continue to expand. In addition the importance of effective IM initiatives will continue to increase. For example, research shows that 30–40 percent of book sales made on Amazon.com are titles that would not normally be found in a traditional brick-and-mortar bookstore. The overwhelming amount of goods available on the Internet, and the fact that the Internet has created many new markets beyond the reach of physical retailers, makes it imperative for companies to gauge the effectiveness of their online presence. Technological innovations are exploding, new ways of managing relationships with customers and other stakeholders are being developed, and methods for monitoring and managing IM investments are becoming more sophisticated. Globalization, outsourcing, and reduction in transaction costs have increased the importance of marketing. These trends, along with rapid technological advancements, have increased the importance of IM as a component of marketing activity.

As competition for capital across industry sectors and within firms intensifies, and the demand for an effective Internet presence continues to grow, organizations must become more critical and systematic in evaluating and managing their IM activities. This Guideline builds a process for evaluating the financial performance of Internet marketing. This model is a standard systems model that includes inputs, processes, outputs, outcomes, and feedback loops. The model shows corporate and environmental drivers of IM (inputs), the primary activities of Internet marketing managers (processes), and potential consequences of these activities to customers and the organization (outputs and outcomes). Financial professionals, marketing and Internet marketing managers, and general and business unit managers can easily use this model to more effectively allocate resources and evaluate the outcomes of IM expenditures. Basic components of the model are as follows:

**Inputs:** Influences and drivers of IM activity outside the IM function Organization and business units devise and allocate resources to implement strategies, structures, and systems. The strategies, systems, and structures of the organization and its business units, and those of its marketing, e-commerce, and
information technology functions are important drivers of Internet marketing success. Outside factors such as consumer demographics and technological developments also influence IM.

**Processes:** Activities and initiatives undertaken within the IM function IM formulate its own strategy, structures, and systems which grade a variety of IM activities. Standard IM pursuits include websites, search marketing, ads and public relations, relationship marketing, mobile and ubiquitous marketing (explained below), and marketing research.

**Intermediate Outputs:** Marketing objectives pursued through IM Intermediate outputs include customer impacts, such as awareness and perceptions, along with attitudes and intentions. IM can also be used to provide valuable information and services to stakeholders, contribute to channel optimization, and gather valuable market information.

**Final Outputs:** Financial objectives pursued through IM Final outputs sought by organizations include: 1) Marketing assets that generate organizational value over a long period of time, and 2) financial flows that are realized as these assets contribute to profits in the short run. Marketing assets developed through IM include: a) customer value – the present value of future sales margins without future investments, b) brand equity – future benefits relating to trust in and reputation of corporate brands, and c) the knowledge base – the value of usable information. Financial flows affected by IM include revenues and costs. Revenues flow from products and services, accelerated cash flows and predictable revenue streams. Cost reductions can be achieved through reduced product and selling expenses, lower costs of working and fixed capital, and reduction in corporate risk.

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**Figure 3: IM Payoff Model: Antecedents and Consequences of Investments in Internet Marketing**
6 The impact of Internet Marketing in India

Low levels of online activity (20 to 25 hours per month), including on e-commerce, correlate with India’s low consumer surplus from the Internet. Consumers in most Southeast Asian countries spend far more time online than those in India, with the examples of Vietnam (96 hours per month), Indonesia (88 hours per month), Singapore (81 hours per month), and the Philippines (81 hours per month) suggesting a large potential for growth in India. We estimate that each Internet user in India derives $9 of surplus per month, less than in Malaysia ($16) and Argentina ($13) or Vietnam ($13). In aggregate, India’s consumer surplus from the Internet is estimated to be $9 billion per year, but the ratio of its annual aggregate consumer surplus to GDP is only 0.5 percent, which is lower than in many developed and aspiring countries. This is in line with the low share of private consumption in India’s GDP. India’s consumer surplus is likely to grow more rapidly in the future, given that emerging trends indicate that online commerce, including online research for offline purchases, is a significant source of value for Indian consumers. As India’s younger population of early adopters takes to the Internet, usage is increasing and usage patterns are shifting dramatically, with more time spent online and increasing sophistication in the Internet activity. Our Digital Consumer Research indicates that consumers below the age of 35 represent around 85 percent of the smartphone, VoIP, and social network markets in India, compared with about 60 percent in developed countries and 75 percent in aspiring countries. India’s young Internet users are displaying an increasing appetite for online research, social networking, and entertainment. Time spent on the Internet by users in India rose 24 percent from 2010 to 2012, and more sophisticated categories of Internet use, such as e-mail/chat, social networking, and entertainment, grew more quickly than reading and browsing. Downloads of applications for mobile phones have multiplied eight times in two years, with social networking and music being the major categories. Social networking is the single biggest use for smartphones, after voice, with the number of Facebook users in India jumping from less than 10 million in 2009 to in excess of 50 million in 2012.

Key Findings

- India’s base of about 120 million Internet users is currently the third-largest in the world. Though India’s users spend less time online per capita than users in developed countries, their pattern of online behavior is rapidly converging. The Internet’s role in communication, social networking, and informing and influencing India’s consumers in categories such as apparel, books, financial services, and travel is already comparable with that of developed countries.
- India is likely to have the second-largest user base in the world, and the largest in terms of incremental growth, with 330 million to 370 million Internet users in 2015. Given current downward trends in the costs of Internet access and mobile devices, India is on the verge of an Internet boom. In an evolution pattern unique to India, users who access the Internet only through a mobile or tablet device will constitute around 75 percent of new users and 55 percent of the aggregate user base in 2015, leading to increasing demand for content that is optimized for a small screen.
- India has the potential to double its economic contribution from the Internet in the next three years, from 1.6 percent of GDP at present to 2.8 to 3.3 percent by 2015. Despite the large current base of users, the Internet currently contributes a modest 1.6 percent to India’s GDP, in line with most aspiring countries. This could grow to 2.8 to 3.3 percent by 2015 if India achieves its potential for growth in the number of Internet users and Internet technology-related consumption and investment over this period, increasing the Internet’s contribution to GDP from $30 billion today to nearly $100 billion in 2015. This would make the Internet-
related economy larger than the education sector and as large as the health care sector, in terms of share of GDP at present. Currently, India’s information and communication technology (ICT) exports are the most significant component of the Internet’s impact on GDP. But private consumption, private investment and public investment have greater potential to grow in future.

➢ The impact of the Internet in India is constrained by current gaps and obstacles in the Internet ecosystem. While India scores well on the availability of human and financial capital, it rates poorly on Internet infrastructure, Internet engagement, the e-commerce platform, the ease of Internet entrepreneurship, and the impact of e-governance. On most indicators of the strength of the Internet ecosystem, India ranks in the bottom quartile of our comparison set of 57 countries.

➢ Although the Internet ecosystem is becoming more vibrant, the benefits have been relatively concentrated. India’s Internet start-ups are scaling up through creative adaptations to overcome infrastructural and systemic bottlenecks. Yet, while large enterprises have gained from their early adoption of the Internet, there is scope among individual consumers, SMEs and the government sector to significantly increase engagement. Today, India’s measurable consumer surplus from the Internet is estimated at $9 per user per month, at the low end of the range for aspiring countries ($9 to $26) and well below the range for developed countries ($18 to $28). Even by 2015, with overall Internet penetration likely to reach 28 percent, rural penetration is likely to be just 9 percent.

➢ India can achieve broad-based Internet impact by aiming for the digital inclusion of nearly 40 percent of its population, to reach a user base of 500 million by 2015, rather than the likely target of 330 million to 370 million. Most of the additional 150 million to 160 million users would be individuals and small businesses in semi-urban and rural parts of the country. Extending Internet access to these segments of the population, and promoting the usage of many more online services, would enable India to derive much more of the intended benefits from government programs of inclusive growth in employment, education, health care, nutrition, and financial services.

➢ Concerted actions by policy makers and businesses in five areas can help India achieve an inclusive Internet transformation: reduce the cost of Internet access across devices, content and applications; increase access to low-cost, high-speed connectivity in rural and semi-urban India beyond the top cities; promote widespread digital literacy through the introduction of devices and content tailored to the local context; devise Internet applications in new areas such as agriculture, health care, education, energy, utilities, and public information; and create a more favourable business environment for Internet entrepreneurs to support rapid innovation.

7 Highpoints of influence of e marketing in India -2013

1. **Primary Marketing Goal in 2013:** Keeping in line with the trends from 2011 and 2012, Customer Acquisition remains the primary goal of about 52% of Indian marketers for 2013. Interestingly, Brand Awareness at almost 28% trumps Customer Retention (around 17%) as one of the primary goals. This is in line with the trends from the 2012 report which also indicated that companies are in a high growth phase with large market coverage requirements and with customer acquisition being the driving factor.
2. **Primary online marketing activity in 2012:** For another year running, Email marketing continues to be the leading e-Marketing activity for Indian marketers with 27.35% of them marking it as primary. It is closely followed by Social Media (at 24.66%), search marketing (at 23.77%) and website development (at 21.08%). An interesting aspect that we have noticed here is the edge, however tiny, that Social Media Marketing has gained over Search Engine Marketing. Electively, this gives weight to the ideas about Social Media Marketing (SMM) activities becoming as important as Search Engine Optimization (SEO). Multimedia options like videos and webcasts are yet to become popular with Indian marketers.
3. **Online marketing activities that will see an increase in marketing investments in 2013**

Social media is clearly emerging as an important channel of e-Marketing for 2013. In our 2012 survey, only 36.8% respondents mentioned that they will increase investment in social media marketing. In contrast to that, for 2013, that number has almost doubled to 65% of the respondents indicating more investment in social media. Meanwhile, Email Marketing is still holding well and it continues to be quite popular with marketers coming in at 57%. Search marketing was chosen by close to 51% of Indian marketers with website development (40%), Mobile Marketing (47%), Videos (25%) and Webcasts (12%) forming the tail end of preference choices.

4. **Primary objective of using E-Marketing:** 97.3% of Indian marketers said that Email and SMS marketing is an important part of their marketing strategy. Of this, about 28.03% feel that is the very foundation of what they do in their business and a further 28.70% consider it important and valuable to their function. 33.18% marketers consider it to be important and use it as a part of their overall digital marketing strategy. Some marketers consider it important enough to have Email programs (7.40%) while others (2.69%) felt that it is not important.
5. Online Marketing for Finance, employment related and mobile/IT Sectors.

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6. Online Marketing for driving sales in India

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8. Present condition of online marketing in the Indian context

I. Anticipated growth in internet accessibility backbone for the Indian e-commerce landscape: One of the major catalysts for e-commerce is the breadth of Internet penetration in a country. The current penetration rate in India is at 10.1 per cent penetration rate, India has a huge Internet consumer base of around 125.0 million (as of 2011), the third largest in the world after US and China. By end-2012, the number of Internet users is expected to increase to 150.0 million. A study conducted by IMRB and IAMAI observed that of the total 99.0 million urban Internet users, 80.0 million were active compared to 31.0 million active users out of the total 38.0 million in rural areas as of June 2012. At its current pace, this number
could multiply three-fold to nearly 380.0 million by 2015, surpassing the US and China. Notably, rural India has witnessed a significant increase in penetration of active Internet users – from 2.1 per cent in 2010 to 3.7 percent in June 2012. By end 2012, the number of active rural Internet users would touch 38 million as against 24 million a year ago. However, even with its large consumer base, just 1.0 per cent of the total (less than 10.0 million Internet users) is engaged in e-commerce activities, thus reflecting a huge untapped opportunity. This number is expected to touch 39.0 million users by 2015 as Internet penetration increases and e-commerce becomes more secured.

II. Companies in the sector have been constantly innovating
The e-commerce sector in India is estimated to have hundreds of players. To capture a larger pie of the growing Indian e-commerce market, most of these e-tailers retailers are constantly innovating, increasing their offerings and providing better deals. The trend in the e-commerce segment is that most of the e-tailers start with a single product and later diversify their product portfolio with multiple offerings. Notably, the market leader Flipkart.com broadened its offerings with various products such as mobile phones, computers, movies, music, baby products and stationery from its initial set-up of selling books online. Furthermore, Snapdeal.com, the second largest e-commerce company that began operations as an online group discounting site in 2010, got converted into a marketplace with thousands of products. In order to survive, e-commerce players need to make a quick turnaround and minimise fixed costs as much as possible. Accordingly, different companies are resorting to different business models. Nevertheless, operating in a highly competitive environment with very low margins is not an easy job.

III. Rural region offers equal opportunities to the e-commerce Landscape
Companies from rural India have started understanding the growth potential from this sector, and are accordingly incorporating e-commerce activities in their business models. The unavailability of attractive offline channels in underdeveloped cities has encouraged the brand-aware population to shop online. According to the, around 3,311 Indian cities were engaged in online shopping between July 2010 and June 2011, of which over 1,267 were non-metro cities. This reflects how e-commerce has helped in overcoming the discrimination factor across cities, facilitating access for consumers from smaller towns to the same branded and quality products which earlier were a distant dream. Companies are working towards providing more online content in regional languages to tap the niche consumer base. While majority of the Internet population use the English language-based platform while surfing, offering content in local languages such Hindi, Marathi, Telugu and Tamil might widen the target audience. Going forward, the rural population is well positioned to reap the benefits from the available low-cost technology platforms, efficient logistics management, increasing vernacular content and secured payment modes.

9 Conclusion
Internet Marketing is fast getting adopted by diverse companies who have realized that they need to go beyond their traditional forms of marketing and opt for something that has wider reach and also reduces costs marginally. Factors such as the presence of a large domestic internet base have brought about a positive change that supports proliferation of this form of marketing. Online presence is a must for companies in the present-day context. Additionally, staying in a particular place and yet dealing with clients from across boundaries are possible only through online marketing at a reduced
cost. Search engine optimization and social media are two popular concepts in the Indian context for branding and promotion. Companies offering such services are finding more takers which is reflected at the springing of a considerable number of players in this sector. There are varied tools available to facilitate this process of online marketing for businesses. Social media marketing has surfaced to be a component playing an active role in online marketing campaigns in India. Online PRs and emails have evolved as additional tools that are sent to prospects to convert them into potential leads. Online directories and listings help in registering business information and key people who can again be targeted as potential prospects.

Another chief trend that has surfaced in this sector is the advent of mobile marketing. As India continues to witness a spurt in the usage of mobile phones, predominantly smartphones, companies are now looking at targeting mobile marketing as well. Related apps and social media interactions are processed through mobile phones which are expected to be major game-changers in years to come. Content marketing with visuals is slated to achieve new heights as is evident in Pinterest which has stood as one of the top social networking channels. The absence of Government regulation aided with considerably lower initial costs required in setting up business in India makes this sector quite easy to enter. The presence of multifarious players in this sector is proven by the above said fact. Since this concept is still relatively new in India, there are ample opportunities and untapped potential which can be capitalized on. Though impediments such as general lack of confidence in online marketing and literacy and language barriers exist, yet the sector is slated to witness significant growth in the succeeding years.

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