INTERNET ADVERTISING AND SELLING STRATEGIES

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Abstract. The Internet is transforming the way in which advertising and selling (A&S) are conducted in the business world. Indeed, it is proving to be the most effective and influential promotional tool of the century by reaching millions of people every minute. This paper highlights the strategies of Internet advertising in attracting more visitors to the company’s Web site, either to seek for information about the company or/and its products, or to conduct electronic commerce (e-commerce) via Internet. Hence, knowing the organisation A&S objective(s) and implementing the most appropriate strategies are essential to gaining success in the business world today, and probably more in the new millennium.

Keywords: Internet technology; World Wide Web; Electronic commerce

1.0 INTRODUCTION

These days, company’s intention to implement Internet technology to market and promote their products and services on the World Wide Web is widely accepted by their trading partners as it allows them to make purchases online. However, not every company can be successful by advertising on the Internet; the key is to adopt the right strategy.

Marlow states that, “the Internet is in the process of becoming a ubiquitous strategic and tactical communications medium for marketing, advertising, public relation and internal organisational communication on a global scale” [1]. In short, the Internet is an excellent mass communication medium, which is fast becoming a viable and primary strategic advertising tool for e-commerce; but it is not a magic wand that can turn lead to gold. It is a tool. One has to know how to use and exploit it for one’s own benefits [2].

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During the last few years, the scene of businesses hopping onto the Net bandwagon has been quite similar to the gold rush of Wild Wild West (ironically it is also a WWW phenomenon). A few did strike gold but many returned empty handed [2]. This paper had identifies a number of strategies, which were devised for Internet A&S. The scope of Internet strategies includes the techniques of Web site design as well as the tactics of running A&S campaigns on the Internet.

2.0 ADVERTISING AND SELLING OBJECTIVES

Today, every company wants to have a Web site but do not really know why, except that their competitors have one. Thus, before adopting the Internet as an A&S tool, firms should be aware of their advertising and selling (A&S) objectives.

An article entitled “Creative Strategies”, by Advertising Age says that “the key to utilising the Internet’s full potential is being aware of the many opportunities currently available to Web marketers, and then determining the best way to use these methods to reach your companies goals” [3]. In other words companies should examine various strategies so as to fit their particular set of needs and goals. Selection of the suitable strategies not only depends on the Internet A&S objectives, but also on the business nature, company’s products and service [3]. For instance, if the company’s A&S objective were to increase brand awareness, the strategy would be to promote and attract more visitors to its site (i.e. TV, radio, billboard, etc.). If the A&S objective is to increase product awareness, it should pay more attention to Web site design elements, such as visual appeal and Web site’s organisation. And if the business nature is to increase sales online then it should consider market targeting, interacting with customers and generating repeat visits.

Furthermore, most Web site only accomplish in telling people about the company’s business and ignore other important A&S objectives like attracting visitors to the Web site, convincing them that your company is knowledgeable and competent, develop a congregation place for customers to interact with the company, and ensuring that they keep coming back to the Web site.

According to Global Advantage on the Internet by Mary J. Cronin, “since each Internet A&S strategy is tailored to fit a special set of objectives and opportunities, there is no universal blue print for implementation” [4]. The following sections discusses the different strategies that have been devised for Internet A&S. Organisation can make them as references to consider which are the most appropriate techniques to fit their particular set of requirements and objectives.

3.0 ADVERTISING AND SELLING STRATEGIES

This section highlights several A&S strategies that may help organisation to accomplish its objectives faster. These strategies include designing a well-organised site, a visually appealing site, capturing visitors to the site, using traditional media, targeting,
interacting with customers, giving something for free, generating repeat visits and multi-language sites.

3.1 A Well-Organised Site

The design of a corporate Web site is fundamental to Internet advertising because the Web is the main part of the Internet, which is also used frequently by companies to advertise their electronic business [5].

In the book, *Creating the Virtual Store: Taking Your Web Site from Browsing to Buying*, Magdalena Yesli advises companies to think of the homepage as a directory, telling customers what they will find from the site [6]. A Web site should be systematically designed. Contact information like phone number, fax number, postal address, e-mail address, technical support phone number and contact information for sales representatives should appear on the homepage [6]. By doing so, companies can appeal to as many types of customers as possible. Also, it is one way to provide as many opportunities as possible to customers’ feedback.

One of the features that make up a well-organised site is linked from a table of content. Directories and “table of contents” both have intuitive and user-centred ways of classifying and organising information [7]. In short, providing table of contents links makes a Web site much easier to surf. It is also a time saving tool for any Web user.

In order to make Web site further organised, Daniel Minoli and Emma Minoli point out that using clear navigational aids such as putting arrows or buttons on ad, or literally stating the words “click here”, “previous” or “next” are helping tools [8]. Other cues and structural elements like labels, buttons, headings, and icons that serve as landmarks can be used as guide. These navigational tools make Web site easily accessible and navigable. Besides that, the Web site can also provide users with an indication of the time required to complete a download task, as well as an option to cancel the task to prevent users from getting frustrated with slow downloads [7].

Other strategies that make up a well-organised site include creating help bulletins and frequently asked question (FAQ) lists. Providing help bulletins can educate customers how to use the Web site appropriately, whereas creating FAQ lists enables customers to find additional information by themselves [6]. These can help provide thorough information to surfers and make the Web site more organised. To sum up, the more organised a Web site is the more appealing and successful it will be, as it is the point of customer contact and key to acceptance by target audience.

3.2 Visual Appeal

Since the introduction of graphical user interface (GUI) Web browsers like Nescape Navigator and Microsoft Internet Explorer, the Web has emerged as the most popular Internet service. The Web of today has grown and evolved from the simple hypertext
and static graphic form of the past to the recent multimedia form [9]. Although animation, sounds, movies, and virtual reality modelling language (VRML) help a Web page look more interesting, but the graphics or images are still the most important element that will determine whether a Web page should be visually appealing or not, in order to draw a viewer’s attention [9]. The strategies of designing a visually appealing Web site involve the use of colour, graphics and animation.

Careful choice of colour makes advertisements on the Web site more attractive and exciting. However, “the Web page must maintain consistency and distinct identity (limit the number of different heading and font sizes and colours) as well as ensuring the background colour and graphics do not make text difficult to read”, said Butt Wai Choon of Microsoft (Malaysia) Sdn. Bhd. [7]. Designers should avoid using white text on dark colour background. Thus this will cause the visitors difficulty to read large quantities [9]. When companies want to alert surfers to new information, their choice is usually red and yellow [1]. Marlow adds that putting a word “new” in red colour against a yellow background in the shape of sunburst or a rectangle will attract visitors to click on and search for new information [1]. Marlow also emphasises that using two or three different colours are enough since too many colours only slow down the download process [1]. Designers should use indexed colour instead of true colour for images because a lot of visitors may still be running at 640 by 480 standard resolution in 256-colour display mode. This will ensure every visitor can view the Web pages properly [9].

Another feature that make a site more dynamic and eye catching is the use of meaningful images such as graphics, logo and mapped images. Designer can use graphics to make the Web pages look cool and enhance the visitors understanding at the same time or use a nice logo to give the pages visual identity, for example, embedding a watermark logo on the Web pages or use a mapped image to centralise the navigation in the Web pages as well as give visitors a preview of things or ideas to come [9]. Nevertheless, there is a basis dilemma: graphics visually have an attractive appearance, usually personalise the text and contributes to giving the Web site a distinct flavour; however, large graphics will take a long timer to download which will annoy some users with slower modems [8]. In Web Commerce Technology Handbook, Daniel Minoli and Emma Minoli quote the example of Silicon Graphics Corporation, which intentionally design two versions of the Web site and let the user choose which one to download: one is a graphic intensive version; another one is a text only version or text based version with very light graphic [8]. However, with the advancement in Web browser technology, visitors have the option to turn off all graphics to display all Web pages faster.

Using animation is another way to make the Web site more appealing and outstanding. At the Web Advertising Conference’ 97, Peter Rip of Infoseek presented information that banner advertisements with animation generate more “clicks” than
static banner [10]. Rip also notes that adding 3D effects has proved both to catch attention and motivate viewers to act [10].

Other strategies, which can make a Web site more visually attractive, include careful choice of fonts and use of text effects, such as bold, italics, and underline [1,8]. All of these can sparingly increase the Web sites visual effect and overall readability.

3.3 Capturing Visitors to Web Site

Besides creating a well-organised and visually appealing advertising site, companies must also make some efforts to capture more Internet surfers to their Web sites. As John Wiley says, “Your Web site can be the greatest site on the planet but if people do not know it exists, all is lost” [11].

With the electronic words-of-mouth effect, joining Internet newsgroup can be a good starting point for companies to announce the existence of their Web sites and increase brand awareness. Yesli states that some Internet newsgroups are structured to accept advertising, and they are free-of-charges [6].

In addition, getting listed on search engines can make companies’ sites more visible for Web users, because when users search for companies, products or services, they will usually use search engines such as Cari, Catcha, Yahoo or AOL and etc. Thus, companies should register their advertising Web sites with these search engines in order to recapture more attention from visitors. Ubois reminds companies that when they register their Uniform Resource Locator (URL) addresses, they should choose a short name, which is easy to remember, for example, CNN <www.cnn.com> [12]. Ubois also emphasises, URL addresses must not exceed 27 characters, since the longer the URL address, the greater the chance will be for typing error [12].

In order to make more people aware of the Web site, banner ads should be used. According to Reid, banner ads are smaller rectangular advertising pictures, which are placed in popular sites for a fee and contain a hyperlink to the advertiser’s Web page [13]. Several studies showed that banner advertising is effective in raising brand awareness and the likelihood of consumer purchase. A survey conducted by the Internet Advertising Bureau, found that “the ad banner was discovered to be responsible for 96 percent of ad awareness, compared to the click through which contributed only four percent” [14]. Another study, conducted by Hotwired, reported, “30 percent of respondents recalled seeing specific online banners with 12 to 200 percent increase in brand awareness, and the purchase intent for respondents rose 5 to 50 percent for the brands that were traced” [13]. On the whole, these important findings indicate that banner ads are not only the tools to create traffic to Web sites, but also are powerful advertising tool to increase brand awareness. In short, the more paths a company establishes, the less effort it takes for visitors to reach its site. The end result is that the company’s Web site will attract more visitors, because it is more easily found.
3.4 Using Traditional Media

Since customers spend most of their time offline, boosting visibility for a company’s online presence in the offline world is crucial to success on the electronic superhighway [15]. In order to advertise its electronic businesses and capture more prospects who are not yet online, organisations should supplement their online advertising efforts with other traditional mediums.

Jay Conrad Levinson and Charles Rubin recommend companies place their e-mail and URL addresses onto business cards, brochures, or stationery such as letterheads, invoices and purchase order forms [15]. It is very important because every stationery that a company sends to customers or suppliers is a chance to make sure that prospects are aware of the company’s Web site address [15].

An article by Webmarketers Organisation also suggests that companies should add their URL addresses on print ads, radio ads, TV ads, and direct mailing [16]. The purpose is to reinforce the companies’ appearance and make it easier for people to recall their Web site addresses. As the article “Basic Internet 101” says, if visitors do not know the existence of the Web site, they cannot visit. Thus, putting URL addresses on employee’s uniform or motor vehicles is another method to announce the company’s Web presence. To sum up, in order to make people aware of the company’s Web site and develop its electronic business, different forms of traditional media promotion should be considered. Also, a combination of traditional and new advertising media can give a better coverage and enhance the company’s overall image.

3.5 Targeting

Targeting the right customer is essential for Internet advertising to be successful. Companies need to figure out the characteristics of prospects that would be most able, willing, and ready to buy. In some industries, the best client targets are those who bought most recently, who buy frequently, and who spend the most. Good prospect can also be targeted on the basis of such variables as age group, gender, income brackets, education, geographic location, and etc [17]. Occasions can also provide a good segmentation departure point. For example, new mother will be in the market for baby clothes and toys; college freshmen will buy computers and linens; and newly married couples will be looking for housing, furniture, appliances, bank loans, etc [17]. Another segmentation departure point on the Web is consumer lifestyles. There are consumers who are computer buffs, gourmet cooks, outdoor enthusiasts and so forth. Once the target market is defined, the company needs to obtain prospects e-mail address to send information or incentives to them [17]. Individual message management or one-to-one selling, with ad placement in the context of relevant, sought-after content, is the new trend nowadays. Internet advertising is more like a personal selling than anything else”, says Leslie Laredo, director of Advertising Development for AT&T [18]. By taking into consideration the variables above, firms can easily
customise their advertising messages to the right prospects. Indeed, matching targeted messages to their potential clients enhances efficiencies.

The interactive nature of the Internet enables advertisers to identify their customers and analyse the needs and wants of every individual. The innovation of computer software also helps companies to target individual customers by Internet advertising [19]. For instance SelectCast, a neutral network software by Aptex Software, can make ad profiles that show what type of users tend to click on particular ads [19]. Another software product, Firefly ver. 2.0, allows advertisers to target the customers based not only on age, gender, and domain, but also their taste and needs [19]. Both of these softwares may help companies to extract the most detailed and usable information from the habitual patterns of visitors. Based on the software analysis, companies can now present the most appropriate and potentially interesting Web advertisement and thereby, making the ad more acceptable [5]. In short, the above examples indicate that targeted ad will be more successful in providing specific information or incentive if delivered to the right audiences.

3.6 Interacting with Customers

The interactive nature of the Internet enables companies to develop an intimate relationship with customers and heighten corporate images. As Carol Wallace, program manager of communication for Prodigy, says, “you are never going to get more attention from any customer than when they are online. You are interacting with them, they have pre-selected you. This is a very intimate selling situation” [18].

The interactive nature of the Internet allows companies to easily receive and handle customer’s inquiries and suggestions, mostly through e-mail [20]. However, companies have to bear in mind that the response and reply from customer service departments must be prompt and accurate because it will affect customer loyalty to that particular company [20]. According to Cassell, companies should setup a user forum, where customers can describe their experience about the products or complaint about the service with which they are dissatisfied [21]. Such user forums are helpful to companies because they can collect opinions of their customer on their own and even build up a database about them. Thus, by interacting with customers, companies not only can respond their customers’ inquiries and complaints, but also provide tailored services to foster better relationship and gain success in their electronic businesses.

3.7 Give Something for Free

Previously, companies are spending millions to attract customers in hopes that they can keep them coming back with good services, low prices and cutting edge technology but it is not enough. With new sites cropping up daily in every category – along with faster Internet connections and technologies that enable price comparisons – e-commerce companies realising it could take more to keep customers from straying to
the competition. It could take bribery such as free gift or incentives. This is good news for both buyers and sellers as the practice of rewarding customers could represent the key to customer retention. “Although such programmes further dilute profits, the alternative is worse”, said James McQuivey, an e-commerce analyst with Forrester Research, an Internet consulting firm [22].

In a recent study of 1,905 Internet shoppers by NFO Interactive research firm, nearly 53 percent said they would buy more online if incentives were offered, while 47 percent said they would be more loyal to sites that offered rewards. In general, the incentive programmes are geared more toward customer acquisition than customer retention [22].

“If your online presence is fairly new and you are trying to boost awareness and build traffic quickly, offer a discount to online shoppers or give way a free item to the first ten, fifty or five hundred visitors to your site”, says Levinson and Rubin [15]. In fact, “gift giving” is bait in attracting people to a Web site. It is as also a key to retaining customer loyalty and interest in returning repeatedly to that site. Such “gift” includes free e-mail services, free software downloads, free giveaways, online sweepstakes, and electronic coupons, and etc [23]. Collectively, it is worth for companies to give something for free to visitors, in exchange for information on customers’ profile that could not be accessible before.

3.8 Generating Repeat Visits

The Internet is characterised by an “information pull”, where users can choose to extract the information or visit a Web site in which they are interested [24]. Therefore, to briefly capture the attention of users is not enough. It is significant for organisation to retain and reward user attention in order to attract them to revisit their site. A research done worldwide by International Data Corporation (IDC) found that customisation or personalisation tops the list of initiatives that Web sellers take to increase customer satisfaction with their e-commerce experience and retaining their loyalty to the Web site [25]. According to IDC Asia Pacific Internet research manager, Pete Hitchen, “companies believe that a more personalised experience for visitors, especially one that caters to their preferences will increase the likelihood of repeated purchase. The other strategies for retaining customers attention and generating repeat visits to the Web site are: regular update of the Web page and ad, sent e-mail incentive programme or newsletter notification, use pop-up ads, promotional banners and price incentives, provide Web page with relevant content and community building, reduce lengthy and time consuming forms, absorbing shipping costs, and offer price comparison with competitors products.

As Marlow says, “people want new information, not yesterday’s news” [1]. Frequent updating of the site is the most effective way for companies to generate repeat visits of users. For instance, CNN updates its Web site every 10 minutes, providing a
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good reason for visitors to come back [26]. Besides updating their site frequently, another way for companies to generate repeat visits of users is always keeping the ad fresh. According to Wiley, “all materials have life spans, so keeping your site fresh is a demanding task” [27]. As Infoseek study showed that banners lose effectiveness after 200,000 to 400,000 impressions, this means the creativity of ads wears out quickly on the Web “Tips to Make”. The methods for companies to keep their ads fresh include regular changes of colours, graphics, and animation as well as the Web content [27].

On the other hand, companies need to be cautioned that forgetting to update their Web site and checking the information integrity may cause problems. Wiley suggests that, in order to solve this problem, companies may create a “What’s New” Web page to differentiate it from existing pages or encourage users to subscribe to an electronic mailing list so as to frequently announce their new products, price discounts or the latest promotions [27]. The IDC research found that customers would normally follow up on a site visit or even make a purchase when an e-mail incentive programme or a newsletter notification is sent.

Companies are also doing a lot of advertising for their products on their own to entice customers to revisit the Web site such as pop-up ads, promotional banners and price incentives. However, Hitchen points out that pop-up advertisements are more popular in the US, while the popularity of this method in the Asia Pacific region is still uncertain [25].

Besides that, relevant contents and community building are also important to ensure customer come back to the Web site. “A sense of community creates an experience for users. They become active instead of just being passive viewers of the information and products”, comments Hitchen [25].

Some companies are also absorbing shipping costs to entice customers to try their online commerce. Although this can be an expensive exercise, companies might consider it as a viable initial option to attract customers [25]. Hitchen also adds that customers are also more likely to return if they are not subjected to lengthy and time-consuming forms. Therefore many companies are shortening the purchase process by moving to one-click ordering, where the stored user profile data includes credit card numbers, billing information and addresses [25]. A firm can display the credit card logos on the Web site to let everyone knows that the company accepts Visa, MasterCard, and major credit cards and cheques for all Internet purchase. In short, the company that provides the most conveniences to customers will benefit with sales increase and revisit frequency [28].

Many Web sites have also begun to offer price comparison with their competitor’s products. “By offering price comparisons, a company ensures that customers never have to leave their site to check price elsewhere”, says Hitchen. He adds that this also makes the Web site look more ‘honest’ and thus, increase the percentage of repeated purchase from the site [25]. In short, when designing an advertising Web site,
organisation should consider how they could provide the latest information and incentives for users to visit, stay, and revisit their sites. Hence, the strategies above should be taken into consideration to increase customer satisfaction whenever they go shopping on the World Wide Web.

3.9 Multi-Language Site

Providing more language versions of the Web site is another type of strategy adjustment for A&S on the Internet. A study by IDC, entitled “Project Atlas” revealed that Asian Internet users preferred viewing the Web in their native languages rather than English. It also indicated that Western companies selling on the Web were offering local languages to take advantage of this. For instance, many of the Web sellers from the United States and Europe had been promoting multilingual content; primarily targeting the non-US market very aggressively [29]. In fact, since there is no barrier such as geographical distances involved, the Internet can be used as an effective tool to communicate with global audiences [1].

“The bottom line is that Internet buyers in Asia are getting better online shopping experience from foreign Web sellers and the local companies are not giving significant competition”, Hitchen said. Citing results of the survey, he said most of those surveyed preferred to visit Web sites in their local languages, 80 percent of native Chinese and South Korean Internet users had a preference for local language content [29]. However, in two former British colonies in Asia namely, India and Hong Kong, 80 percent of the respondents preferred English languages sites [30]. Hence, multinational and local companies that operate their businesses on a global scale should take advantage of this new opportunity. To sum up, if the firm’s advertising objective is to enlarge the customer base and include more international prospects, the strategy of offering more language versions on the Web site must be considered.

4.0 CONCLUSION

In overall, this paper identifies a number of strategies, which have been devices for A&S on the Internet. Therefore, organisation should recognise that there is no single and foolproof strategy to succeed in e-business, since each strategy has its own characteristics. Thus, the task for organisation is to work through a process of accessing particular advertising objectives, identifying opportunities, overcoming barriers in e-commerce, and implementing the most appropriate strategies that will add value to both the organisation and the customer. Indeed, establishing a strategy-building process and adjusting it frequently to suit the new environment is essential for continuous success!
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