

Internet advertising – current situation and long-term perspective

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Abstract:

Promotion, considered to be the most spectacular policy of marketing, has proved its efficiency and efficacy throughout time. The new realities of the economic and social life raise the issue of adapting the conventional promotion practices.

Advertising is viewed by specialists as an efficient method of promotion because what is transmitted can reach a large audience, in short time, but with a certain financial effort. The internet becomes more and more interesting for producers and traders, especially due to its reduced costs. The increased attention given lately to this advertising medium is determined by a series of factors. The most relevant are the following: the global economic crisis; the more and more harsh competition among the offerers; the consumers' increased power; etc.

Key words: promotion, advertising, e-mail advertising

Jel Classification: M31, M37

1. General aspects regarding promotion and advertising as a main component of promotion

Promotion, considered to be the most spectacular policy of marketing, has proved its efficiency and efficacy throughout time. The new realities of the economic and social life raise the issue of adapting the conventional promotion practices.

The majority of specialists agree that a product can be of high quality, have a competitive price and a well-chosen distribution network, but despite all this another force is necessary and has to intervene in order for the product or its image to reach the hand or the mind of the final consumer. The respective force is called promotion.

Enterprises promote their products and services on the market in order to be recognized and appreciated by consumers. They use a variety of methods, among which the most important are: advertising, public relations, sales, the use of brands, selling forces, selling promotion, sponsorship and patronage. These promotion methods can be used by any organization, no matter the field of activity or if they are commercial or non-profit, with a view to communicating and persuading the potential clients to use their products or services.

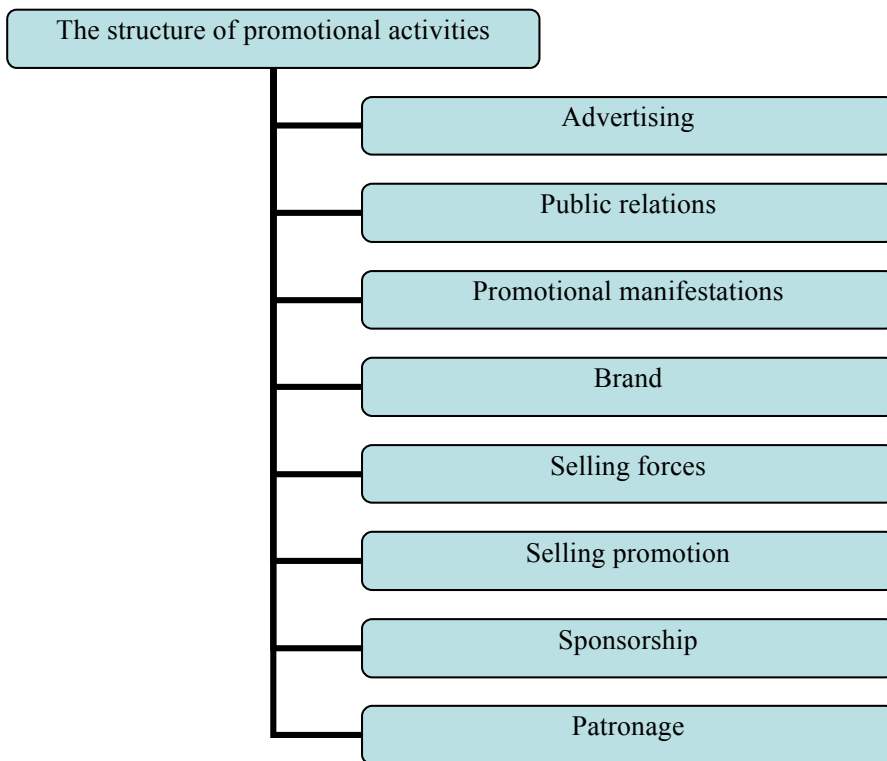


Fig. no. 1 Promotion components

Advertising is viewed by specialists as an efficient method of promotion because what is transmitted can reach a large audience, in short time, but with a certain financial effort. Advertising has a series of characteristics which led, throughout time, to the communicators' preference to use it:

- ✓ it is directly linked to the product/service;
- ✓ it directly sustains sales;
- ✓ it has an informational and coordination role regarding the activity on the market;
- ✓ it strengthens the position on the market;
- ✓ it uses specific commercial means.

Taking into account the broadcast message, the goal and the nature of the product or service for which the enterprise decides to advertise, there are many advertising media that an enterprise can use. The main media through which advertising messages can be transmitted include television, radio, the cinema, publishing houses, the internet, out-door and direct publicity.

2. The Internet – an appealing medium of advertising

Among the previously mentioned media, the internet becomes more and more interesting for producers and traders, especially due to its reduced costs. The increased attention given lately to this advertising medium is determined by a series of factors. The most relevant are the following:

- the global economic crisis;
- the more and more harsh competition among the offerers;
- the consumers' increased power;

- the consumers' exigencies;
- the sophisticated tastes;
- the fact that the consumers take into account the price and the quality/price relation;
- the similarity among products and brands;
- the reduced loyalty towards a certain brand;
- the low efficacy of mass publicity, especially made through television, radio and written media.

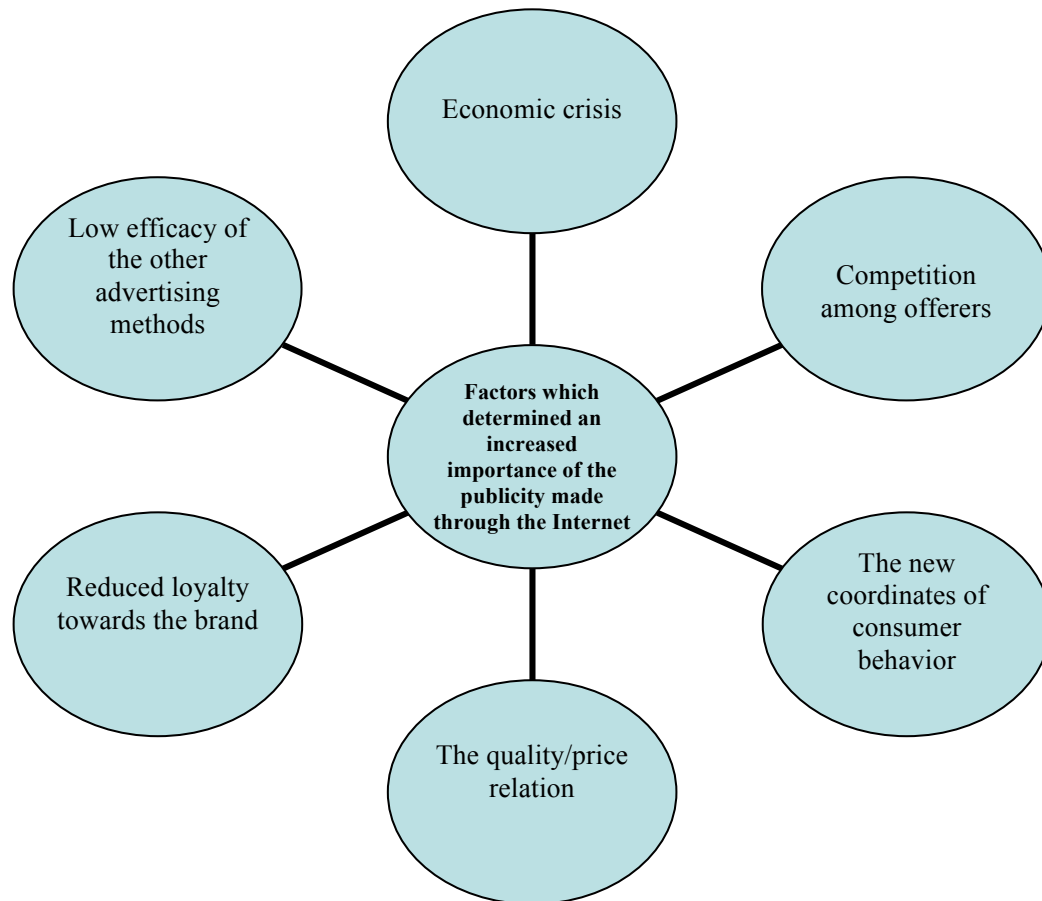


Fig. no. 2 The typology of the factors which increased the importance of Internet advertising

In this context, the Internet plays a highly important role as it has the major advantage of real time communication. The impact of the Internet on marketing is a radical phenomenon and its influence is hard to measure.

Internet advertising consists of creating static or dynamic messages which appear on the user's screen. Practically, this type of publicity has many forms:

- banner,
- pop – up (a window with a message which appears above the visited site),
- pop – under (a window which appears after the visitor closed the web page),
- e-mail.

■ Banner advertising

Banners are present in the majority of sites and they invite those who are interested to access them in order to be directed towards a certain page on the web. For an increased efficiency, the advertising banner should have an attractive design, a clear message and should not contain a lot of information. In the selection process of the site on which someone buys a banner, the respective person should take into account its specificity. In general, the costs for a banner are directly linked to the average number of visitors during a certain period of time.

■ E- mail advertising

One of the most efficient forms of publicity practiced on the Internet is e-mail marketing. A component of direct marketing, “e-mail marketing” is in fact the electronic variant of the “direct mail”.

Technically, the persons or the enterprises that are in possession of certain e-mail addresses of other individuals or firms can send a simple text or a more sophisticated informational folder which contains, besides a text and sounds, images or even video sequences. The main advantage is that sending the message practically costs nothing (the price of a phone conversation) and it can be done at the speed of light. However, there is the disadvantage of the inexistence of folders with electronic addresses and the deontology of the internet network which forbids sending a message to a person who did not ask for the respective message.

E-mail advertising implies going through certain stages, as it follows:

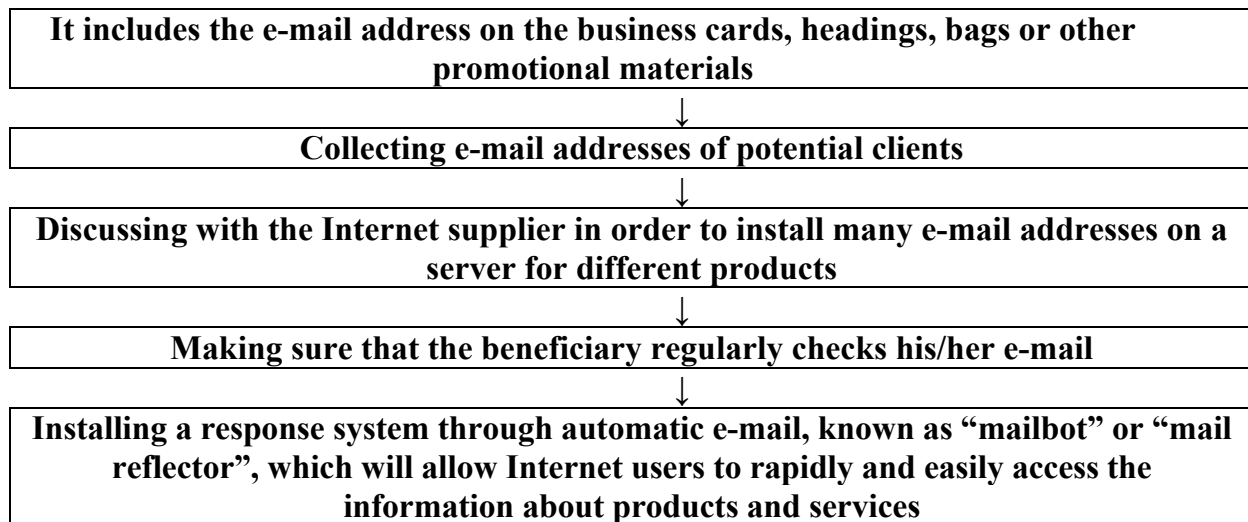


Fig. no. 3 Steps in order to make e-mail advertising

3. Conclusions

The advantage of instantaneous communication, from any distance, of the detailed offer and receiving an immediate answer makes Internet advertising one of the most modern and efficient tools of direct marketing.

In Romania, we still do not have a real market of electronic sales because of the relatively reduced number of computer possessors and, especially, of Internet users. The costs of a publicity campaign in the Romanian virtual space varies between 1500 and 5000 \$, which is much cheaper than classic advertising made through television and other media tools.

In comparison with other communication media previously mentioned, Internet advertising has a series of advantages and disadvantages:

The advantages of Internet advertising	The disadvantages of Internet advertising
× it can be widely spread, × it can be accessed when solicited by the interested person, × it has a dynamic character, × it is less restrictive in comparison with television advertising	× it can become annoying if the persons who receive the message are not interested, × it cannot be applied on an older or rural audience, who, in certain areas, do not have access to Internet

The role and importance of Internet advertising are also sustained by its characteristics, among which the most obvious are:

- ✓ public presentation – it is a medium of communication which addresses to the general public;
- ✓ persuasive force – it is a medium of communication which has a lot of influence and which allows the seller to repeat a message several times;
- ✓ increased expressivity – it allows a presentation of the enterprise made through a combination of sounds and images;
- ✓ real time comparison – it allows the buyer/consumer to receive and compare messages from different competitors, almost instantaneously;
- ✓ well targeted – because a certain site is visited by people with a determined profile, who have common traits;
- ✓ repeating the message – this can be done any time the solicitor wishes, with no additional costs;
- ✓ personalized character – in time, messages can match certain audience categories;
- ✓ it has no time and space limits.

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