Internet marketing and e-commerce – interaction

Zvezdelina Bilnikova

Faculty of Economics, Trakia University, 6000, Stara Zagora, Bulgaria

Abstract. E-commerce has taken up an increasing share of market relations in recent years. The use of online marketing tools allows us to reach the right end consumer. In the present report we shall study part of them and more specifically those used in communication policy. The main aim of this work is to analyze the interaction between internet marketing and e-commerce on the end consumer of goods and services. The research methods used are: theoretical and empirical methods, such as analysis, synthesis, comparison, etc. The results achieved are related to the analysis of establishing an internet shop or a website where the producer and the consumer of the good or the service meet. The conclusion generalizes on the use of social media, e-mail marketing, VibeMarket, online display ads as the main channels for internet advertising - a means through which the consumer may widen their selection options and receive detailed information about the sought product or service. Internet advertising brings benefits for advertisers because it needs a lower budget and is flexible when directed to a specific target group.

1 Introduction

In the current dynamic technological changes marketing has become an inseparable part of everyone’s life. It is found in many forms: internet and online marketing, digital marketing, social media marketing, optimization of websites for search engines, email marketing, content marketing, etc. Reaching consumers and creating recognizable brand is an important part of achieving success in business. Without marketing solutions, there is a high risk of failure. Online marketing is a strategy which facilitates image making and the online presence of a company with the help of diversification of internet tools and solutions.

Let’s start by defining the term "e-commerce". From the point of view of the market participants, “e-commerce is frequently referred to in terms of business-to-business ecommerce between organizations (B2B), and when conducted between organizations and consumers as business-to-consumer e-commerce (B2C)” [1]. The other variants of e-commerce are business-to-administration (B2A) – covers the interactions and business relations between trade structures and governmental organizations at different levels realized through the internet. It is expressed in purchasing various goods on the part of local, governmental or international organizations through publishing announcements on

* Corresponding author: zvezdi.bilnikova@gmail.com

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the internet and discussions of quotations in electronic form. The consumer-to-administration (C2A) – interactions between the state and the citizens on various cases – social problems, tax payment, etc.

Part of the correct strategy is achieving results by well-performed SEO optimization of the site as part of the whole process for increasing sales. As in classical marketing, every online marketing must build a brand to stimulate visitors and win them as clients. Prior to that, it is necessary to understand the different strategies and available marketing tools and to determine as important the definition of marketing and how it stimulates business. Online marketing, also called internet marketing, is each tool, strategy or method for popularization of the company name. Advertisements may take various forms and some strategies focus on subtle messages, rather than apparent ads. However, the way through which advertising encourages business is simple: the reputation of the company is built through increasing the possibility to find it online. A large number of potential clients surf the internet, look for information or just enjoy their favorite entertainment on the internet. By taking advantage of the online tools and resources, one can help the company name to reach internet users and encourage potential clients to search additional information about the company.

2 Some observations for e-commerce and consumer's behavior in Bulgaria

Some of the specifics of e-commerce have been studied by Genchev [2]. He states that “E-commerce is a function and reflection of the use of the Internet by consumers. In fact, the share of e-commerce users in the European Union and Bulgaria is constantly growing and in 2019 it reached 53% and 14% respectively. In the last two years (2018 – 2019), on average, over 50% of European Union consumers have made an online purchase”.

![Fig. 1. E-commerce Sales in the EU in 2010-2020](https://example.com/fig1.png)

Source: Internet consumers who have purchased or ordered goods or services for personal use during the last 12 months by age group, EC, 2010-2020

The above figure takes a closer look on e-commerce for individuals in the EU. It is based on the results of the study of using information communication technologies in 2020 by households and individuals. It is seen that the share of the youngest users in the age group 16-24 grows fastest and from below 50% has risen to almost 80%.
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Below are several statistic calculations related entirely to online commerce and consumer behavior. They are provided by the Bulgarian E-commerce Association and the National Statistical Institute.
- 11% of merchants in Bulgaria sell online [3].
- The growth of e-commerce in the last 5 years is between 21% and 35% [4].
- The increase in B2C online sales is 8.8% against 2019 [4].

![Fig. 2. Growth of B2C e-commerce](image)
Source: data by blog for superhosting [5]

Over 1.6 million Bulgarian consumers shopped online in 2020 [4].
- For the last trimester of 2020 online users have spent on average the following sums on orders [4] (see figure 3).

![Fig. 3. Expenditures of online consumers](image)
Source: data by blog for superhosting [5]

- Ratio of payment methods [4] (see figure 4):
  - Cash on delivery – 60%
  - Payment by card – 32%
In 2020 31% of online consumers (almost 24% of the entire population in Bulgaria) have turned online shopping into a habit and trust the process [4].

The three types of most ordered goods in Bulgaria [3]:
- Clothes, shoes, sports goods, and accessories – 75%
- Furniture and household goods – 31%
- Cosmetics and beauty products - 20.8%

The location of merchants who get most orders by Bulgarians [3]:
- Bulgarian – 90%
- European (EU) – 34.6%
- Countries outside the EU – 20.6%

The three most common reasons for refusing an online purchase [3]:
- Consumers prefer to shop in person, to see, touch and try the item – 31%
- Lack of knowledge and skills for ordering online – 5.4%
- Being afraid whether the item will arrive, or whether they may return it easily – 4.3%

When online marketing strategies are at stake, the design of a website or the development of an online shop play a key role in their capacity to reach the target public. The reason is simple: potential clients are searching for information, products or services which are offered on a website. This website is synonymous with online presence which allows clients to understand more about the company, its services and the type of goods sold. The design of a website is at a low price, it is cost-effective and a must for the business nowadays. There are free website services, which come with certain restrictions. Websites with templates offer the luxury of receiving a professional website and are performed at a lower cost and term of completion. For businesses with sufficient budget personalized web sites are a perfect option. The website can be designed and developed according to the needs of the company. This process requires more time, however, there are very few limitations to what can be produced.

3 Online marketing and its tools for influencing consumers

Online marketing is an essential part of managing a successful business in today’s digital world. It uses various tools for influencing consumers as follow:
1) Social media (Google+, Facebook, etc.) are a powerful marketing tool. They allow the building of a solid and professional reputation. The firm, site or services may be advertised through social media websites. One of the main reasons for facilitating the growth of a certain company through ads and social contact site content is the spread of information in a word-to-mouth mode. This employs strategies for managing reputation, that engage clients to answer questions. Engaging clients may lead to encouraging them to share their experience with contacts from their network.

2) VibeMarket is a service that allows small merchants of food and household goods, restaurants, shops, fitness and yoga studios, cosmetic services, and many others to manage orders entirely in Viber communities and to receive payments by card, without the need to build an online shop or even to install a virtual POS terminal. Thanks to the automatized chatbot developed in partnership, buyers may discover merchants by location and consumer category, after which to negotiate their purchase by personal message and pay easily and safely online. The interesting point of shopping with the new function is that it does not require the merchants to build their own online shop or to install a virtual POS terminal. For these purposes Viber collaborates with Mastercard and myPOS.

3) Online marketing strategies may include email marketing. Firms use this tool to reach current clients through sending newsletters or information emails. Also, the attraction of new clients may be encouraged through signing up for a newsletter, learning more about the products or services which are provided. Email marketing is another type of interactive approach of direct internet marketing where the information, news or promotion will reach the consumer directly.

4) The use of online display ads is realized through posting ads on Facebook or on search engines such as Bing and Google. Multimedia ads allow potential clients to interact with the ad, create a larger engagement with consumers, compared to certain textual ads. More can be learnt about potential clients through multimedia ads, such as the amount of time they spend on the ad. In an effective display commercial it is important to see an image and its balanced content

Through the internet a company may offer its services only when they are needed by the consumer. This gives them the right of choice, of not being disturbed or annoyed, as in marketing advertising which is supposed to make people buy things they do not need. This creates a sense of calmness and trust in the potential client, a new and modern type of media. When you attend a meeting or in an informal conversation one is more frequently asked “What is your web site? I wish to look through your activities at ease.

Some advantages of online advertising are as follows:

- The information which is available for the given business on the website is much more than that on a billboard, brochure, or a TV commercial. Faster results can be achieved compared to SEO optimization of the website which requires a longer period to get good results.
- A possibility to direct the ad to a specific circle of people – potential clients, because Internet technologies provide a lot of ways to reach them.
- Internet advertising is measurable. Always and at any time one can find out the number of visitors to the website and their location.
- Internet advertising is flexible and easily editable. If the results do not meet the expectations, one can change the strategy without considerable costs.

4 Some conclusions for Internet advertising and E-commerce

Internet set the beginning of a new era in advertising and marketing. The high speed, easy navigation and editing, low cost, constant self-improvement, client feedback and many other factors have led to the growing popularity of internet advertising.
Internet advertising is part of the successful online marketing which developed into one of the main ways to accomplish more sales for each online shop and higher income for business.

Internet advertising reaches more people faster, easier and at a lower cost compared to ordinary advertising. Online commercials do not require huge amounts of money and an online shop or a website are often enough. There is a possibility to show products, services, or a business with the help of various advertising channels:
- Advertising on social media (Facebook, Instagram, Twitter, Pinterest, etc.)
- Advertising on the Google display network
- Advertising on search engines (Google, Bing)
- Remarketing
- Advertising on YouTube, vbox7, Vimeo, Daily Motion, etc.
- Email marketing – sending commercial (un)wanted messages
- Mobile advertising
- Shopping on Google Merchant [6]

Internet is the new environment where the advertising market and commerce in general are being transferred. More and more clients seek the product they need through the internet and more and more merchants offer it exactly there.

Internet is already an essential part of the life of the modern businessman, because the web space gives information about news, offers, promotions and saves time.

A construction company may have a website which stands as its business card to show the shop, showroom or offices to prospective partners or clients. In order to start profiting from this website the company needs a large number of visits per day. In reality, these are clients who have entered through the door, reviewed the past projects, material with which the company works and the services they offer.

One can take advantage of the latest technological developments such as VR (virtual reality), artificial intelligence, AR (augmented reality), 3D animation, IoT (internet of things), etc.

With a properly launched campaign for internet advertising the company may reach almost all consumers who use a telephone, tablet, laptop, or a computer, interactive television at a comparatively low cost.

Thanks to internet advertising, the brand can be recognized, the sales will increase, and the advertising costs may be optimized [7].

E-commerce is a global phenomenon which is developing fast in almost every country. No matter how negative it may sound, the global COVID-19 pandemic has caused serious losses in a number of subsectors of retail, however, it is expected to lead to a growth of e-commerce by 16% in 2020 (which by itself is considered an unexpected growth).

In conclusion, we may claim that e-commerce in Bulgaria has all the necessary preconditions to become one of the most successful economic sectors.

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2. E. Genchev, TJS, 18(1), 354-358 (2020)
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