

Interactions between electronic marketing and electronic business

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Abstract: Nowadays, the human society faces lack of resources and various needs more than any other time. Management of skills and knowledge to optimally use limited resources and identifying needs and addressing them by exchanging resources has gained great importance. Following digital revolution we will experience fundamental changes in the concept and methods of electronic marketing and see new principles governing all aspects of electronic marketing. The virtual age holds extreme development of information technology in the 3-d world and a knowledge-based environment. Obviously, the development of the information age along with developed technology will hold the fourth wave of change in the world in near future. Emphasis on entrepreneurship, innovation, creativity, technology-based leadership, effective acculturation and expanding communication skills are the characteristics of dot com age; an age which has made leadership a challenging concept and has dramatically changed the internet, business, and product and service markets. Therefore, most businesses need to adopt electronic methods and tools including electronic marketing to perform well in the highly competitive world. Electronic marketing is an improved form of traditional marketing using the internet. Since the development of information technology is very fast, electronic marketing systems need to use artificial intelligence and the best approaches.

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Introduction

According to most economists and experts, over the past few years we have experienced a revolution similar to industrial revolution which has moved the world into the "age of information" and has dramatically changed most economic, social and cultural aspects of human life. Information technology is one of these areas affected by this trend. The perspective of an IT-governed world is a greatly different one from our today's lives. Children born in the next century are called information society citizens; a society in which the economic and social lives of the citizens as highly influenced by information and communication technology intertwined with work, home and entertainment. People's life quality is constantly promoted by high-capacity and a high-speed communication infrastructure for transferring documents, voices, images, plans, etc. and affects all people's information. Terms such as e-commerce, e-government, e-marketing, e-education, and e-community are familiar for people and it seems that IT is a tool with which it is possible to win in the highly competitive world. In the age of information technology, organizations have turned into electronic ones and staff work out of physical environments. Furthermore, changes in technology and tremendous power of the internet have made customers closer to organizations. Fast development of technology exerts enormous pressure on organizations and they have to adopt proper strategies to keep up with the

competitive world. Internet, as a major form of technology facilitating e-commerce, has dramatically changed basic principles of business. One of the main business activities which is greatly influenced is marketing. In e-marketing competition is much more serious and long-term online connections must be emphasized. E-marketing includes managing the mutual relationships between customers and organizations in an advanced media environment in order to earn profit for individuals and organizations. In today's businesses, marketing plays a crucial role and is vital for the success of the organization. It is not limited to acting as a sales representative or providing advertisements. Rather, it is a comprehensive concept and is said to be considered in all parts and processes of organizations. Creating a proper brand name, good advertisement, taking into account constant changes in needs and using modern technology are basic requirements. Marketing is an inevitable outcome of capitalism. However, it does not necessarily mean that marketing is restricted to capitalist countries. Marketing techniques are applicable in all political systems and most aspects of life. Nowadays, increasing development of information technology encourages organizations to strictly and consciously compete and it could be said that those organizations whose managers adapt their conditions with surrounding conditions and improve internal states win this competition. Furthermore, the profitability of a company, which guarantees its survival, depends on proper planning of market

management based on the customers' needs. Marketing is an attempt toward reducing internal and external risks; and adopting proper strategies, it evaluates situations and guarantees the reaction of the organizations against them. Growing the availability of the internet for people has made business through the World Wide Web more important. E-commerce has made numerous fundamental changes in competitive circumstances. For instance, emerging new rivals to the market even outside of the business environment, globalization of the market and competition, tough competitions among standards are some of those changes.

Reasons for demands to form the electronic market

- 1- If a firm or an organization intends to take over global markets, or at least parts of the global market, they have to take part in this market since it could neither have branches nor advertise all over the world.
Establishing periodical branches in different countries has its own challenges and problems, and it would be challenging for customers to easily and closely contact with the main branch of the firm in a special country.
Given these challenges, it would be proper for dynamic and pioneering firms take action to be in this vast market.
- 2- Using a traditional system and methods is no longer capable of meeting the demands of customers in global markets; therefore, we have to adopt strategies which are accepted by and available to more people.
- 3- If we take a careful look at the world around us, we will find numerous markets and customers dispersed in different geographical distances. Being present in electronic markets not only removes these distances, but also allows us to attract customers and compete with rivals with more accuracy and in an effective way.
- 4- Being in an electronic market allows us to choose some parts of the market for wider and more professional performance. Sometimes, it is necessary for a firm to choose some parts of the market in which it can act with more abilities and expertise, rather than trying to dominate the whole market, and this way, it can benefit more.
- 5- Being in electronic markets not only eliminates geographical boundaries, but also allows firms to remove time limits and provide service to customers 24*7.
- 6- According to experts, an effective approach to market is a purposeful one and, as you know, in purposeful marketing, sellers try to avoid dispersing their attempts to attract numerous customers and

rather, they focus on profitable customers. Therefore, it could be claimed that due to a wide range of possibilities and flexibility, electronic markets can easily focus and plan on target markets.

- 7- Basically, in order to reach purposeful marketing, 3 stages must be passed including:
 - a) Dividing the market: i.e. dividing the market into different customer groups based on traits that they share.
 - b) Setting goals for the market: which includes activities in order to evaluate and investigate different parts of the market or to choose one or more parts of the market to enter, which is performed by careful consideration of financial status, type of the product or service, economic position and so on.
 - c) Placement of the firm in the market: it is a position that a company holds among potential customers, compared to other rivals (Rezaian, 2003, p.54)

2- Concepts of e-marketing

How do we find a new customer (customer attraction) and how to keep this new customer (keeping customers)? These are primary questions asked in e-marketing. E-marketing pursues the same goals as traditional marketing, but it uses modern technological tools and methods to innovate. E-marketing could be defined as managing interactions between customers and firms in an advanced media environment to earn profit for the firm or individual. It is not a specific performance related to selling products and services; rather, it is a management process for managing the relationships formed between firms and customers. The performance of e-marketing could be classified into 3 parts:

2-1 integrity: e-marketing includes all sale processes performed by the firm and sales by outlets, in an integrative way.

2-2 coordinating: e-marketing controls the degree of the customer's need and demand with the degree of production and capacity to provide service by the firm.

2-3 intermediating: e-marketing plays the role of a mediator between different parts of the firm including financial departments and external investors. In order to better understand key concepts in e-marketing, the interactions between customers and organizations need to be investigated in depth (Nasiri, 2005, p.113)

3- The role of information technology in e-marketing

Growing availability of internet to the public has made business through the World Wide Web take on extreme importance. The characteristics of e-commerce including globalization of trade, removing time and space boundaries, reducing resource costs

for purchasing, increasing sales percentages, removing time limits in transactions, fast and easy access to information, remarkable decline in transaction costs, reducing time costs of transactions, and many more of these advantages have caused e-commerce to grow rapidly. E-commerce has brought about remarkable changes in competitive environments. For instance, emerging new rivals even outside of the business environment into the market, globalization of market and competition, sever competition in standards are among these changes. Visitors to websites tend to search for lower-cost goods. Therefore, in e-marketing, competition is much more severe and long-term online connections must be emphasized. Nearly 80% of online dealers in the U.S believe that costs are the most important factor making customers visit the website a second time. Some firms display timetables of sports events in their websites to make them more attractive, or the allow visitors to choose their favorite music (Nasiri Yar, Mazloomi Khamseh, 2005, p.25).

The internet has created a different environment for e-marketing and requires new approaches. In order to describe marketing in the modern age, we need to adopt new approaches and perspectives. According to Novak and Hoffman, the relationship model of one-to-many has changed into many-to-many. In the former, the organization tried to attract a large group of customers through mass media such as TV or papers. In the latter, information is not easily transmitted from the sender to the receiver; rather, people are involved in generating information and then experience it. In other words, customers participate in creating the content of the advertisement by interacting with the organization. Sviokla and Rayport argue that nowadays, all firms compete in 2 worlds: the physical world of resources (marketplace) and the virtual world of information (market space). In the market space, the virtual value chain of the information is a source of creating value for customers (Nasiri Yar, Mazloomi Khamseh, 2005, p.28). They state that today, the focus must be on demand not supply, and strategies must be adopted according to demand.

Urban believes that the internet has provided customers with more power, eventually leading in the formation of a marketing paradigm from customers to firms. In the customer-to-business marketing (C2B), customers demand the best products with the lowest costs (Noori Nia, 2007, p.36).

Porter holds that the internet has transformed the role of strategies and competition. The emergence of the internet has undoubtedly reduced profitability in different industries; therefore stable competitive advantage is highly important for firms. Stable

competitive advantage can be achieved in two ways: one is operational effectiveness which means doing what other competitors do, but outperforming them. It is achieved by better technology, better data, better-trained staff or more effective management structure. Another way is strategic localization which means providing unique service which is completely different from that provided by other competitors. The internet makes preserving stable competitive advantage more difficult, but it creates new opportunities to boost strategic localization which is different from other competitors (Bakhtae, 2007, p.36).

Bryngolfsson and Smith state that the internet has created a whole market because information is completely available and customers can compare services provided by different dealers and departments. The internet requires connected marketing and facilitates long-term service and relations with customers. In fact, marketing is an interactive process which establishes connections in a social context. All these influences which IT has had on marketing can be observed in international marketing, too. However, in international markets, the importance of changing general environments of markets including cultures, rules and regulations, spiritual ownership, and foreign languages is more.

4- Reasons for demands to form the electronic market

- 1- If a firm or an organization intends to take over global markets, or at least parts of the global market, they have to take part in this market since it could neither have branches nor advertise all over the world. Establishing periodical branches in different countries has its own challenges and problems, and it would be challenging for customers to easily and closely contact with the main branch of the firm in a special country. Given these challenges, it would be proper for dynamic and pioneering firms take action to be in this vast market.
- 2- Using a traditional system and methods is no longer capable of meeting the demands of customers in global markets; therefore, we have to adopt strategies which are accepted by and available to more people.
- 3- If we take a careful look at the world around us, we will find numerous markets and customers dispersed in different geographical distances. Being present in electronic markets not only removes these distances, but also allows us to attract customers and compete with rivals with more accuracy and in an effective way.
- 4- Being in an electronic market allows us to choose some parts of the market for wider and

more professional performance. Sometimes, it is necessary for a firm to choose some parts of the market in which it can act with more abilities and expertise, rather than trying to dominate the whole market, and this way, it can benefit more.

- 5- Being in electronic markets not only eliminates geographical boundaries, but also allows firms to remove time limits and provide service to customers 24*7.
- 6- According to experts, an effective approach to market is a purposeful one and, as you know, in purposeful marketing, sellers try to avoid dispersing their attempts to attract numerous customers and rather, they focus on profitable customers. Therefore, it could be claimed that due to a wide range of possibilities and flexibility, electronic markets can easily focus and plan on target markets (Ghaffari Ashtiani, 2008, p.55).

5- The performance of e-marketing can be classified as follows:

5-1 integrity: e-marketing includes all sale processes performed by the firm and sales by outlets, in an integrative way.

5-2: coordinating: e-marketing controls the degree of the customer's need and demand with the degree of production and capacity to provide service by the firm.

2-3 intermediating: e-marketing plays the role of a mediator between different parts of the firm including financial departments and external investors.

Most experienced and successful firms in e-commerce have realized that success or failure factors are not only presence in the web or low prices, but they also include high quality electronic services. Recent research shows that low prices and promotion as factors contributing to more purchases by customers will soon be eliminated and lose their importance. Therefore, internet retailers need to focus on high quality electronic services before, during and after transactions, in order to build confidence and loyalty among customers and keep them.

In 2002, Huavng and Wang identified 8 factors influencing customer satisfaction with the quality of electronic products:

- 1) General feedback to the design of the website
- 2) Competitive price of the product
- 3) The conditions of the product
- 4) On-time delivery
- 5) Return policies
- 6) Customer support
- 7) customizing e-mail according to the needs of the customers
- 8) clearance actions

- Electronic marketing pursues the same goals as traditional marketing :attracting customers and keeping them.
- Information technology has created new opportunities to redefine the relationships between customers and sellers
- Using the methods adopted in e-marketing enhances the relationships between customers and sellers by understanding the needs and desires of the customer and making them dependent on the seller's goods and services.
- Given the possibility of establishing relationships in a one-to-one manner in e-marketing, sellers must have a clear understanding of their customers
- The deeper the understanding of the organization of the customers, the more effective the e-marketing process
- successful e-marketing will lead to progress in the electronic world and it must be a constant part of the marketing strategies adopted by the organization

7- e-marketing strategies

E-marketing strategies are key factors determining the overall success of the organization. Firms must follow these steps to develop their e-marketing strategies:

- a. analyzing the market
- b. determining the competitive advantage
- c. market segmentation
- d. developing e-marketing strategies
- e. developing e-marketing techniques

a: analyzing e-markets

It is vital to analyze and study e-markets carefully. There are various methods for analyzing markets which can also be used for analyzing e-markets. These analyses are highly significant in strategic marketing literature (Fred R. David, 2001).

Todd and Uhnomos believe that in order to analyze markets, we have to answer these fundamental questions:

- 1- Where do we plan to get?
- 2- Are we creating real value for our customers?
- 3- Do we really recognize the conditions in the market?
- 4- Do we have a proper attitude toward market?
- 5- Do we act in time and quickly?

Answering each of these questions helps us to know ourselves, market, our customers and competitors better and react better in competitive conditions. The importance of analyzing e-markets is in the fact that adopting the information technology, especially the internet, in business has transformed

the nature of most markets and firms have to be aware of its changes (Wint, Mahajan, 2000. P.8).

B: competitive advantage

Having competitive advantage is a key factor in competition and attracting customers. There is a wide variety of ideas and theories presented about competitive advantage in e-markets which we will briefly discuss. Some pay little or no attention to competitive advantage in marketing and focus on the value the firm should provide for customers. Todd investigated 5 value models including:

- 1- Asset-based value models
- 2- Network-based value models
- 3- Time-based value models
- 4- Value models based on relationships with customers
- 5- Cost-based value models

For instance, in time-based value models, the institution tries to act as a pioneer in the market. In order to accomplish this, the institution needs to be highly flexible in all aspects of the value chain. It could be stated that these institutions with such a value model adopt a promoter strategy suggested by Miles and Snow. Such institutions show high creativity and flexibility (Dai et al, 2002).

C: market segmentation

Today, numerous changes can be detected in market segmentation and institutions try to meet their customers' demand by adopting new segmentation methods. In the past, market segmentation was done intuitively, commonly based on the experience they had about the market and marketing research. Such experience provides institutions with knowledge that can help them identify similarities and difference among customers and segment the market based on that. E-market segmentation is highly complex and firms and institutions need to follow various steps to segment the market.

D: adopting proper e-marketing strategies

Marketing strategies are not only affected by the institution's competitive advantage, but they also are influenced by the overall strategy adopted by the firm. Generally, a firm's strategy can be classified into 3 groups:

- A: the institution's strategies
- B: business strategies
- C: operational strategies

7: e-marketing strategies for achieving goals

In e-marketing, there are a large number of strategies to achieve goals. In this paper, 3 types of powerful marketing methods on the internet are discussed:

- Chain marketing: one of the most powerful marketing methods on the internet is chain marketing or network marketing. This form of marketing creates links from hundreds of

websites in the firm's website so that people from different places in the virtual worlds can be guided based on their needs and the services provided in the firm's website.

- Viral marketing: in viral marketing, the organization conveys its messages using the relationships among customers. Adopted properly, this form of marketing can be highly effective.
- Marketing through e-mail: using e-mail is an effective way of e-marketing. This method is economical, purposeful, and traceable; and most importantly, if it is properly done, it can be of great help. Taking the characteristics of different customers into account and establishing proper connections can lead to best results (Ranjbar, Azghadi, 2007, p.3).

8- The best e-marketing strategy

Now, it is a good time to use e-marketing. Traditional ways of marketing are now undergoing dramatic changes since the number of online users and eventually online customers as well as products and services is growing rapidly. The best ways for reaching these potential online customers are:

8-1 e-mail marketing: everyday, over 900 million people use e-mail to send and receive messages. The best way to reach to large numbers of potential customers and boosting relationships with them is still through e-mail. Designing and sending electronic newsletters are the most important and vital requirements of online business and the tools for creating and sending newsletters are very powerful.

8-2 blogging: prior to the emergence of weblogs, customers did not have many opportunities to contact service and products providers. Blogging contributes to building confidence and allows customers to contact top executives. It helps marketers tell their stories in an open and casual environment which is personal for customers and to admire or complain about service providers.

8-3 RSS: previously, we had to visit numerous websites to find information we needed. Today, updated and relevant information is sent to us through the RSS. Customers can subscribe to receive information they need and receive it after getting updated, saving energy and time. RSS helps marketers send their customers a constant flow of updated information through the internet.

8-4: podcasting: this form of marketing has grown rapidly in the recent years. We like to listen to other. Previously, the internet was a bulky set of texts which we grew tired of reading them. Now, we can listen to experts in specialized areas and their interviews with their guests and receive helpful tips. Podcasts can

help us use the internet content at home, at work, or even while travelling by train, airplane, or even mountain climbing.

8-5: Online polls: these services allow you to get feedbacks from visitors easily and quickly. They are suitable for small businesses which cannot afford to conduct market research. Online polls can get feedbacks from customers and staff. Nowadays, it is very easy to create such online polls and you can easily use them and their results.

8-6 multimedia content: nowadays high speed internet is available to most people, which allows us to have access to large multimedia files we couldn't access 5 year ago. Digital videos are among the most common types of multimedia content which everybody can produce and share on the internet. Websites sharing such contents have large numbers of visitors.

8-7: social networks: Websites such as www.facebook.com, www.bebo.com, www.myspace.com, which have millions of visitors and members, are normally used as hangouts for the youth. Marketers have realized the importance of these websites and in other areas, such websites are also forming. Nowadays, there are social networks for mothers, children, college students, professionals and other social groups in which users share their experiences, pictures, videos, music, etc. with others.

8-8 word of mouth: today, word-of-mouth marketing is on the rise. Marketers have realized that the marketing power of 10 customers who talk about their products on their hangouts is very high and valuable. Even, using weblogs can be helpful in large areas. Most businesses are cutting down on the budget they spend on traditional marketing and allocate it to their current customers and provide conditions so that they advertise their products through words of mouth.

8-9 search engines: after e-mail, searching is the most frequently used tool on the internet, making it a valuable consideration for most marketers and advertisers. Your website and online business are effective when customers can find them among millions of similar websites and businesses in the digital world. Most people use search engines to find what they look for. Optimizing and adjusting your website to keywords mostly searched are vital for your business.

A successful marketing plan uses a combination of all those methods which are equally valuable. A professional marketer develops a clear strategy to produce contents in different forms and convey them through various channels to a large group of people (Noori Nia, 2007, p.29).

An institution's strategies represent the overall purposes it is pursuing and link the operational

strategies with overall ones. Under these classifications, marketing strategy is classified under operational strategies. However, since marketing strategies are related to the external environments, they are closely connected to other strategies, making it impossible to distinguish them from each other.

9- Principles and rules of e-marketing

In the age of "professionalism and speed in doing jobs" it is vital to consider that players need to know the principles and rules of the game. Unfortunately in Iran most businesses start playing without knowing the rules of the game and most of the time, rather than advertising or introducing their brand to customers, they make their products or services notorious by anti-advertisement. They do not know how to enter the "arena" of e-marketing without sending spams. Spammers not only fail to help customers but they also create other problems for them. They are losing their faces on the internet because some inconsiderate people who are unaware of the rules create problems for customers and this is a growing trend in most Iranian websites.

Every year, in the U.S, most European countries and even in Dubai, hours and days of seminars and workshops are held to teach marketers principles and rules in the e-marketing and especially marketing through e-mail. Beginners in marketing and even experienced professional take these classes to extend and update their knowledge of what is constantly evolving on the internet – i.e. all aspects of working on the internet, e-commerce, or e-government, as well as modern internet marketing and advertisement. While they are attending these workshops and seminars, some dealers and computer retailers are selling Hack, Crack, E-mail Harvester software and lists of Iranian and foreign users. It is not clear what legislative officials have allowed them to be pursuing such businesses without any trouble or inconvenience. While others are attending seminars to learn rules of proper marketing, some ignorant people are bombarding internet users with spams and claim to be advertising on the internet. Lack of knowledge of the principles of internet marketing not only will put these "fake internet marketers" into trouble in near future, but it will also discredit their customers.

The key principle in email-marketing is that the sender must first take the permission of the recipient by asking them to fill out forms requesting to be sent advertisement newsletters and mails, which is exactly what no internet advertising company bothers to do. They send hosts of advertising mails and newsletters successively and without having clear permission from recipients. This trend is common in most countries and millions of spammers are sending their advertising mails, but this is condemned and no

credited company sends such e-mails without getting permission. E-mail marketing which is a new phenomenon has some principles which must be observed (Nasiri Yar, Khamseh, 2005, p.173).

10- Indexes for measuring the performance of e-marketing

These indexes are developed based on the internet process model which follows the process model. This process starts with the awareness of customers of websites and it ends with a second purchase by the same customer, which indicates customer loyalty. In this process, it is possible that potential customers give up shopping at any stage of e-shopping, indicating the failure of all marketing attempts. Therefore, in these stages using promoting tools such as electronic coupons is an effective promoting tool in e-marketing. Institutions try to attract customers using these coupons.

Research shows that 97% of the customers gather information about shopping through the internet, but only 3% shop online and others prefer traditional shopping. Therefore, businesses promote their e-marketing processes to attract customers to their shops. So, the best way to attract more customers is to use e-coupons which are available in digital or printable file formats (E –Coupon service 2002)

11- Pricing in e-marketing

The key point in pricing is that it is the customers who determine the prices not the sales network. If an organization wants to set prices regardless of the customer price expectations, they will definitely fail. Therefore, the pricing system based on costs and benefits cannot lead to long-term success. Customers' expectations are highly important. According to the theory of life cycle of the product, customers expect that as the product evolves, the price reduces, unless they recognize more value, i.e. they have to feel that if they pay more, they will get more value. So, in pricing, the relationship between value and cost is very important. The cost-value matrix shows this relationship.

A: customer expectations

B: the performance of the product

C: the relationship between pricing and other marketing factors

D: the concept customers have of the method that the product conveys and comparing it with their expectations

12- Distribution in e-markets

Distribution systems have also undergone fundamental changes. In discussing distribution systems, Alvin Toffler uses the term Prosumer which is a blending of producer and consumer. He wanted to show that in modern ages, mediators have lost their

importance and producers are able to establish closer relationships and interactions with their customers.

Therefore, the disappearance of mediators, known as disintermediation, is a direct and obvious consequence of e-markets. However, some mediators are created who have roles completely different from those of traditional channels. A good example is the emergence of information mediators who are considered as new types of e-business in e-markets (Esfidani, 2004, 152).

13- Products in e-markets

It is a fact that it is not possible to transmit all products electronically. On the other hand, there are some products about which customers cannot make decisions on the internet. But it is obvious that customers are interested in gathering information about products and then purchase. Therefore, the internet plays a major role in the customers' shopping process. Using information technology in marketing has influenced products in various ways:

A: customizing products: products are offered based on the desires of the customers, which requires using information technology to make production line flexible and create a database of consumer desires.

B: suggestion system: Jeff Bezos, the CEO of Amazon said, "If we have 2 million customers, we must have 2 million stores". In the suggestion system, firms use intelligent systems in e-marketing to identify consumer desires and suggest their products and goods based on those desires (Wang and Liu, 2003)

C: developing new products: the internet is a powerful and inexpensive tool for developing new products. Firms identify consumers' needs and desires using the internet, develop new products, and offer them through the internet (Esfidani, 2004, 152).

14- The relationship between e-marketing and e-business

Generally, any form of dealing products and services through the internet and anything related to it are called e-commerce. On this basis, some consider e-marketing as an aspect of e-business and some call it as a branch of e-business. What is clear is that the link between e-marketing and e-business is information technology. Some of the most important advantages of e-marketing are:

- Creating new opportunities for trading companies and industries
- Increasing the stability of access to markets due to unified rules in all countries which are members of global organizations
- Avoiding waste of time and reducing commutes
- Protecting the environment and optimal use of energy
- Reducing advertisement costs and promoting international competition

- Quick access to information
- Disintermediation and reducing costs
- Entering global markets
- Expanding business and increasing income
- Better, faster, and more effective support
- Marketing based on the customers' desires
- One-to-one marketing
- Multimedia advertisement
- Boosting relationships using websites
- Developing underdeveloped regions and easy access to developed ones
- Improving awareness and choice of customers, allowing them to have their best choice in a short time (Pore, L. J., 1998).

15: the e-marketing plan and e-business model

The e-marketing plan serves as a map and schedule for the success of e-business. Therefore, a prerequisite for an e-marketing plan is reaching a proper understanding of the e-business model. While developing an e-business, you attend a training course to analyze your model and learn factors contributing to your success. What is an e-business model? Can you explain it in two paragraphs? A business model characterizes your plan of production, service providing, and transferring information and describes income sources. It specifies the elements of the value chain in different parts of business such as internal provision, production, external provision, marketing, and support. Characterize your business model by writing your definition. Using this definition, can you characterize your potential and realized income flows? Can you see a measurable factor contributing to your success? Do you know how your model uses the e-marketing plan for pricing, advertising, selling, and distributing your products? While developing your e-marketing plan, you need to adjust it to your business model. In the weakest circumstances, your business model influences your methods of anticipating sales and marketing costs, although beyond anticipating sales and budgeting there are signs of your e-marketing plan that indicate how you act in your business, gain income and use resources. Your e-marketing plan must discuss how you manage information and communication technology for your mixed marketing (product, price, distribution, promotion) and how you plan to optimize content and manage resources to attract new customer, how you boost loyalty in each customer and how you create an income flow. Make sure that you have recognized your business model prior to developing your plan (Pod, 1998, 4).

15- Conclusion

Management is an art which is highly important in today's competitive world. The challenges in the electronic world are so complex which cannot be addressed without strategic improvement of all

elements of organizations. In today's turbulent world, organizations which are able to effectively use technology and identify new patterns in the information of customers, rivals, and staff, have competitive advantage. Electronic management and e-marketing management are of high significance. A competent manager can also be a competent e-manager. In electronic management, although roles have transformed, the key skills managers must possess are traditional ones and the only difference is in the interactions with staff, work, and customers. In fact, traditional marketing and electronic marketing complement each other and the latter cannot replace the former completely. 4 key elements in the success of e-marketing are: 1- producing benefit for customers, 2-the ability to provide service online, 3- the ability to control and run a website, 4- integrating e-marketing activities and others. In competitive markets, customers have determining roles and organizations must attract loyal customers and satisfy their needs to survive and progress in the market. This is why most companies create a link in their websites for customer contacts. For instance customers can enter chat rooms and share their experiences with other users or discuss with the organization's experts over the features of products. Today, e-marketing pursues the same goals as traditional marketing;

- Attracting and keeping customers
- Information and communication technology creates new opportunities to redefine the relationships between customers and sellers
- Using e-marketing methods boosts the relationships between customers and sellers by understanding the customers' needs and making them dependent on the seller's products and services.
- Given the possibility of establishing one-to-one relationships in e-marketing, sellers must have a proper understanding of their customers.
- The more understanding you have of your customers, the more successful and effective your e-marketing process
- Successful e-marketing leads to the progress of the firm and it must be a constant element of the firm's marketing strategies

Any advanced technology created challenges and opportunities for organizations. Changes in technology bring about changes in trading rules, organizational and social systems of each company. Growing emphasis put on e-commerce is the result of the influence they expected to have on social and economic conditions. However, the conditions of the Iranian community are different. Information technology is not only keyboards, interfaces,

light fibers, and software packages, but it also includes performance based on influencing behaviors, ethics, ideas, identity, human rights, social and commercial relationships.

Of course due to changes in technology and information transmitting tools, public relation departments have also changed and electronic public relations are considered as key elements in expanding public relations. Companies provide the following services using modern e-marketing in public relations:

- Creating electronic books and journals
- Creating and publishing electronic newsletters
- Online evaluation of the performance of public relations
- Establishing automatic answering systems for customers

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