

## Digital Marketing Environment

Lecture 10

## Environmental Factors

- ▶ Following factors affect in digital marketing
  - ▶ Legal
  - ▶ Technological
  - ▶ Market-related factors

## Legal Factors

- ▶ Legislation of a country affects the digital marketing strategies
  - ▶ Privacy of the consumer's personal data
    - E.g.: Opt-out e-mail
    - Spams
- ▶ Opportunity for fraud activities through new technologies
  - ▶ It is complex to capture due to the networked world

## Technology

- ▶ Use technology to target customers based on their online behavior
- ▶ Lower cost since no paper work and less human effort
- ▶ Costly investments
  - Web page development
  - expensive hardware and software
- ▶ Obsolete of technology time to time

## Technology

Digital marketing has

- ▶ **Technological enhancements**
  - ▶ Customer relationship management
  - ▶ supply chain management
  - ▶ electronic data interchange
  - ▶ News groups
  - ▶ Forums, blogs

## Internet Properties

- ▶ Information can be stored, sent and received immediately
- ▶ Communicate and share data irrespective of the location
- ▶ Automated transactions and payments
- ▶ Identify location (e.g. FedEx package delivery)
- ▶ Store large amount of data using cloud technology
- ▶ Mass Customization (e.g. personalized web pages at Amazon)

### Consumer Expectation

- ▶ Privacy
- ▶ Prevent children from offensive sites
- ▶ Request for permission before sending commercial e-mail messages
- ▶ Want convenient, self-service, speed, good customer service, personal attention, and value

▶

### Questions

- ▶ What are some of the key legal issues that affect e-marketing?
- ▶ How does technology both raise and lower costs for companies?
- ▶ As a technology, how does the Internet compare with the telephone?
- ▶ What are some of the marketing implications of Internet technologies?

▶

### Discussion Questions

- ▶ As a consumer, are you likely to benefit when e-business becomes “just business” (i.e. only buying & selling) in the near future? Explain your answer
- ▶ What concerns about consumer privacy are raised by the increased use of wireless computing and handheld devices outside the home or workplace?

▶