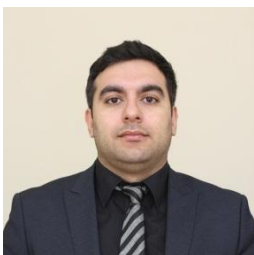*Doc.Ing. Michal Pilik, Ph.D.*
Tomas Bata University
Address: nam. T.G. Masaryka 5555 76001 Zlin, Czech Republic
E-mail: pilik@utb.cz

Zamig Ahmadov, Ph.D. student
Tomas Bata University
Address: nam. T.G. Masaryka 5555 76001 Zlin, Czech Republic;
Baku Business University, lecturer
Address: 88a, H.Zardabi Str., AZ 1122, Baku, Azerbaijan
E-mail: ahmadov@utb.cz

THE EVOLUTION OF THE INTERNET AND THE ADVANTAGES OF ONLINE MARKETING IN THIS CONTEXT

Abstract

The Internet has become an integral part of our lives. The Internet and technology world has gone through many stages until online marketing has emerged. Online marketing, which is also called internet marketing, involves use of interactive, virtual spaces for the sake of promoting and selling goods and services. In fact, new synchronous, internet-based communication technologies had contributed to the restructuration of major economic sectors including marketing. The paper starts with the history and evolution of Internet and smart technologies as well as social media. The study continues with the different definitions of online marketing and ending up advantages of online marketing compare to offline marketing.

Keywords: Internet, social media, online marketing, offline marketing, digital age.

Introduction

If we look at 2018, there are more than 7.5 billion people in the world, and 3.5 billion people have access to the Internet [1, 12]. We want to be connected to the internet at any moment in our lives. Let's look at how much technology and internet history we have left behind so many Internet access opportunities and advanced technologies in many areas today. Because Online marketing, which is also called internet marketing, involves use of interactive, virtual spaces for the sake of promoting and selling goods and services.

Prior to the early 18th century, the world's agricultural sector dominated. The development of steam engines in 1750-1850 resulted in industrial revolution [2, 7]. In 1850-1915, factories producing electrical, chemical, oil technology, trains, steam engines brought the Industrial Revolution. The rapid development of many areas such as mechanized agriculture, automotive industry, radio, television, telephony, electronics, genetics, nuclear

technology and computer technology has been marked by the development of the 20th century.

In the mid-20th century, after the Industrial Revolution, the new "Digital Period" emerged and the rapid development of this revolution was based on information and communication technologies. Sometimes this revolution was called the "Information Age", "Digital Age" [3, 35-37].

In the 21st century, we achieve high speed development in the fields of touch technologies, space technology, nanotechnology, biotechnology, nuclear technology, alternative energy, intelligent mobile phones and more.

The first steps in computer science were thrown into Turing's car, developed by Alan Turing in 1936. This machine could make difficult mathematical calculations. With this machine developed by Alan Turing, the foundation of today's computer technology was laid and A.Turing was regarded as the founder of computer science [4, 12].

The Internet began in 1960 with the implementation of the ARPANET (Advanced Research Projects Agency Network) project. The US Department of Defense developed by ARPANET, the first network using Internet Protocol (IP) within this project. The first message through ARPANET was sent to a computer at the Stanford Research Institute from Leonardo Kleinrock's Laboratory, Los Angeles University, in 1970 [5, 67].

In 1982, TCP / IPARPANET was presented as a standard network protocol.

In the 1990s, Web (World Wide Web) and the first browsers were developed on the Internet. The creator of the Web, Doctor of Computer Sciences Tim Berners-Lee, in 1989, developed the Hypertext Markup Language text format language in the Swiss CERN lab (HTML) and created the World Wide Web, which provides access to text documents from other points. Soon after that, he wrote a computer program that was the first Web browser in 1990.

In 1993, IBM Simon, the world's first smartphone, was created. In addition to being a mobile phone with a touch screen smartphone that was released in 1994, it also incorporated features such as a pocket PC (PDA), a fax machine.

Between the years 1990 and 2000, digital technology has been developed in close contact with e-mail, instant messaging, forums, blogs, social networks and e-commerce.

In 1994, the Netscape web browser came out and Yahoo! was established. In 1995, the Internet Explorer web browser was launched, Ebay and Amazon.com were created. In 1996, Hotmail, Yahoo!, Mail, and in subsequent years, which is quite popular ICQ instant messaging services of the program was presented to the public. In 1998, the Google search site and Paypal were set up. In 1999, the MSN Messenger instant messaging software (Windows Live) and e-commerce site Alibaba.com was founded [6, 33-34].

The year 2000 was a big crisis year for the internet industry. In March 2000, shares in NASDAQ, the stock exchange indexes of technology firms, began to lose much. This crisis, known as the "Dot-Com Balloon," has begun to withdraw from this sector due to the lack of resources left by the companies investing in developing computer and Internet technologies [7, 84].

In 2000-2006, the highly popular and heavily used in today's social media platforms were established. In 2001, Wikipedia and Blogger platforms, LinkedIn in 2002, Wordpress and Skype in 2003, Facebook in 2004, YouTube in 2005 and Twitter in 2006 were established.

Today, there are many web sites and programs which are dominate on the internet and we use them almost every day. According to Statcounter.com, mobile use of the Internet in 2017 has become a leader position than the use of the desktop.

Figure 1.
**Comparison of using desktop computers and mobile devices between 2012 and 2017
in the world.**
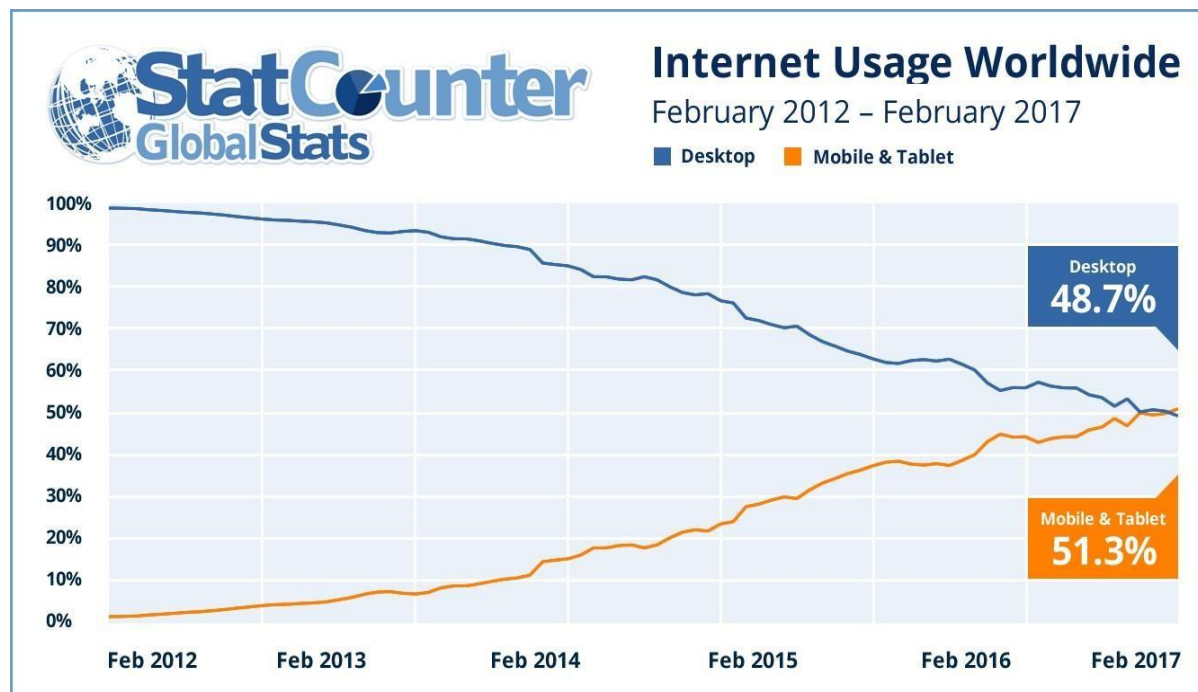
Especially in recent years, the number of people using the internet has increased significantly as an online sales channel and online marketing tool. According to research conducted by Deloitte, one of the world's largest international audit and management consulting firms, 49% of retail sales in the world are affected by digital media, which is reported to be 64% in 2015, and 95% predicted to be. According to the research context conducted by the company over the past years, 84% of buyers are doing research on the internet before shopping [8, 45-48]. What is online marketing?

Chaffey et al. (2000) simply define internet marketing as "the application of the internet and related digital technologies to achieve marketing objectives". This definition is a simple definition which, unlike the following ones, does not touch the important aspect of customer relationship. According to Kotler and Armstrong online marketing consists of measures and activities to promote products and services and build relationships with customers over the Internet. Burrett (2008) understands online marketing as ― carefully targeting users and getting them to interact with you while they`re engaged with the most personal, intimate medium ever invented. The most comprehensive definition has been articulated by Chaffey (2007), he defines online marketing as ―Applying Digital technologies which form online channels (Web, e-mail, databases, plus mobile/wireless & digital TV) to contribute to marketing activities aimed at achieving profitable acquisition and retention of customers (within a multi-channel buying process and customer lifecycle) through improving our customer knowledge (of their profiles, behavior, value and loyalty drivers), then

delivering integrated targeted communications and online services that match their individual needs". As this relationship concept definitions show online marketing revolve around interaction and building relationship with customers, a point which discriminates it from traditional, offline marketing [9, 5-7].

There are many advantages of online marketing compare to offline marketing. Let's look at some of these advantages:

A world where everyone is equal

Unlike offline marketing, online marketing offers a more competitive environment. Smaller companies that can not compete with traditional budgeted big-budgeted ads can easily do this through online marketing, with the right media planning. Of course, the budget is also important in online marketing. However, planning can be greatly different from the budget's professional digital media specialist's maximum efficiency [10, 15-17]. For example, the constant costs of a company on television, radio, or newspaper ads require greater cost than similar ads in electronic media. However, the number of online audience sources exceeds the mass of traditional advertising. The development and maintenance of web resources that will work for the company's needs without significant changes over a number of years is usually beyond the cost of a minimal budgeted offline campaign.

Contact with the audience

One of the main advantages of online marketing is that the Internet has the chance to organize a remote dialogue with the target audience. Consumers can respond to any question and get the necessary information by emailing their product or service, by posting comments on social media or connecting them through online customer service. Therefore, the development of sites is considered as one of the first conditions for online advertising. Traditional advertising is almost impossible. In addition, various mechanisms, such as surveys, visit statistics, forums, communicative platforms, allow you to get the most out of your target audience, to take into account the choices of potential buyers and react to their changes. In this case, any online marketing campaign is targeted to the target audience and more effective results [11, 17-18].

Immediate result

When a person visits your brand website through your ad, when you fill in or purchase a form, you are instantly aware of it. Thus, with the help of online marketing tools, you can interrupt unsuccessful advertising on the spot and make changes to the ad performance and make it more efficient. On the contrary, you can support successful ones.

Long Term Efficiency

The continued enjoyment of many marketing campaigns is one of the greatest benefits of online marketing. For example, intelligent content marketing activities, such as blogs and official web site content, have the potential to highlight your product or service for years without changing or adding additions [12, 4]. Almost every online marketing method has "viral effect" elements that can serve your product every day.

Contact with mobile costumers

One of the main trends of the recent years is the increase in the number of users accessing the Internet from mobile devices such as smartphones and tablets. Unlike traditional

advertising, mobile ads follow such users, regardless of where they live. With the help of modern technologies, you can place targeted ads on phones and tablets, taking into account the features of each user. In addition to advertising placements and sites placement, mobile devices:

- push notifications directly to the device for direct communication with the device owner;

- display ads on social networks used by the device's owner;

- can analyze user's location and send ad messages only when they are in a specific location.

What is Marketing?

Before starting to discuss about online marketing we have to understand the meaning and aims of marketing.

Marketing is a business term that experts have defined in dozens of different ways. In fact, even at company level people may perceive the term differently. Basically, it is a management process through which products and services move from concept to the customer. It includes identification of a product, determining demand, deciding on its price, and selecting distribution channels. It also includes developing and implementing a promotional strategy.

The UK-based Chartered Institute of Marketing (CIM) defines the term as follows: "Marketing is the management process responsible for identifying, anticipating and satisfying customer requirements profitably".

Here is the American Marketing Association's definition: "Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large".

Marketing is a societal process, which discerns consumer's wants, focusing on a product or service to fulfil those wants, attempting to mold the consumers toward the products or services offered. Indeed, marketing is fundamental to any business's growth. The marketing teams (marketers) are tasked to create consumer awareness of the products or services through marketing techniques. Unless it pays due attention to its products and services and consumers' demographics and desires, a business will not usually prosper over time. Essentially, marketing is the process of creating or directing an organization to be successful in selling a product or service that people not only desire, but also are willing to buy. Therefore good marketing must be able to create a "proposition" or set of benefits for the end-customer that delivers value through products or services. Throughout this paper we will not differ between marketing, advertising and the term ad. Our understanding of the words is meant to be the same, and thus they will frequently be used. One term needs to be explained through viral marketing, which is a concept that have developed with the emergence of the Internet. Viral marketing spreads through social relations, and is considered a modern version of word of mouth marketing. Whether funny, surprising or with deep impact many small texts, pictures or even videos are sent from one user to another for various reasons [13,13].

Marketing refers to the activities of a business related to buying and selling a product or service. It involves finding out what consumers want and determining whether it is possible to produce it at the right price. The company then makes and sells it.

Marketing covers a vast area of business, including:
- how you communicate;
- the brand;
- the design;
- pricing;
- market research;
- consumer psychology;
- measuring effectiveness.

Online marketing

Online marketing is the art and science of selling products and services over digital networks, such as the internet and cellular phone networks. The art of online marketing involves finding the right online marketing mix of strategies that appeal to your target market and will translate into sales.

The science of online marketing is the research and analysis that goes into both choosing the online marketing strategies to use and measuring the success of those strategies. Online marketing includes Search Engine Optimization (SEO) and Search Engine Marketing (SEM). SEO is the process of fine-tuning your business website so that it ranks higher in search engine result listings when your potential customers enter search terms that match your product offerings.

SEO is free. Conversely, SEM is paid search marketing. For a (typically) pay-per-click fee, search engines such as Google will display your ad when a user enters a search using one of your keywords. SEM statistics can provide excellent feedback on the effectiveness of your advertising. Such statistics include the click-through rate the number of times your ad has been clicked versus the number of times the page containing the ad has been viewed.

Online marketing a pretty broad term that encompasses a range of marketing tactics and strategies – including content, email, search, paid media, and more.

These days, though, internet marketing is often used interchangeably with content marketing.

Why?

Because content marketing is the internet marketing of the present and future. Content Marketing Institute defines content marketing as:

–A strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience — and, ultimately, to drive profitable customer action.

Think of it like this: content marketing (or inbound marketing) is in direct opposition to traditional advertising (outbound marketing), and in direct integration with the patterns and habits of today's generation.

We don't like to be sold to, we have our ad-blockers on, and we barely watch cable anymore.

Content marketing serves up content that addresses our pain points, and is there when we want it.

The benefits of online/digital marketing include:

- **Global reach** - a website allows you to find new markets and trade globally for only a small investment. [14]

- **Lower cost** - a properly planned and well targeted digital marketing campaign can reach the right customers at a much lower cost than traditional marketing methods.

- **Trackable, measurable results** - **measuring your online marketing** with web analytics and other online metric tools makes it easier to establish how effective your campaign has been. You can obtain detailed information about how customers use your website or respond to your advertising.

- **Personalization** - if your customer database is linked to your website, then whenever someone visits the site, you can greet them with targeted offers. The more they buy from you, the more you can refine your customer profile and market effectively to them.

- **Openness** - by getting involved with **social media** and managing it carefully, you can build customer loyalty and create a reputation for being easy to engage with.

- **Social currency** - digital marketing lets you create engaging campaigns using **content marketing** tactics. This content (images, videos, articles) can gain social currency - being passed from user to user and becoming viral.

- **Improved conversion rates** - if you have a website, then your customers are only ever a few clicks away from making a purchase. Unlike other media which require people to get up and make a phone call, or go to a shop, digital marketing can be seamless and immediate.

Together, all of these aspects of digital marketing have the potential to add up to more sales.

Of course, there are some disadvantages of online/digital marketing.

Disadvantages of digital marketing

Some of the downsides and challenges of digital marketing you should be aware of include:

- **Skills and training** – You will need to ensure that your staff have the right knowledge and expertise to carry out digital marketing with success. Tools, platforms and trends change rapidly and it's vital that you keep up-to-date.

- **Time consuming** – tasks such as optimising online advertising campaigns and creating marketing content can take up a lot of time. It's important to measure your results to ensure a return-on-investment.

- **High competition** – while you can reach a global audience with digital marketing, you are also up against global competition. It can be a challenge to stand out against competitors and to grab attention among the many messages aimed at consumers online.

- **Complaints and feedback** – any negative feedback or criticism of your brand can be visible to your audience through social media and review websites. Carrying out effective customer service online can be challenging. Negative comments or failure to respond effectively can damage your brand reputation.

- **Security and privacy issues** – there are a number of legal considerations around collecting and using customer data for digital marketing purposes. Take care to comply with the rules regarding privacy and data protection.

Conclusion

Using this information, market makers in the online marketing industry are preparing individual advertising campaigns for each segment of the targeted audience, making it more effective than traditional ad campaigns.

As you can see, online marketing has many advantages which you can carry your marketing activities to a higher level with. Digital or online marketing is the most effective way to reach your potential customers wherever and when they are looking for your services or products [15, 44].

References

1. Allen, E. and Fjermestad J. (2001) E-commerce marketing strategies: an integrated framework and case analysis, Logistics Information Management.

2. Bart et al (2005) "Are the Drivers and Role of Online Trust the Same for All Web Sites and Consumers? A Large-Scale Exploratory Empirical Study", Journal of Marketing.

3. Beldona, S. (2005) Cohort Analysis of Online Travel Information Search Behavior: 1995-2000, Journal of Travel Research.

4. Bhui, K. and Ibrahim, Y. (2013) Marketing the radical: Symbolic communication and persuasive technologies in jihadist websites, Trans cultural Psychiatry.

5. Blech, G.E. and Blech, M.A. (2012) Advertising and Promotion: An Integrated Marketing Communications Perspective, 9th Edition.

6. Buhalis, D. and Law, R. (2008) Progress in information technology and tourism management: 20 years on and 10 years after the Internet - The state of e-Tourism research, Tourism Management.

7. Chaffey, D. et al (2000) Internet Marketing: Strategy, Implementation and Practice, Financial Times Prentice Hall.

8. Charlesworth, A. (2009) Internet Marketing: a practical approach, Butterworth Heinmann / Elsevier.

9. Clow, K.E. and Baack, D.E. (2013) Integrated Advertising, Promotion, and Marketing Communications. Prentice Hall.

10. Deighton J. (1997) Commentary on exploring the implications of the Internet for consumer marketing, Journal of the Academy of Marketing Science.

11. Dholakia R.R. and Kshetri N. (2004) Factors Impacting the Adoption of the Internet among SMEs, Small Business Economics.

12. Drozdenko, G., & Drake, P.D. (2002) Optimal database marketing: strategy, development, and data mining, Sage Publications.

13. Eriksen, K. and Hemmingsen, C. (2010) Online marketing – New models of advertising.

14. https://www.nibusinessinfo.co.uk/content/advantages-and-disadvantages-digital-marketing.

15. Godes, D. and Mayzlin, D. (2004) Using Online Conversations to Study Word-of-Mouth Communication, Marketing Science.