

Internet Promotion - Advantages and Disadvantages

By [Carla Lendor](#)

The emergence of globalised trade, increase in foreign investment and cross-border transactions have put many small businesses under pressure to find innovative ways to continue to market their products and services. This is especially difficult given that they often operate on tight marketing budgets.

In the quest for cheap marketing alternatives, these small businesses continue to use conventional marketing tools such as newspaper, magazine, radio and television advertisements, unaware of the advantages that Internet promotion offers. All too often, these entrepreneurs focus on the disadvantages of Internet promotion and fail to adequately take advantage of the opportunities that it presents. Moreover, their preoccupation with conventional marketing strategies is driven by a misconception that these are cheaper than Internet promotion.

To most small business entrepreneurs, marketing or promoting their products or services via the Internet can be a daunting task. However, with adequate information small businesses can benefit significantly from Internet promotion while minimizing the disadvantages that it presents. In fact, it may prove to be the marketing strategy that generates the highest return on investment.

The Advantages

Cost Effective and Enduring Marketing Strategies

The Internet has become the information superhighway for the buying public. Most persons prefer the hassle free transactions that Internet shopping can offer. As a result, the Internet has become the most powerful selling tool. Internet promotion offers cost effective ways for small businesses to enhance their product or service distribution networks. For example, the use of portals can help create new marketing channels and logistics, or provide better or faster product access for customers.

In comparison to other forms of marketing, Internet promotion presents the advantage of reduced budget and storage costs, when compared with printing brochures, producing television or radio advertisements or managing a call centre. It presents a fast and cost effective option for penetrating new markets.

Market Penetration

With millions of person using the Internet to search for products and services, small businesses can penetrate other markets at a fraction of the cost of traditional marketing methods.

Websites act as virtual storefronts, allowing businesses to stay open 24/7. Internet promotion gives a business greater visibility, thereby creating more opportunities for increasing its customers at relatively low cost. Never before has it been easier for an upstart business to be able to reach out to literally millions of potential customers and to position themselves for success, without the need for costly infrastructure and overwhelming marketing costs. Thanks to the Internet, new businesses can become popular almost overnight.

Low Cost, Instant Communication

Email makes business communications instant, whether the customer or business affiliate is across the street or across the globe. It makes it easier for customers to maintain contact and readily facilitates repeat purchasing. An effective online strategy can therefore turn a small Web business into a virtual cost saver and income-generating machine. The net result is that the small business can gain significant competitive advantage in a given market.

Many online businesses have therefore resorted to the use of e-zines, blogs, and other online marketing tools to let customers know about new products or services as well as provide information relevant to their respective industry. The benefits of this strategy are two fold. Marketers can effectively heighten brand awareness for relatively new products on the market whilst strengthening customer relationships, with shorter time frames.

Content is Timeless

Internet promotion also provides the advantage of being enduring. Whereas participation at a trade fair or conference loses sales impact, once it is over, and an advertisement in a newspaper or business magazine may quickly lose its sales generating value within a day or two or as soon as the next issue is released; Internet Promotion is often timeless. Apart from the dates and sometimes prices, much of your website content remains valid years after.

Real Time Statistics For Measuring Success of Promotion Campaign

One of the most significant advantages of Internet promotion is that its success is measurable. Marketers can use tools that provide real time statistics,

on unique visitors, repeat visitors, click through rates (CTR) on advertisements, thereby allowing them to evaluate the effectiveness of a promotion campaign. This enables marketers to determine what works for their particular market and to make timely changes in their marketing strategies.

Time Saving

Another important advantage of Internet promotion is that it saves time since it generally does away with counseling on product uses and benefits, service information and sales administration. Visitors can access "frequently asked questions" to help themselves, and can buy online, without the involvement of staff. This saves time and money. So, whether 10 or 10,000 visitors visit the site, the increased cost is marginal whilst the savings can be immense.

But like any business approach, Internet Promotion is not without its risks and weaknesses.

Disadvantages

Difficulty in Attracting Customers

Small business may not have the resources to pay for paid directory inclusion, or pay per click inclusions, and often have to rely solely on search engine optimization or word of mouth to drive traffic to their sites. With millions of businesses selling the same product and services, competing with more established businesses can be frustrating and costly venture for small business.

On the other hand, larger companies can offer promotions, pay for directory inclusions, implement pay per click campaigns as well as employ the "who is who" in internet marketing to develop campaigns that generate traffic and leads.

Difficulty in Evaluating Legitimacy of Transaction

Another notable disadvantage of doing promoting businesses online is that it may be difficult for the businesspersons and consumers to thoroughly evaluate the legitimacy of a transaction. Small businesses are particularly vulnerable to thieves using stolen credit cards and stolen information to do online transaction.

With Internet credit card and identity fraud on the rise, small businesses are forced to finance costly security measures to reduce their vulnerability to fraudulent transactions.

Salespersons and Customers are Isolated

Another disadvantage of promotion via the Internet is that the customers and businesspersons are isolated. There is little personal contact between customer and salesperson prior to and after the sales is closed. Thus, the prospect for repeat sales may be diminished. Entrepreneurs are therefore compelled to adopt marketing strategies to drive online users back to their site.

From all indications, it appears that the advantages of Internet promotion, far exceed the disadvantages. With adequate knowledge, entrepreneurs can benefit significantly from Internet promotion, especially small business owners.

More and more, with the growth and outreach of the Internet, its ease and accessibility for customers is becoming inevitable. Small business would therefore be well advised to start their web promotion in order to improve their competitiveness online.

Carla Lendor has been involved in Internet Marketing from 2000. She is a co-publisher of eXplosion!, a newsletter which offers guidance to small online businesses. She is the co-founder of [Caricom Single Market Economy](#), a blog with discusses the challenges faced by Caribbean businesses in the CSME. Visit [Patant Consultants International](#) or [Caribbean Vacation Resorts](#) for more information.

Article Source: http://EzineArticles.com/?expert=Carla_Lendor