

Net-Based Promotions: Practices, Prospects and Challenges

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Introduction

Twentieth century brought around one of the most dynamic technological advancement, which opened vistas to interactive electronic communication. Internet, which is a worldwide system of linked computer networks, is the fastest growing, inexpensive medium of communication. This is evident from the fact that today as many as 90 million people are connected through internet[1]. Internet is being used by business to directly market its products to consumers as well as businesses. This marketing via electronic media is termed as e-commerce, and its extensive growth has led to adapting traditional marketing tools for e-commerce.

Internet and E-commerce Scenario in India:

According to Indian Department of Telecommunication (Dot), in 2002 there were 3.3 million internet subscribers. The PriceWaterHouse Coopers (2002) have predicted a 50% increase in internet penetration. NASSCOM (2001) survey has indicated that internet usage was increasing in large number of smaller towns [2]. The internet was accessed through home, offices and cyber cafes via dialup service or cable connections.

Indian business to consumer (B2C) transactions had grown to more than Rs.18, 000 million by 2001- 2002 (NASSCOM Report: 2001). B2C market was growing at a compounded rate of 56% and was expected to rise to 287.2 million rupees by 2006[3].

Brandquiver study of 900 respondents indicated that there were about a dozen Indian internet shops operational in 2001[4]. One third of the internet users had made purchases on-line while 69% had indicated interest in shopping on-line. Confederation of Indian Industry and the International Center expected e-commerce revenues in India to touch 5.3 billion dollars by 2005. It also reported a high degree (91%) of awareness about possibility of shopping online. But only 35% had made purchases online at least once. While 60% of (35%) them were found to have bought thrice or more online. Music cassettes and books were the main items purchased online. Majority of respondents did not consider products such as groceries (40%), clothing (46%) and electronic goods (38%) conducive for online purchase. The reason for online purchase was convenience (78%) followed by good bargains and discounts (59%). Younger than 20 years were found to be more deal prone than others. E-commerce activities were carried out through both general web sites like Rediff and e-commerce sites like Baazee.com.

Past Research:

E-commerce and online advertising are two important areas of information technology, which are becoming more and more lucrative for business worldwide [5]. E-commerce facilitates electronic exchange of transactions, which makes the whole business cycle more cost effective [6]. Companies are using this new media for advertising and sales promotions to build brands and personalise interactions with prospective consumers. A brand's web presence often increases the effectiveness of other communication tools and there by helps in binding the communication efforts. The brand associations built through net-based communications are likely to be stronger due to the experience and effort that go

with involvement [7]. Very often companies treat web as just another media and are unable to exploit the unique characteristics of the net. It is essential that a marketer understand when to use this new media for communication; and for what kind of products and consumers will it be effective. Results of a study conducted to examine and compare new media interactive advertising vs. traditional advertising has shown that new media interactivity is not always better. Under certain conditions interactivity interrupts the process of persuasion. Moreover, there was further evidence that, visual processing was inhibited by interactivity: respondents with visual orientations appeared to be hampered by the interactive systems as seen by the decrease in purchase intentions for the targeted products and less time spent on the advertisement [8]. Another study compares the differences in media characteristics between the internet and the traditional media. It determines the product characteristics, which are more suited for internet advertising, and the product related factors responsible for media use. The results of this study suggest that internet advertising is better suited for highly involved products as well as rationally oriented consumers and that internet should be recognised as an important media alternative in view of its preference and effectiveness of ad execution [9].

In order to create net-based communications, one needs to develop special expertise and knowledge that is different from the traditional approach. The content of the communications should be such that they stimulate the consumers, provide information, entertain, and save time and money [10]. It is essential to understand that whenever information from consumer is sought, online privacy issues could arise. Self-regulation by online industry in order to protect consumer privacy seems to be failing, which has motivated a research to investigate how internet advertising practitioners perceive consumer attitudes towards practices involving information collection and usage. The result clearly indicates that though the practitioners are aware of the consumer's privacy concerns they fail to address these concerns [11].

Just like traditional media, evaluation measures are critical for this emerging medium. Hits, page views, click through and unique visitors are some of the methods used for traffic measurements. Elements such as length of stay, conversion rates, registrations, subscribers, repeat visits are now being incorporated in tracking process [12]. Till 2002, only visits to the websites through standard browsers such as internet explorer were monitored. This system did not account for people accessing the sites through other means like cell phones [13].

Until now no study was found to address issues concerning net based sales promotions. Thus past researches and other relevant articles in the area of net- based advertising and communication were reviewed for this study.

Motivation and Objectives

Advertising and sales promotion which are important elements of the communication mix have found their way on internet. Online (net based) sales promotion has become a prominent feature. In light of this development and the fact that academic research in this area is fairly scant, this paper is an attempt to understand the characteristics, practices, prospects and risks of consumer sales promotion through this medium.

The objectives of the paper are

1. To explore reasons for wide spread use of net based promotions
2. To provide insights about the current net based promotions in India.
3. To examine managerial implications of net based promotions.

Methodology:

For this study net based promotions are defined as Sales promotion offers which are announced on internet, to be availed either/or online/ offline (brick and mortar). One meaning of auction is `bargain' as they create excitement, lead to urgency of action and

provide better deals. Hence, auctions are included as a type of sales promotion for this study.

To address the above objectives review of relevant existing literature was done. In order to understand reasons for increasing use of net based promotions, unique characteristics of this medium were identified.

The most effective way to search the web is to search by site. Hence to gain insight into current practices, different types of sites studied, were general, specialised and e-commerce sites. General sites are those, which are visited for information search, specialised sites are those which are visited for the purpose of availing sales promotions and e-commerce sites are those, which are visited for buying, and selling online. Only Indian sites have been selected for the study. The general sites were identified by looking at the top 50 web sites in India from BestIndianSites.com [14]. The rankings of these sites were based on the online presence and were updated on weekly basis. Criteria like traffic ratings, cross-links with search engine/ other sites and other quality parameters were taken into consideration to arrive at the list.

Out of the 50 best sites the first 10 sites were selected for this study. 2 out of the top 10 sites were B2B sites and hence they were not included for the study as the scope of this study is restricted to B2C promotions. Thus promotions appearing on 8 general sites were finally studied. Three of these 8 sites were found to have many promotional offers hence are selected as representative sample of general site for detailed discussion. Contest2win was the only specialised Indian promotional site examined, as there were no other

specialised such Indian site. In case of e-commerce sites 2 sites which had high awareness among net users were selected.

The best starting point for the exploration of a site is to identify the home page as most net users enter through the home page [15]. Thus for this study consumer sales promotions announcements appearing on the home page of all the sites selected for the study on a given day were analysed. Within the home page internal links which seemed relevant for the study were followed until they either led outside the site or ended in substantive information.

Based on this, inferences were drawn regarding current practices. Further, opportunities and risks were identified for this emerging medium and managerial issues are discussed.

Why Net Based Promotions?

The role of sales promotion is to induce trial among non-users, reward existing loyal users, encourage switching amongst competitive loyal and switchers [16]. The objectives of consumer sales promotion are;

- ❖ To increase off season sales
- ❖ To load the consumer
- ❖ To create excitement
- ❖ To integrate with other communication tools
- ❖ To build brand value
- ❖ To create database and build relations
- ❖ To drive traffic
- ❖ To generate leads
- ❖ To close the sale

In order to address the above objectives companies use various sales promotion techniques like coupons, free gift, bonus packs, contests, and samples. With increasing usage of internet, a variety of sales promotion offers are found on the net. Many offline sales promotion techniques are being used on the net.

Net as a medium is endowed with unique characteristics that have assisted the growth of e-commerce and in turn increased frequency of net-based sales promotion. Companies can offer any person sitting anywhere in the world sales promotion online. This is because electronic media has no geographic boundaries and can be accessed by anyone anywhere. This characteristic of **global access** provides wider reach in terms of consumer base to companies for sales promotion activities. The **interactivity** of the medium allows companies to collect information about the targeted consumers and build a rich database. This can be used for future promotional efforts for building trust and relationships. The **interactive** nature of the medium makes it possible for companies to design sales promotions which are innovative, exciting, enjoyable which in turn increase the **involvement** of the net user with the brand. If this involvement is accompanied with positive experience, it is likely to result into lasting and stronger associations leading to a bond between the consumer and the brand. It is possible to achieve a better fit between the target audience and sales promotion offers as net provides possibility of **customisation**. This helps in discriminating among the target audience. In case of sales promotion offers which are announced and are to be availed through the net, there exists a possibility of minimising or eliminating **role of intermediaries**. From manufactures' point online promotions are **cost effective** as cost per acquisition is lower compared to traditional media. This is because this medium is cheaper, distribution costs can be reduced, incase of e-shops investment in brick and mortar outlets can be done away with, data collection, feedback and research are less expensive. From a consumers perspective search time and cost are far lower than traditional medium.

Current Practices:

Several traditional consumer sales promotion offers are now available on-line such as coupons, discounts, contests, premiums (free gifts), sweepstakes. In order to create awareness and grab the attention of the internet users about the net based promotions, a variety of methods for announcement are employed. Some of them being banner ads, pop ups, targeted e-mails, shopping/deals (icons/hyperlinks) provided at general web sites, E-commerce sites and special promotional web sites.

In order to understand the type of products for which sales promotions are used and nature of sales promotions being used an indepth content analysis of sales promotions appearing on the home page of the sites was carried out.

General Sites

Rediff.com: A home page of rediff site displayed four direct sales promotion announcements. One was a discount offer and two were announcing free gifts (Table-1). Two free gifts were incentives for participating in two contests, while one was a combination offer having discount and free gift.

Table-1
Type of Promotion on Rediff

Site detail/ Promo. Type	Price Off	Free Gift	Contest	Combination offer
Home page	1	-	2	1
Shopping icon/14 product categories	117	-	-	-
Contest icon	-	-	8	-

A free gift icon on the home page did not give any information except the name of the brand being given free. In order to get details one needed to click on the respective icon.

Upon clicking on shopping icon, 14 product categories appear from which one could buy online and various offers across product categories were displayed. All the offers found on a particular day were of price-off nature. The price-off was communicated in terms of discount offered and saving in monetary terms one would make. The number of offers found within different product categories were: Watches 17, Apparel 8, Electronic 5, Footwear 5, Health and fitness 5, Cookware, home appliance and Kitchenware 27, jewellery 7, personal care and beauty 2, telephones 18, tools (knives) 13 and others 11.

As seen from above, wide variety of products ranging from low involvement to high involvement are being extensively promoted through price-off.

Clicking on the contest icon on home page displayed 8 banners of ongoing contests, results of the past contests and list of the forthcoming contests. The banner flashed only the brand name prominently. Further clicking on the banner would link the net user to the actual contests. This contests required no or low level of skills. The participant was not required to purchase the product in order to take part in such contests.

123india.com: On opening the home page of this site, 5 direct promotional announcement banners were found. Of which 2 were discount offers 1 was a free gift offer and 1 lottery offer. The popup window showed 1 more free gift offer. The two discount offers were banners giving some details about concessional rates for calls to India from USA. Free gift offer did not specify any details hence a net user was required to click on the icon to get information. The pop-up window flashed an introductory offer of a forthcoming website and the nature of free gifts being offered (Table-2).

Table-2
Type of Promotion on 123India

Site detail/ promo type	Price off	Free Gift	Lottery
Home page	2	2	1

Shopping icon/ 18 product categories	118	-	-
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On clicking the shopping icon, 18 product categories were displayed and 8 priceoff offers for a cross-section of product categories were displayed. 14 categories were found to be using sales promotions. Totally there were around 110 offers and all these were of price-off nature.

Indiatimes.com: The home page of this site was full of promotional announcements. One pop-up window announced a free gift offer giving fair amount of details. Two banners of which one was discount offer and another was an auction was found. Both these banners displayed the brand being promoted but for further details click through was required. One hyperlink to the auction was found not giving any details. Two spots 1 for auction and 1 for shop & gift were present. The auction spot had 5 offers while the shop&gift spot had 3 discount offers & 1 premium offer. These spots only showed product category/brands but no details. At the bottom of the page, 1 discount offer in the form of a link was shown. The shopping icon displayed 27 product categories, including 1 half price shop icon, 1 spot displaying 11 premium store banners giving brand names and a banner at the top giving free gift offer. The center of the page showed 6 premium offers and 3 discount offers across product categories. In premium store, 1 price off, 2 contests and 18 free gift offers were found. The indiatimes store (one of the store featuring in the spot of premium store) had 22 offers of which 21 were price off and 1 a combination offer containing a priceoff and free gift offer. This store also had a reward point programme for loyal buyers buying from the store (Table-3).

Table-3
Type of Promotion on Indiatimes

Site detail/ promo type	Price off	Free Gift	Auction	Combo	Contest
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Home page	5	2	6	-	-
Shopping icon/ 27 product categories	25	25	-	1	14

A net user visiting this site could click on contests icon on the homepage to participate in various contests without having to purchase anything. 12 different contests were displayed in the form of a banner. A pop-up window displaying the winner of a previous contest and name of contest starting and closing on that particular day were seen.

On examination of other general sites, *Indiainfo.com*, *eguruckool.com* and *chennaionline.com* similar pattern of announcements of promotions were observed. *Mapsofindia.com* and *Indiaexpress.com* were not found to have any promotional offers. *Indiainfoline.com* had a pop-up window announcing a promotion linked to other site. Great deals, bargains/saving spots and shop and gift store icon (with buy now) were present on the home page. The home page was cluttered with information. Offers similar to other general sites like price-off and free gifts were found on home page of this site.

Chennaionline.com had more than 10 banners announcing promotions on its home page. 8 of these offers were of price-off nature. It also had a shopping icon, which did not reveal number of product categories on the home page.

Egurucool.com is a site for students and hence the promotions appearing here were targeted at them. It did not have many banners of promotion like other sites. Also the products here were only online courses and icons for ordering course material. Instead of the shopping icon it had **Buy a Course** icon. The home page had only offers of free sample papers for various levels. Clicking on buy a course showed offers like free sample brochures, test papers and free demonstration of online programs.

Specialised Promotional sites

Contest2win: As the name suggests, it is a specialised promotional site where the net user could participate in various contests by registering and becoming a member. No conditions of purchase were noticed. The home page displayed a few contest banners, and a contest icon. In order to view and participate in the contests available, the person was required to click on the contest icon. 19 contests were found on a particular day after clicking on the icon. The details like nature of prizes, last date of the contest and restrictions if any could be found by taking the pointer to the specific contest banner. Besides individual prizes of different contest a player could collect credits which could be redeemed for gifts. This scheme was offered by the site contest2win 13 contests were sponsored by well known FMCG brands, 3 by services and 3 did not specify any brand or company sponsorship.

Sifymall.com: This is a specialised e-commerce site that is visited for the purpose of buying online. On opening the home page, 4 banners announcing sales promotion were found of which 3 were price-off in nature and 1 was free gift offer. Two of the priceoffs were specific about the discount/saving being offered, and the free gift offer clearly stated the free gift and the brand giving the offer. Two other icons that could indicate some promotional offer were found on the home page, they were *super saver* and *special offer*. The super saver had to be clicked for further information. Under the icon of special offer, 7 offers were found on the home page, of which one was a combo offer of premium and price off nature, two were price-off and two free gift offers. The two that were not clear when clicked also did not reveal any special offers. After clicking each of the special offers, 7 price offs, 2 combo offers and 2 premium offers were found (Table-4)

Table-4
Type of Promotion on Siffymall

Site details/promo types	Price-off	Free gift	Bonus pack	Combo offer

Home page	5	1	-	1
Special offer icon	2	2	-	2
Super Saver icon	5	-	1	-
19 product categories	Most	some	-	Very Few

The price-off were announced in two forms; either saving or special price. Clicking on super saver icon, a new page announced *upto 30% off* on various product categories like books, kitchenware, movie VCDs, electronics and durables, mobile phones. 6 banners were found of which 4 were price-off offers, and 1 was buy two get one free offer. The 3 price off offers were in the form of discount announcement while one was specifying rupees off.

19 product categories were listed on the home page in the spot of Fine Products. Further clicking on the product categories revealed promotional offers if any. Most of these offers were of price-off nature and some were free gift or combination offer.

Bazee.com: This e-commerce site provides opportunity to both buy and sell online upon registration which is not charged. The main differentiating feature of this site is that it has variety of *auction offers* on its home page as well as other pages. Unlike other sites this site has a spot called *today's top picks* announcing price off offers (8) on various products. The spot called *featured products*, had 16 banners announcing promotions (Table-5)

Table-5
Type of Promotion on Baazee

Site details/promo type	Price-off	Auction
Home page		
Today's Top Pick Spot	8	
Featured Products Spot	12	4
1 pause auction icon/ 11 product categories		431

They were of two kinds: 12 special *price off* offers where the condition was *buy now*, and 4 were *bid now* offers which indicated auction. Clicking on one paise auction link the page displayed product categories in which one could participate in an auction. Number of items within each category that were on auction was also displayed. Most number of items were found in jewelry category (321) for auction.

Out of the 11 sites examined home page of 9 sites were found to have promotional announcements in different ways. (Table-6)

Table-6
Sites and Mode of promotional announcements

Sr. No.	Name of site	Popup window	Shopping/ Shop icon	Banner	Great deals/ bargain/ Icons	Contest icon	Auction icon
1	Rediff.com	No	Yes	Yes	Yes	Yes	Yes
2	Mapsofindia.com	No	No	No	No	No	No
3	Indiainfo.com	No	Yes	Yes	Yes	No	No
4	123india.com	Yes	Yes	Yes	No	No	No
5	Indiatimes.com	Yes	Yes	Yes	Yes	Yes	Yes
6	Egurucool.com	No	Yes	No	No	No	No
7	Chennaionline.com	Yes	Yes	Yes	No	No	No
8	Indiaexpress.com	No	No	No	No	No	No
9	Contest2win.com	No	No	Yes	No	Yes	No
10	Sifymall.com	No	No	Yes	Yes	No	No
11	Baazee.com	No	No	Yes	Yes	No	Yes

It is apparent from Table-6 that banner is the most commonly used mode (8 out of 11) of announcing sales promotion. Contest was not found to be a popular mode of sales promotion in case of e-commerce sites (Table-7). Auctions offers found on general sites were mainly by competing airline companies. While auctions on Baazee.com were spread across number of product categories, ranging from apparels to jewelry to consumer electronics.

Comparing the findings of current consumer sales promotion practices, found from the three types of sites, it is evident that the type of product categories on which promotional offers are announced are nearly the same. Except in the case of Egurucool.com where the purpose and nature of the site was very specific. Registration was necessary for both specialised and e-commerce sites.

The most frequently promoted product categories across sites were apparel, phones, airlines, books, watches, walkman, camera, clocks, shoes, hand-mixers, cooking pans, knives, music CD's and jewelry. The most commonly used net-based promotion was found to be price-off, followed by free gift offer (Table-7). Two loyalty programmes found has different objectives. One was to encourage purchasing online through a particular e-shop whereas the other was for promoting the use of a website.

Table-7
Comparison of current sales promotion practices across sites

Site type/ Dimension	General	Specialised	E-commerce
Purpose of visit	Information search	Entertainment	Buying and selling
Registration requirement for availing promotion	Not required	Yes	Yes
Product categories	Same	Same	Same
Announcements: Terms using (icon, banner, spot, links etc.)	Bargains, great deals, auctions, contests, shopping	Contests	Super saver, special offers, auctions, today's top picks
Type	Price offs, contests, premium offers, auctions, combo offers	Only contests	Majority auctions, some price offs
Purchase conditions	Yes	No	Yes

Prospects:

Future holds a lot of promise for net-based promotions, as rise in e-commerce is going to lead to more usage of net-based promotions. Growth in PC penetration and cheap, trouble free internet connection has made the climate for e-promotions conducive. 69% of the

people surveyed by NASSCOM have shown positive inclination towards online buying in future. Also the same, survey indicated 91% awareness of sites where online purchase of variety of goods is possible [17]. Aggressive promotions by credit card companies and banks and availability of prepaid e-cards are likely to fuel growth in B2C transactions. The current practices reveal that except for contest2win and contests offered by other sites purchasing online is a precondition for availing net-based consumer sales promotion. Which leads to the conclusion that future growth of e-commerce activities is likely to lead to extensive usage of net-based promotions.

Price-off and premium offers were being used extensively by companies. Free sample, coupon, reusable container, bonus packs, loyalty programmes were not found to be frequently used. This indicates that unique characteristic of this medium such as interactivity, customisation and others were not exploited by the current sales promotion offers. For example free sample ordered online could be used to generate leads or trial. Brick and mortar companies could use this medium for announcement as well as a tool to complement their integrated communications thereby exploiting its untapped potential. In India, there was no specialised site for coupons like coupon.com, which exists in western world. Prospect exists for a site allowing printing of coupons and availing discounts at brick and mortar store. Baazee.com in some sense is an auction site but opportunity to have a specialised site like auction.com also exists in India. Though the medium has no boundaries, availing sales promotion across the border/ country will take time due to lack of free market access. A small step in this direction is availability of an international credit card. Also as more and more devices like automobiles, cellular phone, household appliances get connected to the net significant opportunities await the future of net-based promotion.

Challenges:

This emerging medium along with prospects poses lot of challenges for using net-based promotions. Some of them are discussed below:

Product Issues:

A very basic but important issue a manager must think about is related to nature of product and its suitability on the net. Several studies like Yoon, Sung-Joon and Kim, Joo-ho (2001) [18] have indicated that internet is better suited for high involvement products appealing to highly involved as well as rationally oriented consumers. Another study by John M.DE Figueiredo (2001) [19] showed that the ability to be able to judge quality of a product is the biggest differentiator among product categories on the web. Hence quasi- commodity products like books, videos, CDs, have witnessed increase in e-commerce. Empirically also it has been found (NASSCOM 2001) that out of products bought online, 60% comprised of books and music cassettes. Our study showed that compared to product categories like apparel, kitchen appliances, Household goods, electronic goods, travel which were extensively promoted, books, CDs, VCDs had relatively fewer number of promotions.

The implication for a manager is that first he/she must understand whether his/her product/service is conducive for online purchase and then decide upon net-based promotion. For product category like diamond jewelry, which is feeling based, lifestyle product where decisions are not always rational is not suited for net-based promotions compared to low risk rational products like book and CD's.

Design issues:

- ❖ How to communicate?

Just like traditional media the electronic medium has also started witnessing a clutter. One finds number of similar promotional offers in terms of layout, wordings, incentive offered etc., as a result none of them really stand out, defeating the very objective of sales

promotion. From our exploratory empirical study we found that there was no difference in the way price off featured on various sites across number of product categories. Since all the offers looked alike, consumer might face difficulty in relating the promotion to a brand. The challenge for a manager is to communicate a sales promotion offer in such a way that it not only helps to gain attention but also leads to better chance of closing a sale.

❖ What to communicate?

Great care needs to be taken while framing the words of the offer. The same quantum of incentive worded differently like 50% off or save rupees (250 on MRP Rs. 500) will be perceived and responded by consumers distinctly. Consumers perceive the same level of incentive differently when presented in different manners. "Two for the price of one " or " buy one get one free", though mean the same is likely to evoke different reactions and hence different response to the sales promotion. Ambiguous offers like free gift without specifying the nature of gift or the brand is dangerous as it could lead to loss of credibility and interest on part of the consumer.

❖ Where to communicate?

Every web site has a set profile of visitors similar to the profile of people reading a particular newspaper, magazine or watching a particular TV channel. Depending on the purpose of sales promotion, a manager has to decide what kind of web site he will use for promotions. Choosing amongst various web sites is a formidable task before a manager. The success of e-promotion is dependant on the fit between the nature of web site, company's target audience and nature of product being promoted. Sometimes the situation is tricky when more than one option exists. Suppose for a company like Britannia which has associated its sales promotion offers to cricket and wants to use net-based promotions during recent Cricket World Cup event (2003) they could utilise general sites like rediff.com

which is visited frequently to catch up on the latest score or a specialised site like contest2win which is likely to have fewer but focussed visitors.

If the purpose of the promotion is only to achieve sales, managers could employ a high pressure selling web site where heavy promotions are used to move inventory or stimulate sales of high margin items, with very little service and minimal information transmission. Contrary to this, if the purpose of the promotion is to build the trust and relationship, websites where full and accurate information is presented, and customer interest is kept in mind should be employed.[20]

❖ How to communicate?

Some of the issues regarding how net-based promotions can be used will depend on whether the net-based promotion is stand alone or just another form of announcement of a traditional sales promotion, or is being used to complement the traditional sales promotion.

• When to Communicate?

The timing of promotion and continuous monitoring is very essential. Duration details need to be clearly indicated so as to generate desired impact in a given time. Also when a promotion is linked to a certain event /festival, care should be taken that it is not continued after event or festival is over. Many Christmas promotions, Dussera promotions were found even in March 2003 during the course of this study.

Over and above the design issues discussed earlier, a manager needs to strike a balance between being innovative and level of effort required and time investment required on the part of a net user. At times when availing an offer requires lot many clickthroughs especially in a country like India where the speed of net is not always very fast, could lead

to losing of interest in a promotional offer. When too many personnel details are required before availing a promotion the consumer is likely to feel insecure and loose interest.

Measurement issues:

What evaluative measures are to be used in order to judge effectiveness of net-based promotions is a dilemma facing a manager. It has been shown in a research that hits or clickthrough are not adequate to measure effectiveness of net-based promotions. Measures to link clickthroughs to closure of sale, time a person spends on a particular promotion, repeat visits, word of mouth possibility, impact on brand image etc. need to be incorporated

Privacy Issue:

Companies need to be careful not to invade the privacy of an individual while personalising communication. A manager should ensure that personal information collected would be safeguarded and utilised only for delivering superior value to a customer.

Limitations and future scope:

Only few Indian B2C sites were examined for the study. Consumer sales promotion offers appearing under general list of product categories were not looked into. Also promotions appearing only on a single day were recorded. If such offers are observed over a period of time, they might help in determining patterns and trends of net-based promotions.

Since this new medium is being widely used and breaking the traditional boundaries of consumer promotions, it is imperative that a better understanding of the media audiences needs and preferences are studied. Also a fit between product and the media need to be examined through empirical research in order to make net-based sales promotion more effective. Evaluation measures of net-based promotions should be evolved to understand

effectiveness of such promotions. A comparison of Indian and foreign site promotions would further enrich the understanding of net-based promotion practices.

Conclusion:

Many online marketers believe that if they just put out an ad, they'll make sales. This is not true. The key to success for any online marketer lies in the ability to not only advertise, but to learn how to do it effectively! [21]. Your ad copy announcing sales promotion must be compelling enough to get your prospect to act on your sales promotion offer. There are hundreds of online marketers currently using net based promotions, but very few have given any thought about leveraging the speed, access, connectivity and economy created by web technologies to design effective sales promotions. Thus a manager needs to keep in mind variety of factors like nature of product, nature of competition, nature of target audience as well as the overall communication tasks before using net based sales promotions.

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