Chapter 1

Introduction to eMarketing

1.1 Introduction

There is no doubt about it—the Internet has changed the world we live in. Never before has it been so easy to access information; communicate with people all over the globe; and share articles, videos, photos, and all manner of media.

The Internet has led to an increasingly connected environment, and the growth of Internet usage has resulted in the declining distribution of traditional media: television, radio, newspapers, and magazines. Marketing in this connected environment and using that connectivity to market is eMarketing.

EMarketing embraces a wide range of strategies, but what underpins successful eMarketing is a user-centric and cohesive approach to these strategies.

While the Internet and the World Wide Web have enabled what we call new media, the theories that led to the development of the Internet have been developing since the 1950s.

1.2 A Brief Timeline in Internet Development

LEARNING OBJECTIVE

1. Develop an understanding of how the Internet evolved.

The following is a brief timeline of the key events that led to the development of the Internet as it is known today:

- **1958**. U.S. Advanced Research Projects Agency (ARPA) is established to lead science and military technological developments.
- **1961**. Massachusetts Institute of Technology publishes a research paper on packet-switching theory.
- **1961–69**. Research into intercomputer communications and networks is ongoing.
- **1969**. Advanced Research Projects Agency Network (ARPANET), commissioned by the U.S. Department of Defense, goes live; U.S. universities connect network facilities for the first time.
- **1971**. Ray Tomlinson creates the first network e-mail application.
- **1973**. Protocols to enable multinetwork Internet opportunities are developed; first international ARPANET connections are made.
- **1976**. Her Majesty Queen Elizabeth II sends an e-mail.
- **1978**. First spam e-mail is recorded.
- **1980**. Tim Berners-Lee develops rules for the World Wide Web and is credited as being the "Web's father"; Alan Emtage develops the first search tool, known as "Archie."
- **1982**. Standard network protocols are established: transmission control protocol (TCP) and Internet protocol (IP), commonly referred to as TCP/IP.
- **1984**. Joint Academic Network (JANET) is established, linking higher-education institutions; domain name system (DNS) is introduced.
- **1985**. A company named Symbolics becomes the first registered dot-com domain.
- **1987**. U.S. National Science Foundation is the catalyst for the surge in funded work into the Internet; number of Internet hosts increases significantly in this period.
- **1988–1990**. Twenty-eight countries sign up to hook up to the National Science Foundation Network (NSFNET), reinforcing international Internet potential.
- **1990**. U.S. Senator Al Gore coins the term "information superhighway."

- **1991**. Web father Tim Berners-Lee releases the World Wide Web (WWW) with scientists from the European Organization for Nuclear Research (CERN).
- **1992**. America Online (AOL) is launched and raises $23 million in flotation; the phrase "surfing the Net" is introduced by Jean Armour Polly; the World Bank goes online.
- **1993**. Mainstream media attention increases awareness of the Internet; first Internet publication, *Wired*, goes on sale; Mosaic introduces the first Web browser with graphical user interface and is the forerunner of Netscape Navigator; first online shopping malls and virtual banks emerge, as does evidence of spam; first clickable banner advertisement is sold by Global Network Navigator to a law firm.
- **1995**. Amazon is launched by Jeff Bezos; trial dial-up systems such as AOL and CompuServe launch; charging is introduced for domain names; search technology companies such as Alta Vista, Infoseek, Excite, and MetaCrawler rapidly appear.
- **1996**. Yahoo! is launched on the stock exchange, and shares are up nearly 300 percent on its first day.
- **1997**. MP3.com is founded; the phrase "search engine optimization" is used for the first time in a Web forum.
- **1998**. XML (extensible markup language) is released to enable compatibility between different computer systems; Google is founded by Larry Page and Sergey Brin.
- **1999**. Peter Merholz coins the word "blog."
- **2000**. AOL and Time Warner announce they are merging; pay-per-click (PPC) campaigns are introduced for top-ten search rankings; Google AdWords launches, charging for advertisements on a cost-per-mille (CPM, or cost-per-thousand impressions) basis.
- **2002**. UK online monthly consumer shopping breaks through the £1 billion barrier; Google AdWords charges on a PPC basis instead of a CPM.
- **2003**. EBay topples Amazon as the most visited UK Web site.
- **2004**. CD WOW! loses court case and rights to source cheaper compact discs (CDs) outside the European Union, undermining the global concept of the Internet.
- **2005**. Iceland leads the world with broadband penetration: 26.7 inhabitants per 100 have broadband compared with 15.9 per 100 in the United Kingdom.
- **2006**. Google buys YouTube for $1.6 billion; Facebook membership opens to anyone; Technorati.com notes that a blog is created every second of every day; *Time* magazine names "You" as person of the year due to online activity.
- **2008**. Firefox 3.0 launches with over eight million downloads in twenty-four hours; Internet usage tops 1,407,724,920 worldwide.

- **2009.** An estimated 1,802,330,457 are using the Internet worldwide as of December 31.Miniwatts Marketing Group, "Internet Usage Statistics," Internet World Stats, June 19, 2010, http://www.internetworldstats.com/stats.htm (accessed June 22, 2010).

1.3 It's All about Being Connected!

LEARNING OBJECTIVE
1. Understand how a domain name works.

In its simplest form, the Internet is a collection of connected documents or objects. Hyperlinks are what connect these documents.

> The Internet is a worldwide network that allows for information to be shared between users (also known as "nodes"). The World Wide Web is a subset of this that caters specifically to Web sites.

A hyperlink is a virtual link from one document on the World Wide Web to another. It includes the **uniform resource locator (URL)**[1] of the linked-to document, which describes where on the Internet a document is. It is what you enter in the address bar of the browser because it is the address of that document on the Internet.

A URL provides information to both browsers and people. URLs include domain names, which translate to Internet protocol (IP) addresses. Every Web site corresponds to an **Internet protocol (IP) address**[2], which is a structured series of dots and numbers indicating where it is physically located. When you enter a URL into the address bar of a browser, the DNS record indicates where the document is that you are linking to. Many domains can translate to the same IP address.

Confused? Look at the domain name and IP address for Quirk's Web site:

- **Domain name.** http://www.quirk.biz
- **IP address.** 212.100.243.204

A domain name looks something like this:

http://www.domainname.com

1. The unique identifying address of any particular page on the Web. It contains all the information required to locate a resource, including its protocol (usually hypertext transfer protocol [HTTP]), server domain name (or IP address), file path (directory and name), and format (usually hypertext markup language [HTML] or common gateway interface [CGI]).

2. Used to uniquely identify a computer and system on the Internet.

But a lot more information can be included in this. Domain names can carry the following information:

subdomain.domain.tld/directory

- **Domain**[3]. The registered domain name of the Web site.
- **Subdomain**[4]. A domain that is part of a larger domain.
- **TLD**[5]. The top-level domain, uppermost in the hierarchy of domain names, also known as the domain extension.
- **Directory**[6]. A folder to organize content.

The TLD can indicate the country in which a domain is registered and can also give information about the nature of the domain:

- **.com**. The most common TLD.
- **.co.za, .co.uk, .com.au**. These TLDs give country information.
- **.org**. Used by nonprofit organizations.
- **.gov**. Used by governments.
- **.ac, .edu**. Used by academic institutions.

Domain names must be registered, and there is a fee for doing so.

3. The unique name that identifies an Internet site. Every domain name consists of one top- or high-level and one or more lower-level designators. TLDs are either generic or geographic. Generic TLDs include .com (commercial), .net (network), .edu (educational), .org (organizational, public, or noncommercial), .gov (governmental), .mil (military), .biz (business), .info (informational), .name (personal), .pro (professional), .aero (air transport and civil aviation), .coop (business cooperatives such as credit unions), and .museum (museum Web sites). Geographic domains designate countries of origin, such as .us (United States), .fr (France), .uk (United Kingdom), and so on.

4. A domain that is part of a larger domain.

5. The top-level domain, uppermost in the hierarchy of domain names.

6. A folder to organize content.

> ### KEY TAKEAWAYS
>
> - The Internet is a worldwide network that allows for information to be shared between users (also known as "nodes"). The World Wide Web is a subset of this that caters specifically to Web sites.
>
>   - The anatomy of the domain is as follows: subdomain.domain.tld/directory
>
>   ◦ Domain: the registered domain name of the Web site
>   ◦ Subdomain: a domain that is part of a larger domain
>   ◦ TLD (also known as the domain extension): the top-level domain, uppermost in the hierarchy of domain names
>   ◦ Directory: a folder to organize content
> - Domain names must be registered, and there is a fee for doing so.

1.4 How Do People Access the Internet?

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7. A form of Internet access that uses telephone lines. The user's computer or router uses an attached modem connected to a telephone line to dial into an Internet service provider's (ISP) node to establish a modem-to-modem link, which is then used to route Internet protocol (IP) packets between the user's equipment and the host's.

8. Refers to third-generation mobile and wireless communication. 3G systems promise faster communications services, including voice, fax, and Internet, anytime and anywhere with seamless global roaming.

9. Any of a family of wireless local area network (LAN) data standards (IEEE 802.11) used fairly ubiquitously for corporate and home connectivity. Also available as hotspots in public areas such as cafes and airport terminals, either for free or for a one-time-use charge or subscription fee.

10. A wireless wide area network (WAN) standard (IEEE 802.16) designed to provide portable (eventually mobile) wireless broadband access. Single WiMAX antennas can provide coverage over large physical areas, making deployment potentially very cost effective. Although not widely available as of 2007, it is sometimes considered a potential competitor to cable modems and digital subscriber line (DSL) for residential broadband.

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> **LEARNING OBJECTIVE**
>
> 1. Understand the various ways in which people can access and connect to the Internet.

People connect to the Internet and access content in many different ways. When it comes to the physical connection to the Internet, the market presents a number of options:

- **Dial-up**[7]
- **3G**[8] (third-generation mobile and wireless communication)
- **Wi-Fi**[9] and **WiMAX**[10]
- **Broadband**[11]
- **ADSL (asymmetric digital subscriber line)**[12]

And that list goes on. The devices people use vary from mobile phones and small handheld devices to personal notebooks and desktop computers. The environment that people are in when they access the Internet also differs:

- At home
- At the office or place of work
- In libraries and education centers
- In Internet cafés and coffee shops

Not only do these environmental factors affect how people use the Internet, but also their reasons for using the Internet can have an effect on how they interact online.

For some people, it is primarily a communication channel, and their online activity is focused on their e-mail in-box, while for others it may be a research channel, with search engines playing a large role in their online experience. Having such a diverse audience means that there are many channels available to marketers when it comes to eMarketing.

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So what does this all have to do with marketing? Marketing is about conversations, and the Internet has become a hub of conversations. The connected nature of the Internet allows us to follow and track these conversations and provides entry points for all parties. What follows in this book are ways of conversing with potential and existing customers using the Internet.

KEY TAKEAWAYS

- People can access the Internet in a variety of ways.
- People access the Internet in a variety of places.
- People use the Internet in many different ways (e.g., for e-mail or research).

EXERCISE

1. Marketing is about conversation. List a few examples of online conversations you have noticed as a user. Name some of the brands you have seen engage in online conversation.

11. An Internet connection that delivers a relatively high bit rate, that is, any bit rate at or above 256 kilobits per second (kbps). Cable modems and DSL all offer broadband connections.

12. A DSL line where the upload speed is different from the download speed. Usually the download speed is much greater.

1.5 References

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