SUBJECT OVERVIEW

Technologies like the Internet are seen by many academics and industry analysts as being media that will have a revolutionary impact on marketing as a discipline and on the actual practice of marketing. High profile Internet sites like Amazon.com and e-Bay, and the past controversies surrounding sites like Napster and the sending of SMS marketing messages to mobile phones have certainly fueled the public imagination about the potential of e-technologies. For marketers the most obvious uses of technologies like the web relate to the promotion and distribution of goods and services, but beyond this and behind this lie a myriad range of possibilities (and issues).

E-Marketing provides an introduction to marketing on the Internet and other e-technologies. It assumes a core prior understanding of marketing principles and practices. It examines the potential of marketing using the Internet and other e-technologies at the level of the 4 P's, looks at the use of these in terms of their "fit" with traditional marketing approaches and profiles what we know about users of technologies like the Internet. It considers the significance of the emergence of these new technologies for strategic planning, their potential for market research, and more broadly, whether technologies like the Internet really will revolutionise marketing!

SUBJECT AIMS

E-Marketing is designed to familiarise subject participants with the key marketing issues in the new field of electronic marketing studies and practices. It draws material from a wide range of sources, and essentially examines the fundamentals of marketing using technologies such as the Internet, either exclusively, or as part of a broader marketing approach. A critical analytical approach is taken, beyond the descriptive narrative material presented by the lecturer, and the subject discussions are also expected to take this critical analytical approach.

The subject has two main objectives:

1. To familiarise participants with the major concepts in electronic marketing
2. To integrate these concepts into a framework which can be applied to effective and efficient electronic marketing planning and action.
At the end of the course, participants should be able to:

- Understand the key issues with using e-technologies like the Internet as a marketing tool.
- Develop skills in planning and evaluating electronic marketing strategies.
- Develop skills in integrating electronic strategies with more traditional marketing strategies.

SUBJECT ORGANISATION

The subject is designed around a mix of activities to build participant interest and learning. These include formal lectures, interactive discussions of electronic marketing issues, and their significance for marketing strategy and customer relationships. The formal lectures will include an overview of the set and suggested texts, commentary on various allied issues, and the outlining of various alternative perspectives. The success of the subject is largely dependent on participants becoming involved, and contributing to the discussion of questions and issues raised by themes covered in this subject. Each week there will be a class discussion of questions provided in this document.

PRESCRIBED TEXT


SUGGESTED TEXTS


Subject Assessment

Subject participants will be assessed on the material covered in the lectures, the text, the discussion questions and via the major paper.

Performance will be based on the following overleaf:

<table>
<thead>
<tr>
<th>Assessment Component</th>
<th>Percentage</th>
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</thead>
<tbody>
<tr>
<td>Major Paper</td>
<td>25%</td>
</tr>
<tr>
<td>Mid-Semester Examination</td>
<td>25%</td>
</tr>
<tr>
<td>Final Examination</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

**Major Paper**

The major paper topic will be provided in Week 2 and centre around researching and analysing different electronic marketing issues in an applied situation. The major paper will require considerable research, as well as applied thinking. It is to be undertaken in groups of two. Maximum word length is 3,000 words, excluding bibliography and appendices. Academic referencing is absolutely mandatory. Non-referenced papers receive an automatic fail.

The paper is due on 7th October at 1pm in the School of Marketing assignment box, Level 3, John Goodsell Building. Absolutely no extensions will be granted. Standard late penalties apply.

The paper should be cleanly typed, double-spaced on A4 paper with pages numbered and 2cm margins. A Table of Contents, an Abstract (150 words max.), an Introduction, sub-headings and a Bibliography should be included. Staple the paper with a cover sheet that provides your names, student numbers and subject details. NOTE: Do not use plastic or board covers or folders.

**Mid Semester and Final Examination**

The mid-semester examination will be held in the lecture of Week 7 (9th September). It comprises a number of short essay type questions principally taken from the discussion series (provided in this document). As noted earlier, a number of these questions will be discussed in class. Duration of the mid semester examination – 1.5 hours.
The final examination, held during the formal examination period, will focus on the material covered in lectures, the texts and the discussion questions. It comprises a number of compulsory essay style questions. Duration of the final examination – 3 hours. **Note:** a student who obtains less than a Pass (50%) in the examination will receive a grade of Fail even if the total assessment mark in the subject is above 50% (ie it is necessary to pass the final examination).

**SUBJECT ATTENDANCE**

It is compulsory to attend a minimum of 80% of sessions. This is counted as attending for the full duration of each session (i.e. 9am – 12pm). The roll will be called at random times. The above rule will be strictly enforced and non-attendance and/or non-participation will affect students’ final grades in this subject. Commitments in other subjects or work commitments are not acceptable excuses for non-attendance or part-attendance.

**PLAGIARISM**

To plagiarise is to take and use another person’s thoughts, ideas, writings, or inventions as ones own. In written work plagiarism can range from the direct reproduction of a sentence or paragraph, a table or a diagram, to paraphrasing and adaptation. So even if you rewrite the idea or thought in your own words it still constitutes plagiarism. The most common form of plagiarism occurs when participants use the contents of published material as their own. It should be noted that if participants hand in assignments with the same (or similar) sentences, paragraphs, diagrams, tables (or similar) without due acknowledgment, it will be viewed as plagiarism.

**SUBJECT PLAN**

Lectures and interactive discussions will follow the plan as described on the next page. It is expected that participants will have read the required readings prior to the session each week to facilitate group interaction and to maximise personal learning.

<table>
<thead>
<tr>
<th>WEEK</th>
<th>LECTURE</th>
<th>DISCUSSION QUESTIONS</th>
<th>REQUIRED READING</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction to Electronic Marketing</td>
<td>Refer end of document</td>
<td>Dann &amp; Dann Chapters 1&amp;2</td>
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<tr>
<td>2</td>
<td>Introduction to Electronic Marketing</td>
<td>Refer end of document</td>
<td>Dann &amp; Dann Chapter 3</td>
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<td>3</td>
<td>Introduction to Electronic Marketing</td>
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<td>Dann &amp; Dann Chapter 4</td>
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<td>4</td>
<td>Introduction to Electronic Marketing</td>
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<td>Dann &amp; Dann Chapter 4</td>
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<tr>
<td>5</td>
<td>Introduction to Electronic Marketing</td>
<td>Refer end of document</td>
<td>Dann &amp; Dann Chapter 6</td>
</tr>
<tr>
<td>Week</td>
<td>Date</td>
<td>Topic</td>
<td>Notes</td>
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<td>6</td>
<td>2/9</td>
<td>Marketing E-Goods &amp; Services</td>
<td>Refer end of document Dann &amp; Dann Chapters 8 &amp; 13</td>
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<tr>
<td>7</td>
<td>9/9</td>
<td>New Product Development &amp; The Net</td>
<td>Refer end of document Dann &amp; Dann Chapter 8</td>
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<tr>
<td>8</td>
<td>16/9</td>
<td>Building Traffic &amp; Brands</td>
<td>Refer end of document Dann &amp; Dann Chapters 9 &amp; 10</td>
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<tr>
<td>9</td>
<td>23/9</td>
<td>Relationship Marketing &amp; E-Communities</td>
<td>Refer end of document Dann &amp; Dann Chapters 5 &amp; 14,</td>
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<td><strong>RECESS</strong></td>
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<td>10</td>
<td>7/9</td>
<td>Internet Pricing Strategies</td>
<td>Refer end of document Dann &amp; Dann Chapter 11</td>
</tr>
<tr>
<td>11</td>
<td>14/10</td>
<td>Internet Distribution Strategies</td>
<td>Refer end of document Dann &amp; Dann Chapter 12</td>
</tr>
<tr>
<td>12</td>
<td>21/10</td>
<td>The Fit with the Wider World of E-Commerce</td>
<td>Refer end of document Dann &amp; Dann Chapter 6, Hansen Chapter 12</td>
</tr>
<tr>
<td>13</td>
<td>28/10</td>
<td>Market Research &amp; Data Mining</td>
<td>Refer end of document Dann &amp; Dann Chapter 16</td>
</tr>
<tr>
<td>14</td>
<td>4/11</td>
<td>Market Planning &amp; Organisation</td>
<td>Refer end of document Dann &amp; Dann Chapter 17</td>
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<td></td>
<td></td>
<td><strong>STUDY WEEK – EXAMINATIONS</strong></td>
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In addition subject participants may wish to read the following as supplementary reading for each of the themes covered in the lecture program:

**Week 1** – Kleindl (Chapters 1 & 2), Chaston (Chapter 1), Reedy (Chapter 5), Sheth (Pg 14-30)
**Week 2** – Chaston (Chapter 3 & 11), Reedy (Chapter 2), Sheth (Pg 62-71, & Pg 120-147)
**Week 3** – Chaston (Chapter 2), Reedy (Chapter 8), Sheth (Pg 148-162)
**Week 4** – Kleindl (Chapter 6), Reedy (Chapter 10), Sheth (Pg 72-90)
**Week 5** – Reedy (Chapter 13), Sheth (Pg 198-219 & Pg 220-238)
**Week 6** – Kleindl (Chapter 6), Chaston (Chapter 12)
**Week 7** – Sheth (Pg 239-251)
**Week 8** – Kleindl (Chapter 3), Chaston (Chapter 8), Reedy (Chapter 9), Sheth (Chapter 291-307 & Pg 308-328)
**Week 9** – Sheth (Pg 343-356)
**Week 10** – Chaston (Chapter 9), Sheth (Pg 277-283 & Pg 284-290)
**Week 11** – Kleindl (Chapter 4), Reedy (Chapter 6), Sheth (Pg 252-263 & Pg 264-276)
**Week 12** – Chaston (Chapter 6), Sheth (Pg 31-61, Pg 163-175 & Pg 176-190)
**Week 13** – Kleindl (Chapter 7), Reedy (Chapter 12)
**Week 14** – Reedy (Chapters 3, 4 & 19)
As noted earlier there are a number of other good texts on the market with chapters covering many of the topics covered in this subject.

**DISCUSSION QUESTIONS**

**Week 1**
Q1). Does the need to learn a new language of terms, concepts and ideas hinder or enhance marketing’s transition to the online world?
Q2). Current Personal Internet Usage:
a). Do you regularly search for goods or services information online (i.e. once every three months or more)?
b). Have you purchased a good or service online before?
c). Was it a good or a service?
d) Do you regularly purchase goods or services online (i.e. once every three months or more often)?
e). If yes, what product category have you purchased from in the last year?
f). Do you do part or all of your banking online?
g). Do you check your bank statements online?
h). Do you transfer money between accounts online?
i). Have you downloaded music online before?
j). Have you used any personal or relationship matching services online before?
k). How long ago did you start using the Internet?
l). Would you say that you mostly go online for information, entertainment, educational or other purposes?

**Week 2**
Q1). What are the seven unique characteristics of the Internet? Give examples of the advantages each can provide a potential Internet marketer.
Q2). Global access offers global opportunities, but does it mean that being online makes it compulsory to market globally? Give examples of where a local (i.e. national) focus can be of greater benefit to an organization.
Q3). Is time independence and 24-hour access a major issue for local marketers competing against online companies? How can online companies use this to their advantage? How can offline companies address this issue?
Q4). In what ways have the unique features of the Internet changed consumers off line expectations of marketing? How should marketers respond to these changing expectations?

**Week 3**
Q1). Does online consumer behavior differ radically from off line consumer behavior? Is there a need for new models or do existing models adequately explain consumer’s actions?
Q2). Think of a particular feature of consumer behavior? Say the buyer behavior model: (Problem recognition ----Information Search-----Evaluation of Alternatives -----Purchase----Post Purchase Evaluation). Does this fit online? How is it different? Would you modify it for online to make it fit better? Does it fit intangible products and tangible product equally well?
Q3). Looking at consumer behavior more widely, consumer behavior has two main focuses – the sociological and the psychological: (The former is concerned with the individual as they relate to groups/group processes/actions and the wider environment. The latter is concerned with the individual and their inner selves/thought processes. Includes perception, attitudes, drives and motivation). Is either of the above affected by people spending more time on line undertaking any of the stages of the buyer behavior model?
**Week 4**

Q1a). Is an empowered Internet consumer * (see definition below) a desirable consumer for us as Internet marketers to have or would we prefer to have less empowered consumers? Why or why not?

Q1b). Is such consumer empowerment to the detriment of marketers’ powers? Why or why not?

Q1c). Is an empowered consumer a desirable consumer for us as offline marketers to have or would we prefer to have less empowered consumers? Why or why not?

d). If your answer to a) and c) are different, how would you explain the difference, and if they are the same how would you explain the similarities?

* Access to the relevant technology, skills to use the technology, information rich as a result of usage, financial resources to transact via the technology, and a ‘comfort level’ and ‘feeling of control of self and the technology’.

Q2). What types or groups of consumers are most accepting of electronic technologies like the Internet and what types or groups are least accepting. Explain why the former are the most accepting.

Q3). Why does the design and content of a business-to-business website differ from a consumer retailer’s site? What elements might appear on the business site that might be absent from the consumer site? Why?

Q4). What are several leading reasons for consumers to use the World Wide Web when personal shopping is the objective? How might you “sell” the idea of a Web site to your Marketing Manager?

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**Week 5**

Q1a). Consider in what ways your usage of the Internet as a consumer (any of the stages of the buyer decision process) has increased your productivity as a consumer and in other aspects of your life. Hint: You may want to define ‘productivity’ first.

Q1b). Does the marketer you are interacting with during the process also make productivity gains, or are the gains that they make unconnected with your productivity gains?

Q1c). Have you as an Internet user ever received what you might perceive as exceptional customer service from the technology delivering the service?

Q1d). Could the same service have been delivered by a human customer service person, and if so would the service been as good, not as good or about the same?

Q1e). More broadly can ‘machine delivered’ service really be compared to human delivered service?

Q2). Many companies maintain various types of electronic databases. One type of database stores customer information in an aggregated form, while another type stores customer information in an individual form. Why might an e-marketer prefer one over the other?

Q3). Is the type of information recorded about online customers and entered in databases different to the type of information able to be recorded about off line customers? Why?

Q4). Does “truly excellent” customer service by definition require a human interface, or can electronically driven machines deliver “truly excellent” service. In considering this, you should consider your own definitions of what might constitute such service.

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**Week 6**

Q1). Using the example of online banking, identify three alternative core products that this service could be providing. Based on this definition of the core product identify some aspects of the actual product for each, and following this some aspects of the augmented (or supporting) product for each.

Q2). Explain why specialty products are among the most successful categories of products sold online. What are some of the barriers to selling convenience products online? How can these be overcome? What about unsought products?
Q3). What types of products do you believe will be most successful in terms of online purchasing in the next five years? Justify your choice and give examples where appropriate.
Q4). What opportunities are there for the development of Internet-specific products? Provide examples of current Internet specific products. What common characteristics do these current products possess?
Q5). Outline the traditional points of differentiation between goods and services. Which of these differences has the greatest impact on the ability to market a service in cyberspace?
Q6). Do online services have to have an off line presence? Can a service exist purely in cyberspace or does it still require some off line capacities? Discuss with examples.

Week 7
Q1). What are they types of product modifications that might be necessary in adopting “real world” products to electronic digital products? Are substantial modifications likely to necessary?
Q2). Explain how test marketing might be undertaken with products in cyberspace? Is the process the same as traditional test marketing?
Q3). Review the different stages in new product development processes. Do any of these require adaption for e-marketing? If so, does this fundamentally change the nature of the n.p.d processes as a whole?
Q4). Does the ability to continuously update products with an electronic digital existence pose a challenge for activities such as market planning, market research and sales forecasting?

Week 8
Q1). You have a client who wishes to run an integrated campaign incorporating above the line and below the line, off line and on line elements. The product category is fresh Australian apples sold through supermarkets and fruit and vegetable stores. The primary target market is female grocery buyers with children in household. A disproportionate percentage of apples are consumed by children in this age range. The secondary target market is basically all other adults buying for self-consumption. The above the line campaign will centre on a limited number of TV spots supported by a more extensive number of radio spots, and point of sale materials. The TV spots target both the primary purchasers and the primary consumers. The client both needs to continue to reposition apples as a convenient snack food, as well as to increase the volume of sales. The current positioning is as a healthy fun snack for people of all ages. You have been commissioned to make some recommendations regarding an online element to the campaign. What would you recommend? Note that the client wants the online components to be integrated as much as possible with the offline components.

Week 9
Q1). Define an electronic community and discuss which segmentation techniques might be most useful to target markets with online communities.
Q2). Does the principal value of cyber communities lie in their capacity to build relationships, or is their capacity to provide market research information?
Q3). ‘The Miao’ Seal Point Siamese community on Yahoo groups is a cyber community targeting owners of pedigree Seal Point Siamese cats. This is an open community rather than a closed membership community. In other words members are free to join and to leave when they want to. The site has approximately 200 people on line at any one time, and the site offers chat rooms dedicated to particular topics, open forums, news boards, photo album spaces etc. Consider the products that could be marketed to the community if you were writing a proposal to community members for marketers to become involved in the community? Secondly how might you sell the idea of involvement with ‘The Miao’ to the marketers of these products? Thirdly do such open communities offer more, less or about
the same number of marketing possibilities than smaller ‘closed’ invitation only communities? Why?

**Week 10**
Q1). What are the elements of social price? How can a website be tailored to reduce social costs associated with online shopping?  
Q2). Where a company has an offline and an online retail presence, should the online prices be higher, lower or the same as the physical retail store prices?  
*Additional questions to be supplied.

**Week 11**
Q1). Has the widespread adoption of the Internet had a significant impact on the distribution mix? How does the Internet differ from other non-store retailing channels (e.g. vending machines, information kiosks, markets)?  
Q2). What are some of the major advantages associated with online retailing? Do they outweigh the disadvantages? How can marketers address these disadvantages?  
Q3). Does the Internet create more distribution problems for marketing managers than it solves? Discuss with reference to channel conflicts?  
*Additional questions to be supplied.

**Week 12**
Q1). What are the key points of difference between marketing exchanges via the Internet between domestic marketers and domestic customers, and between domestic marketers and customers outside the domestic market?  
Q2). Does the borderless nature of cyberspace mean that marketers should abandon the traditional divide made between domestic marketing and international marketing?  
Q3). “The development of e marketing can only proceed as fast as the development of e applications in other business disciplines. If they develop more slowly than the ability of marketers to embrace cyberspace will be impeded.” Discuss and illustrate with examples  
*Additional questions to be supplied.

**Week 13**
Q1). The Internet has a range of advantages and disadvantages for Internet market research. Outline the pros and cons of using data collected from online sources. Do the advantages outweigh the disadvantages?  
Q2). Are some types of market research such as qualitative focus groups and depth interviews fundamentally unsuitable for online data collection? i.e. is data collection for them better collected off line? Justify your reasons.  
*Additional questions to be supplied.

**Week 14**
Q1). Outline your vision of what marketing on the Internet will be like in five years time, and in ten years time. How much of this change will be result from technological developments and how much will change as a result of human behaviors?  
*Additional questions to be supplied.