

Conversion Marketing as a Kind of Modern Internet Marketing

Murad Omarov¹, Tatyana Tikhaya^{2*}¹Department of Natural Science, Kharkiv National University of Radio Electronics, Kharkiv, Ukraine²Department of Natural Science, Kharkiv National University of Radio Electronics, Kharkiv, Ukraine

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***Corresponding author**

Tatyana Tikhaya

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Abstract: The key issues of implementing internet marketing are revealed. Specified for one of the varieties of online marketing– conversion marketing. The general principles for determining the model of Internet marketing conversion are revealed. The basis of formalization of the general model of Internet marketing is offered. The main tasks of the solution of key tasks of the conversion Internet marketing are outlined.

Keywords: conversion marketing, optimization, online products and services, conversion marketing tools.

INTRODUCTION

Recently, Internet marketing has become widespread in all areas of activity, as individual users of the virtual space, and among business entities. This is due not only to the possibility of faster use of the available information in the interests of individual users of the virtual space, but also the possibilities of Internet marketing to improve the communication links of various business entities in terms of both promoting their product and obtaining information about products, which are required in production or in the provision of services.

However, the effective use of Internet marketing requires the introduction of modern information technology, the latest methods of Internet communication, and the justified growth of individual Internet strategies [1]. Therefore, the key issue is the successful operation of a variety of methods and approaches for building a holistic internet marketing system aimed at achieving the goal and solving individual problems.

Particularly these issues are extremely important when using Internet marketing in special conditions, which include, in particular, the promotion of goods and services in the event of unfavorable demand.

Separating a specific problem in relation to the solution of a specific problem statement about the use of Internet marketing and a detailed consideration of such a solution can be considered an important direction of the study, which has both practical and theoretical value.

MATERIALS AND METHODS

Related work

Traditionally, when considering Internet marketing, first of all, the information issues of the Internet as a channel of communication marketing [2, 3] are studied. In particular, this concerns the problematic aspects of the introduction of information technology for the sale or distribution of goods and services [2]. Equally important is the use of Internet marketing to provide tools for creating the consumer value of goods and services [2]. Therefore, it is important to find those tools that increase the number of visitors to business sites as potential buyers of goods and services offered [3].

Therefore, it should be noted that the main advantage of Internet marketing is the promotion of goods, the dissemination of information and the attraction of new potential customers. Therefore, for the implementation of such a direction, various methods and approaches are used for information analysis of data, decision-making, which is widely used in the research, which is related to the activities of various business entities [4-9].

The introduction of a variety of methods of information analysis of data and decision-making on the sale or distribution of goods and services in the Internet marketing systems allows to define individual marketing strategies. These questions are the basis of the research conducted in particular by N. G. Bagautdinova, N. S. Belikov, A. A. Murtazin [10], L. Wang, G. Liu [11] and other researchers [12, 13]. The main feature of the effective use of information

analysis methods and decision-making on the sale or distribution of goods and services in Internet marketing systems is the successful use of Internet marketer tools.

Internet marketer tools

The work of a classical marketer usually fits into the scheme: to plan a marketing campaign, to organize and conduct a campaign, to analyze the consequences of the campaign. In this case, the marketer is often limited in the impact on the campaign process itself, and the effectiveness of the campaign is sometimes difficult to determine. Very often, instead of an objective assessment, subjective satisfaction or dissatisfaction of the customer of the campaign is used.

Unlike classical marketing, online marketing has the ability to quickly influence the campaign and have operational data on its effectiveness, which can be obtained even in real time. One of the tools of the Internet marketer is the application of e-mail and WorldWideWeb (www).

E-mail was used to send advertising letters, later electronic versions of advertising brochures attached to them. The first steps in using www were copying the marketing technologies that were used in the print media. These were sites or individual pages on corporations' websites, where products and services were advertised. The gradual improvement of computers and the introduction of broadband networks led to the transition from static html-pages in the web to the use of dynamic html – the formation of html from the server using scripting languages such as php, able to use databases such as MySQL. Along with this, the development of Internet marketing took place. It has become a tradition to place advertisements and banners on web pages. There are referral systems and independent services of rating sites. During the last ten years the field of Internet marketing is characterized by the rapid growth of the use of social networks [14, 15].

Modern Internet technologies allow tracking the number of conversions (visits to the site) made from each posted informational and promotional message. It is also important to understand that modern Internet marketing is one of the components of information technology that will determine the definition and application of individual strategies for Internet marketing [1].

RESULTS AND DISCUSSION

Multiple Internet marketing strategies

Consumer behavior, goals and processes for making certain decisions have their own social characteristics that are very different from those associated with the psychology of end-user markets. A manifestation of this is a certain concept of marketing, which is applied completely and to everything. In particular, from the point of view of classical marketing, we have such a concept that focuses on maximizing product and service delivery to end users by developing incentives for their sale. However, in conditions such as reducing the number of buyers or suppliers, their mutual number may approach each other. Therefore, the conditions of internet marketing can be considered unacceptable or such that occur under certain restrictions. Solving this problem is easy – making marketing a simpler management process.

Similar issues arise in the presence of other possible conditions for the implementation of Internet marketing. Therefore, it is worth further analyzing market segmentation and positioning of different buyers and suppliers of goods and services. It is worth adhering to the principle of marketing idea, where the marketing idea is not a functional activity, but a way of business life. So there are modern approaches to the introduction of online marketing, among such approaches should be highlighted – landing, targeting, methods of multiple criteria for decision analysis, search engine optimization, etc. [1]. This leads to the definition of various intrinsic classifications of Internet marketing – both classical and with the use of modern methods and approaches to the introduction of the latest concepts of information management [1].

That is, the combination of two classifications: classical marketing and contemporary marketing leads to the expansion of marketing combinations, where it should be highlighted – stimulating marketing, developing marketing and conversion marketing [1].

Conversion Marketing

The concept of marketing suggests that companies should focus not only on meeting the needs of target customers, but also for profit and taking into account the interests of society as a whole. This involves raising the company's attention to the environmental problems of production, the issue of environmentally safe goods, solving the social, cultural and humanistic problems of the territory. However, such a variety of factors can affect the effectiveness of Internet marketing, determine in general its unfavorable conditions for its implementation. Consequently, it is worthwhile to set up conversion marketing (Fig-1).

Conversion marketing is a common phenomenon in the trade network to increase the efficient conversion [15]. Conversion marketing is the action associated with the motivation of the client. Conversion marketing is used when a user has negative attitude towards any product. To change the situation and increase the purchasing power developed a special database which is directed to the improvement or change of a particular product.

The scheme shows the consumers' attitude towards goods. The developed database as much as possible identifies the market segments and is directed to the goods. In particular, red lines indicate the choice of buyers. Other lines indicate the effects within the given model. On red lines it is possible to determine that the buyer will choose only the product, which will effectively use the entire proposed tools database.

At the same time, the task of conversion marketing is to change the negative attitude of consumers towards goods and restore demand for them. A classic example of negative demand is the failure of many consumers from air travel due to deterioration in the condition of being in the air or simply because of the fear of falling. That is, the model of conversion marketing, predominantly used with negative demand, which is typical for consumers who have a negative attitude to certain goods. The ideology of this is the transformation of potential customers into customers.

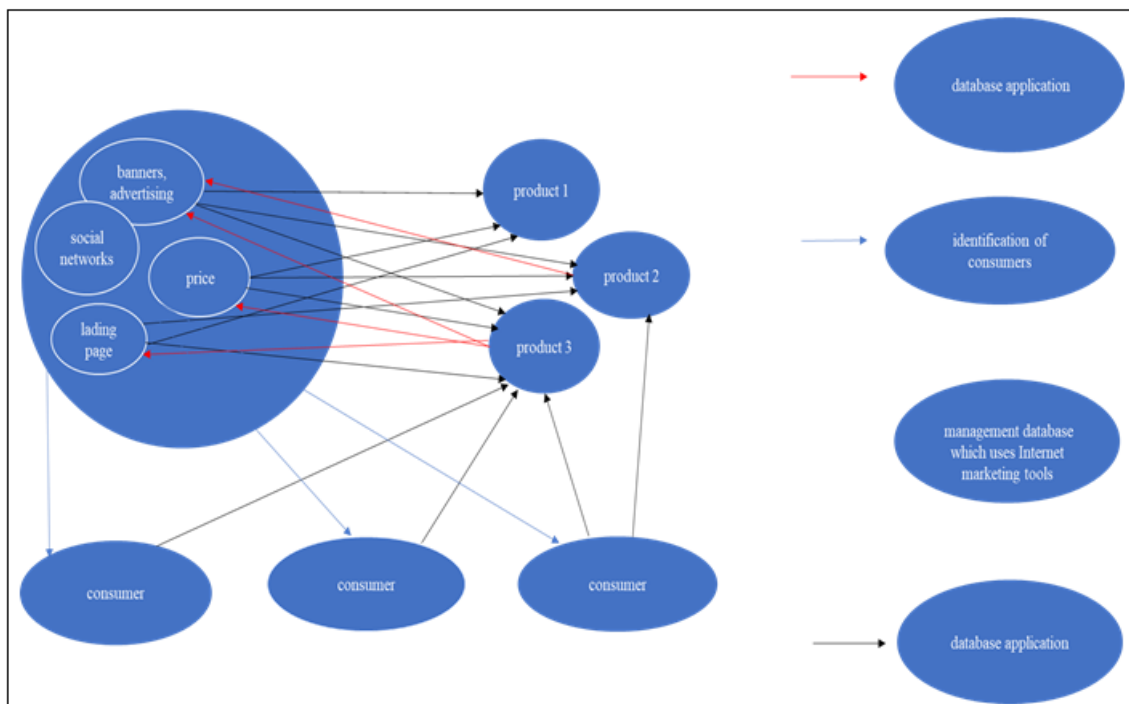


Fig-1: Conversion marketing

In a formalized form, conversion marketing can be defined as a solution to an optimization problem, where we have a certain set of potential customers. $\{P_i\}$ and which should be turned into a set of customers $\{K_j\}$ where $i \leq j$ in certain conditions ($i = 1, O$). Among such conditions it is necessary to allocate: database of goods – $\{T_k^n\}$, which consists of a separate set n of individual varieties of goods subspecies k ($n = 1, B$). However, there are a number of factors that help to transform potential customers into customers, for example, advertising, training for sellers, marketing of purchases, creating emotional connection with the brand, ensuring value of consumers, correct forecasting of consumer demand, creating consumer rights protection, informing consumers about brand and new innovations. So, we have a number of Internet marketing tools $\{IM_m\}$, which affect the price of a particular product – V_k . Then the essence of the conditions for the transformation of a plurality of potential consumers $\{P_i\}$ for many customers $\{K_j\}$ can be considered in accordance with the maximization of the total profit received from the sale of existing goods from the base of goods $\{T_k^n\}$:

$$\{K_j\} \cdot \{T_k^n\} \cdot V_k \rightarrow \max_{\{K_j\} \in \{P_i\}}, \tag{1}$$

Where a number of conditions is met:

Presence of positive mutual influence of individual potential buyers and clients on each other:

$$\{K_j\} \cdot \{T_k^n\} \cdot V_k - \{K_{O-j}\} \cdot \{T_k^n\} \cdot V_k^{B-n} \rightarrow \max_{\{K_j\} \in \{P_i\}}, \quad (2)$$

Presence of negative mutual influence of individual potential buyers and clients on each other:

$$\{K_j\} \cdot \{T_k^n\} - \{K_{O-j}\} \cdot \{T_k^n\} \cdot V_k^{B-n} \rightarrow \min_{\{K_j\} \in \{P_i\}}, \quad (3)$$

Or vice versa, the absence of mutual influence of individual potential buyers and clients on one another when, for example, the value $\{K_j\} \cdot \{T_k^n\} - \{K_{O-j}\} \cdot \{T_k^n\}$ will approach to the average weighted value of the goods from the existing database of goods $-\{T_k^n\}$.

The conditions of maximizing the total profit received from the sale of existing goods from the product base should include the impact of marketing tools (advertising, banners, social networks, etc.) on the price of the goods. In this case, the formalization of such a description may be the comparison of prices for the maintenance of a separate variety of Internet marketing tools to the prices of goods from an existing database of goods $-\{T_k^n\}$. In particular, this may include taking into account the fact that the total cost of maintaining internet marketing tools ($Z\{IM_m\}$) does not exceed the total price of goods from an existing database of goods $-\{T_k^n\}$:

$$Z\{IM_m\} \leq R \cdot \{T_k^n\} \cdot V_k. \quad (4)$$

There may also be special conditions for comparing the cost of individual marketing tools to specific product groups, etc.

It is also worth considering that the correct forecast of consumer demand leads to an increase in profits of companies. In this situation, the impact of companies will depend on their reaction to the awareness of the values of their consumers. If the forecast is that the middle class of consumers will increase income and agricultural income, the goods will rise in price than to look at the diverse behavior of consumers and their costs.

Conversion marketing implies an influence on the choice and formation of consumers' audiences: the target market nomenclature and assortment of the proposed goods; price policy; advertising. The development of marketing strategies for companies is a process of creation and implementation of a program of actions aimed at efficient allocation of resources for the achievement of the target market. The subject is to decide on the products to be returned to the market, how it can be done. The main components of the conversion model of Internet marketing are:

- Definition of goals and directions of activity of companies;
- Coordination of various activities;
- Assessment of weak and strong points, market opportunities and threats;
- Identification of alternative options for implementation of activities;
- Creation of conditions for efficient distribution of goods;
- Evaluation of marketing activities.

CONCLUSION

The paper identifies the importance of taking into account the marketing strategy for the implementation of Internet marketing. In particular, the essence of conversion internet marketing has been identified and disclosed. For this purpose, a model of Internet marketing conversion is proposed. Such a model includes: a set of tools for conversion marketing, a set of potential consumers of goods and services, a set of goods and services.

It is stated that the development of an online marketing conversion model is to identify the products and services that will be offered to potential customers. Such a model defines market pricing, distribution channels and sales,

consumer behavior and support. It also indicates the importance of transforming potential customers into customers of certain goods and services.

In order to implement the model of conversion Internet marketing indicated on the basis of its formalization, which allow formulating a variety of optimization tasks in accordance with the existing unfavorable conditions for the implementation of Internet marketing.

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