

## NEW TECHNOLOGIES AND MARKETING: SOME REASSESSMENTS

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*Accelerated adoption in the consumer and business markets of Internet, of wireless network, and other new technologies specific to "new economy", is a trend that can not be ignored at the organizational level. Taking into account the fluctuations in the financial markets, the difficulties reported by companies on the business and consumer markets, trying to develop new business models, and the "digital divide", through which significant differences in access new technologies appear among different segments of the population may be noted as long-term prospects of the new type of economy.*

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### **1. Introduction**

Technological development characteristic of the XXI century has had an overwhelming impact on lifestyle, consumption patterns and economic well-being of individuals worldwide. The effects of these unprecedented technological developments come to expand human horizons to the new century, through opportunities in all areas of activity.

The impact of these new technologies on global markets, European and national can be quantified in at least three aspects, namely:

- the emergence of new industries and new outlets;
- the disappearance or restructuring existing industries and related markets, the emergence of cable television, which led to a rapid fall of radio and cinema, which required considerable efforts to return, and the emergence of computers, which replaced typewriters quickly, causing bankruptcy of the profile producers;
- the emerging and development of markets and industries not related to new technology. New electronics and appliances generate an increase in leisure time, encouraging and developing those sectors that do not benefit from the innovation processes.

Internet - a network of computers, which was created to facilitate communication between scientists worldwide - has important ramifications for marketing. A study realized over 10 years ago by IBIS Business Information in U.S., done at a sample of 500 private companies, revealed that 75% of them have a website to promote their products on the Internet. With Internet, this company can offer its target consumers, benefiting from a combination of advertising, information and entertainment. Currently, although the majority of organizations have integrated the Internet into the palette of tools for marketing, however, there is some debate around some critical aspects of Internet as marketing media.

### **2. "New economy" and marketing**

Last decades have brought in business literature a series of new concepts, among them being the "new economy". The concept refers to those areas of activity that fuels the development or significant participating in e-commerce and the Internet, in the development of hardware and software and also in the development of matrix structures specific to telecommunications services. High-caliber players and creators of this "new economy" are so-called dot.com companies: Amazon.com, Web portals such as Yahoo and Google, companies such as Cisco and 3COM, producers of Mozilla and Microsoft software, telecommunications companies, communications networks that allow transmission of data on different types of media (on the wire, wireless, satellite).

Accelerated adoption in the consumer and business markets of Internet, of wireless network, and other new technologies specific to "new economy", is a trend that can not be ignored at the organizational level. Taking into account the fluctuations in the financial markets, the difficulties reported by companies on the business and consumer markets, trying to develop new business models, and the "digital divide", through which significant differences in access new technologies appear among different segments of the population may be noted that long-term prospects of the new type of economy are real.

Examination results of such new realities should be materialized, at least for the specialists in marketing, in a high degree of awareness of the need to develop new strategies able to optimize organizational performance in this new context. Moreover, marketers must identify those environment mutations and identify to what extent they constitute threats or opportunities for them and for their own customers.

So-called "new economy" makes its presence felt through a series of phenomena, which may include: information syndication, increased ability to customize and adapt the supply, distribution, restructuring, global access, uninterrupted access, the possibility of instant delivery.

Information syndication involves the sale of goods, usually in the same category, in digital format to many clients, which then combines that with information from other sources and distribute it further. Although in Internet marketing is rarely used the concept of syndication, this phenomenon is the basis of many e-commerce business models. Operation principle of such a mechanism is relatively simple. Companies collect articles in electronic format, enrich them, adding the new information content, and then distribute them further. The information syndication is important from the perspective of at least two reasons. On the one hand, it concentrates on information goods, and less on the tangible goods, these goods being likely to be distributed with very low costs. Secondly, the process of syndication involves digitization and automation, which allow further development of digital networks business, much easier to implement compared with those traditional.

Syndication via the Internet, mobile phones or other devices, creates opportunities for marketing. The deficit is replaced with an abundance of data information, information that can be infinitely replicated and combined and recombined so that it can be distributed anywhere, at the same time and with a permanent availability. In this context, companies should identify and handle the most important niche in such syndicated networks, because these give the ability to maximize the number of contacts and relationships with other companies, and to conduct relations with existing and potential customers. Thus, implementation of web technology is the greatest advantage in dealing with the firm's clients.

The possibility for customization and adaptation of the offer is based also on technologies related to Internet use. "*Collaborative filtering*" is such a process, based on the comparisons made between different purchases from customers and using these to anticipate future behavior. This process has a great impact on how can be identified and targeted different market segments. The most effective sites for e-business, both through the traffic generated, and through the sales volume reached build relations based on a coherent process of customization as integrated concept of sale. Customers who access, several times, the site become the target of these personalized offers. Amazon.com and Dell are two of the companies that apply this technique, obtaining exceptional results. Much of the success of Amazon is due to the recommendations, which, depending on the customer profile and his previous acquisitions, involve proposing new products in the same range or complementary products. Another key element of Amazon success lies in submitting to buyer the items purchased by people with similar interests, thus prompting the addition of new products in the shopping cart and increase the average value of the transaction.

The Internet offers companies the opportunity to market products directly to consumers, bypassing classic distribution channels. This bears the name of restructuring of the distribution. Such a decision must be correlated to identifying the structures that carry out the functions which normally would be carried out by members of the traditional distribution channel. Assessing the efficiency and effectiveness of these activities constitute the criteria of choice for use or non-use of intermediaries in efforts to cover demand.

Internet and other modern communication technologies have not been associated, usually, with additional costs incurred in obtaining information, the sale of digital goods or services, or in creating a global availability and in assuring a instant delivery. Moreover, mobile telephony and GPS technologies generate similar benefits in the case of the products adapted to the reality of the existence of mobile media.

Taking account of those specified in previous lines, it can be said that many companies can benefit from one or more of the new technology. In this respect, the availability of these technologies may be the marketing opportunity for those who employ them. At the same time, however, such technologies may raise some ethical issues and even of an operational nature. Failure to protect the content of the product or even the product itself, barriers, almost nonexistent, in accessing the technology and lack of privacy are just some of the problems arising from the use of new technologies.

Marketing can protect, however, its interests through two actions. One relates to the patent and copyright, and the second bears the name of "*versioning*". This last possibility to protect the interests of marketers is based on the assumption that the value of a product varies from one consumer to another and the products can be adapted to be relevant to some consumers and irrelevant for others. The process of "versioning" can be developed on several dimensions: time, comfort, complexity, use, community and support. This process may lead, ultimately, to improved skills of market segmentation, targeting, differentiation and positioning, extremely necessary for a marketer to take advantage of the specific context of the new economy.

Most companies must develop new strategies to exploit the realities created by new technologies. The main aspects of remodeling marketing approach to be adapted to new conditions relate to: how the consumer display and analyze information obtained through new technologies, developing and promoting brands, the completion of transactions, the development of post-sales support, post-acquisition relationship between seller and buyer.

Marketing is based on a flow of information from current customers or potential customers about their needs, used to generate consistent judgments and sustainable approach to development of new products. Using the Internet in order to carry out marketing studies, it is no longer a novelty, but this process has attracted a number of controversies in practice and criticism in the scientific community. In traditional market, operators develop

marketing research addressing issues of substance regarding the following components: representation, selection, error, random sample. Thus, if in the case of a qualitative research, the problems faced by researchers can not be considered to be extremely difficult, in the case of quantitative research, the problems may be more complex, generally caused by the aspect of sampling. If the research does not face such problems, as is the case of organizing focus groups, the Internet can be very attractive as a research tool.

In the literature are mentioned three approaches in the use of the Internet: as the promotion tool for specific products and/or services, as a tool for providing information to the target market, on a product and / or service, as a tool used in the actions of building brand equity.

Using the Internet and mobile telephony, as vectors of communication, be considered a proactive strategy, but subject to a number of issues. A simplistic way to advertise on the Internet consists of fructification of power held by consumers, encouraged by easy access to information, especially to compared information

Practice and literature provides multiple tools for quantifying the effects of using different forms of advertising on the Internet. One way relates to the possibility of using opt-in e-mail, possible action if the consumers allow companies to send e-mail with new promotions. This provides companies land suitable for development and generate trust in the customer and building long term relationships with them, increasing the chances of anchorages, fidelity and even loyalty. Another way of quantifying the Web advertising lies in the development of partnerships with advertising agencies, depending on the performance achieved.

While Internet advertising has already a relatively "consistent" history, mobile technology appears again as an important catalyst for promotion. Technologies such as WAP, GPRS, HSDPA, 3G penetrate in an accelerated manner different markets. Aspects of the use and effectiveness of this environment will reflect to some extent the evolution of Internet, but time is now the key term for this marketing tool.

The Internet can be considered now the place where consumers and producers participate in the co-production activity that involves the delegation of a series of tasks the customers, who, using new technologies, assess, compare and propose the idea of producing further benefits for both parties. In doing so, companies can identify and implement new ways to serve customers.

### **3. The concept of metamarket**

Another consequence of the phenomenon of globalization has been spreading on a large scale of a new concept, namely the metamarket. In literature, the metamarket is defined as, "a market based on the new form of World Wide Web communication, centered on an event or an industry and not on a single product". These markets are those specific to complementary products, closely interrelated in the minds of consumers, but belonging to different sectors.

The overall metamarket is the result of the convergence of three industries that were created at an interval of 50 years: the telephony industry (1890), the television industry (1930) and industrial computers (1980). The process of convergence describes a process of change in industrial structures, which combines economic and technological dimensions of markets with the need to meet consumer needs.

The concept of metamarket comes from a simple idea, but profound insight: customers think about products and markets in a very different manner from the way in which products and markets are physically combined and placed on the market. In other words, consumers think in terms of activities, while firms thinking through the products and/or services. Activities that are logically linked in the cognitive space can be extremely widespread, as belonging to the various suppliers in the market. Metamarkets are thus cognitive clusters of related activities, found at customers who are committed to meet a set of distinct needs.

Among the essential conditions for the construction of metamarkets are:

- a whole range of related activities in the cognitive space. These activities should be important in terms of customer, in terms of time and economic impact;
- to perform these tasks, customers must be "confronted" with a diverse set of products and service providers, including a number of industries;
- an openness of the consumer, in terms of time and financial resources.

The concept of metamarket led logically to a new concept, that of metamediars. It appears that this concept is in fact a variant of the original concept, more conventional, the infomediars.

Metamediars are neutral third-parties, which operates in the market in order to realignment it with cognitive space. Thus, metamediars make possible the existence of metamarket, integrating products and services into a coherent whole. They serve as a single point of contact between buyers and sellers, improving effectiveness and efficiency of trade. Metamediars are trusted advisors of the clients who need support to make better decisions for a heterogeneous group of activities. Unlike intermediaries metamediars represent suppliers of products and services, facilitates trade, but not participating in the actual transactions rates.

Metamediars allow distribution flows to be disaggregated, distributed through a number of specialist suppliers to the market, and then reassembled perfectly, taking the form of an integrated offer. These measures involve issues such as processes disintermediation and re-intermediation. Metamediars create and capture value by facilitating exchanges between customers and suppliers.

Fertile ground for the emergence of metamediars is linked to the existence of products with the following characteristics:

- complexity in the decision making process;
- have a high informational content;
- requires a degree of effort for the customers as a result of the need to collect information from a variety of sources, usually fragmented;
- a combined form;
- characterized by inefficiency of the classical distribution channels and require a disappointing experience in the retail purchase.

In the new digital era, market-oriented companies define their goal as creating a partnership with their clients to become "solutions providers", which involves the building of combinations of products and services. Internet technology makes this solution to become feasible.

Among the important benefits to the concept of meta-market are included:

- the concept is perfectly aligned to customer vision and thus can facilitate communication;
- income that is generated by a meta-market, is always higher than that generated by a discrete product-market.
- allows the company to provide a total solution for customers, building thus exclusive, loyalty and trust.
- helps to identify opportunities for growth in activities directly or indirectly related to basic services.
- helps identify indirect or potential competitors.

#### **4. Conclusions**

Sixty years ago, current technological miracle was called television. Currently we are witnessing a growing range of digital products and services that can be delivered to customers through any digital medium, including the Internet, satellite and mobile phones. This delivery is closely correlated with that of providing different types of customer service, which replaced much costly and sometimes more inconsistent human support services. In almost every sector of activity sustained efforts are being made to identify new ways to exploit the potential of the Internet in order to create value for customers. In the absence of a real capacity to retain these customers, even the best business models on the new technologies will fail. Benefits offered by these technologies are clear and there are available for companies operating in the markets for business and for those working in the markets for consumption.

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