

# Online Marketing: Benefits and Difficulties to online Business Sellers

Kim Edward S. Santos, MBA

Ph. DBA Candidate in Wesleyan University-Philippines, Instructor, College of Management and Business Technology, Atate Campus, Nueva Ecija University of Science and Technology, Nueva Ecija, Philippines

**Abstract**— Some of the benefits an online business has is that it is low-cost but effective to draw clients 24/7. Online marketing includes the use of digital and virtual environments to advertise and offer products and services. This study described the benefits and difficulties encountered of online business sellers using online marketing. It also determined the relationship of online business profile and the benefits and difficulties encountered in online marketing. Further, it determined the significant differences in benefits and difficulties encountered in online marketing of online business sellers. This paper used descriptive method. A total of 57 online business sellers (31 product-based, 17 service-based, and 9 combinations of both) were surveyed using a likert-scale response questionnaire. The gathered data were analyzed through statistical tools such as mean, weighted mean, t-test, correlation and analysis of variance test. Based on the findings of the study, the researcher concluded that online marketing has its benefits and difficulties to the online business sellers. Its benefits are they do not need to setup online stores since social media can serve as their platform in marketing, can easily reach customers using internet access, and they can have two-way conversation at their own pace. Its However, its difficulties are some customers still prefer to see and check personally the products or services and they are also hesitant in terms of paying transactions. Moreover, business profile (years in the business, monthly net income, and training in online marketing) is not related to the benefits and difficulties encountered by the online business sellers. Likewise, training in online marketing and types of online business (product based, service based, and product and service based) do not affect the benefits and difficulties encountered. Thus, it is recommended that a person who wants to have an online business and will use online marketing should have good business decision skills to become prepared to encounter the benefits and difficulties. He or she must know that customers sometimes prefer online or physical stores of products and services depending on their accessibility, transparency, and customer relationship of the owner. In addition, those who will put up online business and will use online marketing must understand the behaviors of the consumers.

**Keywords**— Online Marketing, Digital Marketing, Marketing, Benefits and Difficulties, Opportunities and Challenges.

## I. INTRODUCTION

Some of the benefits an online business has is that it is low-cost but effective to draw clients 24/7. Online marketing includes the use of digital and virtual environments to advertise and offer products and services.

The rapid development of the online computing technology makes it essential for organizations to take the Internet seriously in order to avoid losing competitive advantage (Kiang et al., 2000). The basic features of the internet are

making the introduction of integrated online marketing communication both necessary and effective for an online organization (Gurău, 2008). For online environments, internet marketers need to know more about how and who buys what items, and whether sales are made at all (Zhang et al., 2007).

The Internet provides new possibilities for businesses to identify the needs and preferences of consumers in order to provide a basis for selective preparation, design and management of all customer experiences (Wiedmann et al., 2002). Creating a website that supports online shopping is a

challenge in creating a shopping experience, such as online shopping, which needs to generate emotional responses through limited virtual channels (Chen et al., 2008).

The well-known advantages of digital platforms (low cost, ubiquity, rapid dissemination, etc.) have created economic liquification and have taken the notion of sidedness to the forefront of markets and platforms (Hofacker & Belanche, 2016). In order to effectively create online marketing strategy such as large-scale word-of-mouth networks, digital feedback systems not only disseminate, but also gather and integrate input from large populations at very low cost. (Dellarocas, 2003).

## II. CONCEPTUAL FRAMEWORK

The incorporation of marketing processes into the production and implementation of an e-services plan leads to e-loyalty and productivity (Boyer et al., 2002). If businesses join an existing online partner, they may obtain additional benefits and pursue new partnerships if they consider the environment they find themselves in and use their e-competence to engage actively in what the e-marketplace has to offer (Stockdale & Standing, 2004).

Companies will experience internationalization difficulties irrespective of the motivation for global expansion, but the significance and extent of the difficulties will differ (Cuervo-Cazurra et al., 2007). The most rational approach appears to be for marketers to develop better skills in digital marketing management, otherwise marketers will quickly continue to fail and more technologically focused departments, such as IT,

would assume their functional obligations (Leeftang et al., 2014).

## III. OBJECTIVES OF THE STUDY

This study described the benefits and difficulties encountered of online business sellers using online marketing. It also determined the relationship of online business profile and the benefits and difficulties encountered in online marketing. Further, it determined the significant differences in benefits and difficulties encountered in online marketing of online business sellers.

## IV. HYPOTHESES OF THE STUDY

Hypothesis 1: There were no significant relationships between the online business profile and the benefits and difficulties encountered in online marketing. Hypothesis 2: There were no significant differences in benefits and difficulties encountered in online marketing of online business sellers.

## V. METHODOLOGY

This study used descriptive method, because it is a simple analytical technique that examines the situation as it happens in its present state (Williams, 2007). A total of 57 online business sellers (31 product-based, 17 service-based, and 9 combinations of both) from Nueva Ecija were surveyed using a likert-scale response (Joshi et al., 2015) questionnaire. The gathered data were analyzed through statistical tools such as mean, weighted mean, t-test, correlation and analysis of variance test.

## VI. RESULTS AND DISCUSSIONS

*Table 1. Benefits Encountered of Online Business Sellers using Online Marketing*

	<i>X</i>	<i>VI</i>
1. Through online marketing, I can sell goods or promote service without setting up my own online store.	3.16	A
2. Online marketing allows me to message and make ads based on my customer's previous purchase history or preferences	3.05	A
3. I can reach and sell to anyone with the use Internet access.	3.14	A
4. Online marketing allows me to build the relationships.	3.10	A
5. The social media is a great platform for engaging my customers in a two-way conversation.	3.12	A
6. I can make reviews of my products and services with the use of online marketing.	3.07	A
7. When I use online marketing, I feel I offer greater transparency of my business.	2.93	A
8. Online marketing can save the time.	3.09	A

9. Online marketing can be very convenient for busy people who do not have time to go to mall or supermarket.	3.07	A
10. I can guarantee that using online marketing cuts down the bad habits of standing in a long line and waiting in the malls.	3.09	A
<b>Average Mean</b>	<b>3.08</b>	<b>A</b>

**Legend Verbal Interpretation (VI)**

3.25 – 4.00	Strongly Agree
2.50 – 3.24	Agree
1.75 – 2.49	Disagree
1.00 – 1.74	Strongly Disagree

Table 1 shows the benefits encountered in an online marketing of business sellers. Based on the result, it got an average mean of 3.08 and with a verbal interpretation of 'agree'. This means that there are benefits in an online marketing. Among the benefits, the top 3 with highest means are Item 1, Item 3 and Item 5: Through online marketing, I can sell goods or promote service without setting up my own online store ( $X = 3.16$ ,  $VI = 'agree'$ ); I can reach and sell to anyone with the

use Internet access ( $X = 3.14$ ,  $VI = 'agree'$ ); and The social media is a great platform for engaging my customers in a two-way conversation ( $X = 3.12$ ,  $VI = 'agree'$ ). The results imply that the benefits of online marketing are the convenience especially to the online business sellers, the easy use of internet that can provide information anywhere, and the use of social media as platform in which you can also establish relationship.

Table 2. Difficulties Encountered of Online Business Sellers using Online Marketing

	<b>X</b>	<b>VI</b>
1. Promoting my business online offers reach any far but not everyone uses the internet	3.26	SA
2. Some customers enjoy the experience of checking the products / services of being in a store.	2.97	A
3. You need to truly understand your target audience before you decide to market your products / services online	3.09	A
4. Some customers have too much queries because they do not see personally the products/ services.	3.25	SA
5. Many customers still don't trust the electronic methods of paying when they need to buy online.	3.37	SA
6. Updating my online marketing is time consuming.	3.23	A
7. In an online marketing, the customers do not have the chance to test the product.	3.30	SA
8. I can only show the descriptions and the photos of the products.	3.03	A
9. On line marketing needs good internet connection to keep you ads updated.	3.26	SA
10. Some customers prefer to see you personally to explain to them your product.	3.81	SA
<b>Average Mean</b>	<b>3.20</b>	<b>A</b>

**Legend Verbal Interpretation (VI)**

3.25 – 4.00	Strongly Agree (SA)
2.50 – 3.24	Agree (A)
1.75 – 2.49	Disagree (D)
1.00 – 1.74	Strongly Disagree (SD)

Table 2 shows the benefits encountered in an online marketing of business sellers. Based on the result, it got an average mean of 3.20 and with a verbal interpretation of 'agree'. This means that difficulties are present in an online marketing. In the list of difficulties, the top 3 with highest means are Item 10, Item 5 and Item 7: Some customers prefer to see you personally to explain to them your product. ( $X = 3.81$ ,  $VI = \text{'strongly agree'}$ ); Many customers still don't trust the electronic methods of paying when they need to buy online ( $X = 3.30$ ,  $VI = \text{'strongly agree'}$ ); and In an online marketing, the customers do not have the chance to test the product ( $X = 3.27$ ,  $VI = \text{'strongly agree'}$ ). The results suggest that the difficulties encountered in online marketing dwell on the demand of the customer to see the products/service personally so they can easily check and test it. At the same time, in an online marketing, customers are hesitant in terms of the payment transactions.

strongly agree' ); and In an online marketing, the customers do not have the chance to test the product ( $X = 3.27$ ,  $VI = \text{'strongly agree'}$  ). The results suggest that the difficulties encountered in online marketing dwell on the demand of the customer to see the products/service personally so they can easily check and test it. At the same time, in an online marketing, customers are hesitant in terms of the payment transactions.

Table 3. Relationship of Online Business Profile and the Benefits and Difficulties Encountered in Online Marketing

	Benefits	Difficulties
Years in the Online Business	-.045	-.209
Monthly Net Income	.012	-.191
Training in Online Marketing	.070	-.011

Table 3 presents the relationship of the online business profile and the benefits and difficulties encountered in online marketing. It was found out that there were no significant relationships between variables such as years in the online

business, monthly net income, and their training in online marketing in relation to the benefits and difficulties in online marketing. It implies that the online business profile has nothing to do with the online marketing.

Table 4. Differences in Benefits and Difficulties Encountered in Online Marketing of the Online Business Sellers

	Benefits (X)	Difficulties (X)
<b>Training in Online Marketing</b>		
With Training	3.07	3.21
Without Training	3.10	3.20
<b>Types of Online Business</b>		
Product based	3.11	3.21
Serviced based	3.06	3.21
Both product and service based	3.04	3.18

Table 4 shows the result of differences in benefits and difficulties encountered in online marketing of online business sellers. Independent sample T test was used in terms of training in online marketing of the online business sellers. Results show that there was no significant difference in benefits encountered between those who have training ( $X = 3.07$ ,  $SD = .2468$ ) and those who do not have training ( $X = 3.10$ ,  $SD = .212$ ),  $t(55) = -.524$ ,  $p > .05$ . Likewise, there was also no significant difference found in difficulties encountered

between those who have training ( $X = 3.21$ ,  $SD = .289$ ) and those who do not have training ( $X = 3.20$ ,  $SD = .286$ ),  $t(55) = .084$ ,  $p > .05$ . The results imply that training in online marketing does not affect its benefits and differences.

Further, analysis of variance was performed to test the differences in benefits and difficulties in online marketing in terms of types of online business and kinds of online business sellers. Results show that the types of online business have no significant effect to the benefits of online marketing,  $F(2,54) =$

.453,  $p > .05$ ; product based ( $X = 3.11$ ,  $SD = .237$ ), service based ( $X = 3.06$ ,  $SD = .239$ ), and both product and service based ( $X = 3.04$ ,  $SD = .217$ ). Same with the results of differences in difficulties of online marketing,  $F_{(2,54)} = .067$ ,  $p > .05$ ; product based ( $X = 3.21$ ,  $SD = .259$ ), service based ( $X = 3.21$ ,  $SD = .360$ ), and both product and service based ( $X = 3.18$ ,  $SD = .317$ ). It implies that types of online business do not affect the benefits and difficulties encountered in online marketing.

## VII. CONCLUSIONS AND RECOMMENDATIONS

Based on the findings of the study, the researcher concluded that online marketing has its benefits and difficulties to the online business sellers. Its benefits are they do not need to setup online stores since social media can serve as their platform in marketing, can easily reach customers using internet access, and they can have two-way conversation at their own pace. However, its difficulties are some customers still prefer to see and check personally the products or services and they are also hesitant in terms of paying transactions. Moreover, business profile (*years in the business, monthly net income, and training in online marketing*) is not related to the benefits and difficulties encountered by the online business sellers. Likewise, training in online marketing and types of online business (*product based, service based, and product and service based*) do not affect the benefits and difficulties encountered.

Thus, it is recommended that a person who wants to have an online business and will use online marketing should have good business decision skills to become prepared to encounter the benefits and difficulties. He or she must know that customers sometimes prefer online or physical stores of products and services depending on their accessibility, transparency, and customer relationship of the owner. In addition, those who will put up online business and will use online marketing must understand the behaviors of the consumers.

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