



PERMISSION MARKETING-AN ANALYSIS OF ITS TYPES USED BY E-TAILERS IN INDIA

Ms. Mandeep

*Assistant Professor, Post Graduate Department of Commerce and Business Administration,
BBK D.A.V College for Women, Amritsar, Punjab, India*

ABSTRACT

By 2021, global retail e commerce sales will reach \$4.5 trillion (Shopify plus,2018) . To attract and retain customers online is and will remain the biggest challenge for e-tailer companies. A number of techniques like Search engine optimization, affiliate marketing ,social media marketing viral marketing ,e-mail marketing, permission marketing are being adopted by companies online. Seth Godin in 1999 introduced the concept of permission marketing which involves taking permission from the targeted individual customer to receive advertisement, newsletter or any other form of online communication send by the marketer. This paper first identifies the different types of permission marketing techniques, its advantages over traditional e-marketing techniques and then its importance for the marketer, customer and the society at large. The study identifies the various do's and dont's in permission marketing Further how the permission marketing will revolutionize in near future the way business is being done.

KEYWORDS: *Permission marketing, E-tailer, Targeted consumers, E-marketing techniques, Social media marketing.*

INTRODUCTION

Indian e-commerce revenue is expected to jump from US\$39 billion in 2017 to US\$120 billion 2020 ,growing at a annual rate of 51%, the highest in the world.(ibef,2019). Traditional Brick and mortar business has now evolved into a one that does not require physical existence due to the recent boom of E-Business models like B2B, B2C and C2C. These businesses commonly known as E-tailer or E-retailer companies have revolutionized the way of production, financing, logistics, personnel and marketing management.Out of all these marketing has evolved from direct, interruption marketing to email marketing, viral ,social, search engine and permission marketing. Permission marketing - a much newer concept in the area of e-marketing, involves taking a onetime permission from a individual consumer to receive any type of online communication from the marketer. This concept is similar to one to one marketing .As normal marketing is a push marketing in which advertiser is pushing the message, permission marketing is a pull marketing where advertiser sends messages only to those customers who explicitly give permission online to receiving them. Permission marketing is a win – win situation for both the party's i.e. customer-getting only the content in terms of advertisement which they are interested in and advertiser-reducing mailing cost and more targeted advertisements.

OBJECTIVES OF THE STUDY

The study on permission marketing types has two fold objectives

1. Conceptual understanding of various types of permission marketing.
2. Factors important towards granting permission and towards taking back permission already granted.

METHODOLOGY

The study identifies the various permission techniques through qualitative analysis techniques such as Review of literature, study of various e-retailer portals, newspapers, online websites, databases etc.

LITERATURE REVIEW

Seth Godin (1999) defined permission marketing as anticipated, personal and relevant. Anticipated - people look forward to hearing from you. Personal- the messages are directly related to the individual. Relevant-the marketing is about something the prospect is interested in. The main goal in addressing each individual is to customize the marketing mix in accordance with needs of the consumer (Blattberg &Deighton, 1991). Phelps, Nowak and Ferrell (2000) specify that people like to control how personal information about them is used by marketers, the kind of advertising mail and catalogs that they receive and the volume of advertising mail they receive. Out of all techniques of permission marketing, permission based e-mail marketing is a growing trend

(MacPherson 2001). Sandeep (2006) specifies that permission marketing helps to reduce clutter cost and search cost for customers. Vaughan reimers, chih-wei, sarah(2016) specify that permission email marketing positively influences the perceived usefulness, ease of use and enjoyment derived from shopping online. Tanuja nair(2017) specifies permission marketing is opposite to interruption marketing as interruption marketing interrupts the customer with unrequested information whereas in permission marketing marketers seek the customers consent in advance in order to sell products and services to them .Andy(2017)specifies five stages of Permission marketing i.e situational permission, brand trust, personal relationship, points permission and intravenous permission. Attitude towards the acceptance of promotional information is influenced by motives such as promotional information, incentives, past experiences, customer care etc(Ravneet,2017).

DIFFERENT TYPES OF PERMISSION MARKETING

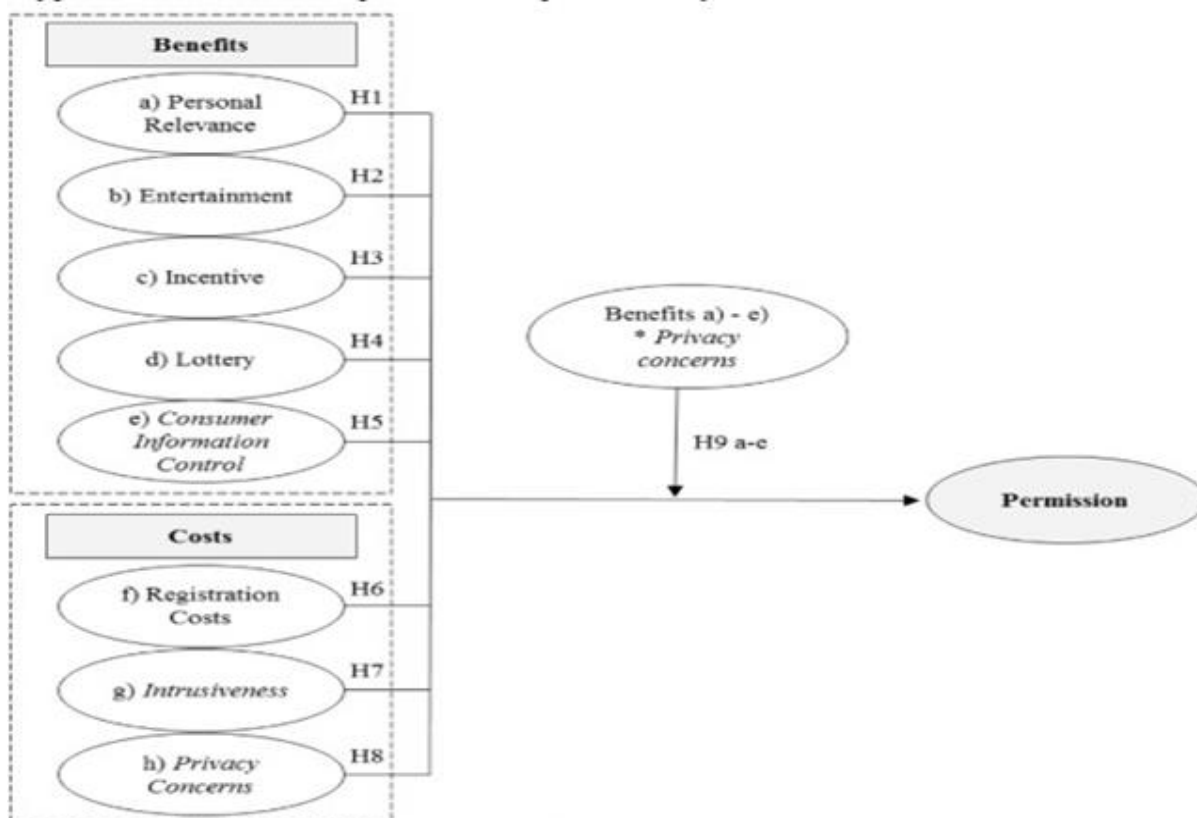
1. Email opt in and opt out

In email opt- in, the E-marketer takes permission to send personalized email to the target consumer. In opt out option,the E-marketer may be specified by the option in consumer to stop any further online communication. This option can be obtained by filing an online, physical sign up form, over the phone, at the point of sale or by responding to a coupon offer or contest(Ravneet,2017).it must be distinguished from Spam. Spam is a unsolicited email send by marketer to a customer who may or may not be interested in its content. It is a push marketing tactic .The spam affects

1) The end consumers-annoyed by unsolicited email messages.

2) The ISPs-spending increasing amounts on filtering their messages (Anca , clyde2015). Leading advertisers like Google, E-retailers like Myntra are using this email opt in forms, putting these forms at specific places in site for higher conversion rates. Permission e-mail marketing and its influence on online shopping is given in the form of model

Hypothesized relationships for the empirical study



Italicized constructs are psychological rather than economic in nature

Source: Conceptual Model By Manfred kraft,Christine,Peter ,2017

2. Geo –targeting or Location based service

In this the marketer first takes permission to locate the mobile device. Location based service allows the marketer to locate the customer using Wi-Fi e.g. In Hotel rooms, QR codes. An example of Geo targeting is app of ola company where by once the consumer starts the app, the service provider is able to trace the site of customer and then specify the time required to pick and even specify the price in advance. A few hotels have also started free Wi-Fi facility to customers

where by free coupons are provided .QR (quick response) codes link online content to mobile devices.2D barcode on it can store a lot of information. HPCL in 2018 used QR code to interact with customers under the feedback initiative.

3.Social marketing

Permission marketing can also be visualized in social marketing wherein e marketer sends a friend request to a probable customer and on subsequent permission obtained can the advertiser send or post advertisement message example

YouTube has a subscribing feature whereby the user is asked whether he wants to have notification on new videos relating to the channel subscribed. The user has to press the bell icon to give permission. Even in Face book accounts sending friend request is a type of permission marketing. According to estimate by Stastita, 2018 , India has the largest number of Face book users out of any other country in the world.

4. Card based

In this the purchaser of products or services entails a customer to be eligible to receive a card with the condition that the purchaser shares personal information with the advertiser. This information can be used to send more schemes. Discount , points so as to have a long term relationship with the customer to get more sales.eg Many big retail malls have a system of providing card to the customer who shares personal contact number and on this card discounts, points are provided, personalized advertisement messages are also send on the number shared.

DO's of Permission marketing

- 1) Target precision and Customization-send personalized message to the target consumer according to the interest of consumer. Personalization is about building customer loyalty by building a one to one relationship, by understanding the needs of each individual and helping satisfy a goal that effectively and knowledgeably address each individual needs in a given context (Riecken, 2000).
- 2) Simple and Easy form- get permission on a form online or offline with minimum number of fields.
- 3) Size and Design of Form- Size of permission form should be compatible with mobile so that the mobile users can easily view and fill it. Since consumers now spend more than five hours a day on their Smartphone (Ad Week, 2018)
- 4) Test Marketing of Permission forms- Permission forms designed must be tested to find which type of forms gets the maximum response from the probable customers.
- 5) Special Schemes for subscription-Special discount/schemes/offers may be offered to first time customers so that they are enticed to give permission or fill subscription form.
- 6) Placement of form- Form must be placed at a place that catches eye attention.
- 7) Analysis of Big Data-Big Data may provide valuable insights about the interest of consumers and this may be tapped to find the products/brands in which the customer is interested. The advertisement message may then be framed according to targeted consumer.
- 8) Partnership with portal or sites-Partnership with a portal site may provide list of customers who are interested in a particular product/service/brand.eg Google has partnership with many brands like Disney.
- 9) Customer experience-Customer must be delighted by the company's offerings that a long term relationship can be maintained. Customer experience includes the sum total of satisfaction with the site, product, after sales service, return policy, privacy policy, price and a host of other factors.

- 10) Parallel servers-Use of multiple servers to handle the traffic in case of days of special schemes or offers must be encouraged to manage increased requests.

DONT'S of Permission marketing

1. Cluttering of messages-sending too many messages may irritate the consumer .information overload may force the consumer to opt out of the permission granted earlier.78% of consumers have unsubscribed from emails because a brand was sending too many emails (Hubspot,2016).
2. Absence of Target precision –Sending messages which are not based on Big data or consumer interest is bound to miss the consumer attention. Continued irrelevant messages may force him to opt out or delete the app.
3. Traffic overload-may lead to either delay in opening the website or filling the form accurately. Studies have shown 1% delay in opening of website page leads to 7% decrease in conversion rate.
4. Increased Frequency of sending messages- sending messages at frequent intervals may also make the messages unreadable.
5. Privacy issue-Majority of customers does not give permission due to fear of losing privacy. Thus there is aim pending need to safeguard the information online. Studies have shown that consumers whose data have been collected by the respective company should have control over the ways in which their information is used (Soheila, 2014)
6. Trust- A Site must be trustworthy so as to elicit a positive opt in response from the customer. Online businesses have a virtual presence thus factors like brand image, past experiences, secure payment system, quick customer care, easy return policy etc play an important role in getting permission .(Ravneet,2015)

CONCLUSION

With advances in technology, now it is possible to get insights in the interests and get permission from the consumers at the click of mouse. But such permission is subject to a number of factors such as design, placement of permission form, company's brand image, product quality, site traffic , privacy issues, frequency of messages from the company.Unless these factors are taken care of this type of marketing cannot be employed to its full advantage.

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