BARRIERS IN ONLINE MARKETING, FEAR IN CONSUMERS' MENTALITY

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Abstract

Technology has transformed the mentality in retail business is done with leading players shifting to mobile devices specific platforms. Through about 19 million internet connections which were in first semester of 2016 in Romania, users made a traffic of almost 2,7 million terabytes. More and more people discover how easily can be to use internet, to find any information on a smartphone, a tablet or a laptop or desktop. A year before, in 2015, about 48% of consumers used the internet but only 17% also for buying some products and services online, comparative with an average of 63% European consumers. First and second barriers in mentality to buy online are online payment security and lack of transaction people to people. The aim of this work was to update the information regarding internet access and usage by the Romanian consumers.

Key words: internet, online consumers, business, barriers.

INTRODUCTION

Online marketing is a package of powerful tools and methodologies used for promoting products and services through the internet. Online marketing includes a wider range of marketing elements than traditional business marketing due to the extra channels and marketing mechanisms available on the internet. Online marketing, named also internet marketing or web marketing or digital marketing or search engine marketing (SEM), takes business development to a much higher level than traditional marketing. In online marketing, to reach targeted customers basic depends on internet connections in any place of the world. (Condei R. et al., 2014.). More and more people discover how easily can be to use the internet, to find any information on a smartphone, a tablet or a laptop or desktop. In the recent years, through about 19 million internet connections which were in the first semester of 2016 in Romania, about 48% of consumers used the internet but only 17% also for buying some products and services online, comparative with an average of 63% European consumers (Vasilache A., 2017). For this

reason, the aim of this work was to update the information regarding internet access and usage by the Romanian consumers.

WHAT CUSTOMER IS TARGETED IN ONLINE MARKETING?

At first side, all the customers can be targeted in online marketing. All over the world. (Pavel I.A., 2015). But not all customers have a credit or debit card, can write what is demand in special spaces on the site or fulfill the banking card data to send an order. The language barrier remains the last reason for those customers who want to buy abroad.

DISADVANTAGES OF ONLINE MARKETING

Generally speaking, the main limitation of online marketing is the lack of tangibility, which means that consumers are unable to try on, or try out items they might wish to purchase. So, on balance, generous return policies are the main way to circumvent such buyer apprehension. But many consumers seem to be fear when have to pay online some

products or services. (Gupta A., Arora N., 2017).

It is also a problem of trust, such I have no trust in online payments, what it happens with banking card data, what if I lose more money that appears on screen, what if the product does not fit to me or to person I want to make a gift, how much time I spend to finally I recover the money or receive another product instead, what if the product is stolen on the way to me and so on (Popa M.E., Popa A., 2012).

So, first and second barriers in mentality to buy online are lack of transaction people to people and customer's fear face-to-face with online payment security.

Last year, NIS from Romania published a study on four years regarding the population access at the informational technology and communications (table 1).

ROMANIA: BARRIERS AND POSSIBILITIES IN ACCESSING ONLINE PRODUCTS

After the National Institute of Statistics, in 2016, two of three households in Romania have access to the home internet, also 65% of them are located in the urban area (Figure 1).
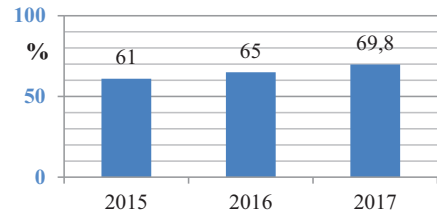

Figure 1. Romanian households with access to the internet between 2015-2017(http://www.insse.ro)

Table 1. Total households with access to the internet - % repartition after the head of the family domain of occupation

| Year | Domain of occupation for the head of the family | | | | |
	Employee	Employer	Unemployed	Retired	Another inactive person (including pupil, student)
2014	58.8	9.9	2.4	25.2	3.7
2015	58.8	10.4	1.6	25.8	3.4
2016	58.8	9.4	1.7	27.1	3.0
2017	56.0	11.0	1.9	27.3	3.8

(*http://www.insse.ro/cms/sites/default/files/field/publicatii/accesul_populatiei_la_tehnologia_informatiei_si_comunicatiilor_romania_2017.pdf*)

According to the same source, reasons about not having the internet access at home in the same areal of time are described below (table 2). About the home internet type of broadband, first place is taken by fixed broadband connection, followed by the mobile ones and at a long distance the narrowband connections (Figure 2).

Table 2. Reasons for not having internet access at home

| Year | Reasons which have not internet access at home | | | | | | |
	Access to the internet elsewhere	Not considered useful, interesting	Equipment is too expensive	Lack of skill	Fear about security and confidentiality of data on the internet	No connection at the broadband in home area	Another reason
2014	9.2	32.8	35.8	41.8	0.6	0.7	11.7
2015	7.9	42.8	30.4	43.3	1.1	1.2	9.8
2016	5.6	42.4	26.6	44.2	1.0	1.0	10.3
2017	6.2	40.6	22.4	50.3	1.9	1.1	14.4

(*http://www.insse.ro/cms/sites/default/files/field/publicatii/accesul_populatiei_la_tehnologia_informatiei_si_comunicatiilor_romania_2017.pdf*)

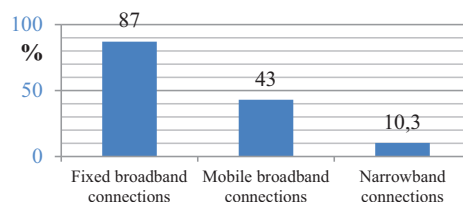Figure 2. Types of internet connection on households (*https://www.comunicatii.gov.ro/*)

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Also, we have a growing percent regarding the internet users.

More than 70% of persons between 16 and 74 years used the internet in 2017, 70% of persons between 16 and 74 years used the internet in 2016 (about 10.6 million users), 1.2% increase from 2015.

In this trend, unfortunately, we have a large percent of person who does not prefer to use mobile payments (Figure 3).

Internet Users in Select Countries Who Prefer vs. Don't Prefer to Use Mobile Payments, Aug 2017
% of respondents

Prefer		Don't prefer	
China	64%	Bulgaria	71%
Mongolia	63%	Greece	68%
Brazil	46%	Hungary	65%
Kenya	46%	Romania	64%
Chile	44%	Finland	61%
Colombia	41%	France	57%
Russia	41%	Germany	57%
Ukraine	39%	Luxembourg	56%
Cambodia	38%	US	54%
Saudi Arabia	36%	Ireland	53%
Myanmar	36%	Australia	53%
Sweden	35%	UK	52%
India	33%	Canada	52%
Mexico	33%	Cambodia	51%
Israel	33%	Myanmar	49%

Note: top 2 box "prefer mobile payment" and bottom 2 box "no mobile payment"
Source: Kantar TNS, "Connected Life," Oct 18, 2017

Figure 3. Internet users in August 2017 who prefer or do not prefer to use mobile payments (*www.emarketer.com)*

CONCLUSIONS

Barriers to online marketing, fear of consumer's mentality are represented below:
–   lack of a household internet connection (applied to the person who has not a job and possibilities to make online shopping being at the job);
–   all the customers can be targeted in online marketing. But not all customers have a credit or debit card;
–   unknowing to write what is demand in special spaces on the site or fulfill the banking card data to send an order;
–   untrust of measurements appeared at different sites,customer's fear face-to-face with online payment security;
–   lack of transaction people to people;
–   no trust in online payments and all the what if questions;
–   more money that appears on screen, what if the product does not fit me or to person I want to make a gift, how much time I spend to finally I recover the money or receive another product;

–   the language barrier remains the last reason for those customers who want to buy abroad.

Online marketing is an essential part of running a successful business in today's digital world.

Aside from advertising online, your online reputation is very important, even if you do not conduct business over the internet - before a new customer decides to patronize your business chances are they will check online reviews, so building a reputation for quality and customer service is very important.

Online marketing can deliver benefits such as:
–   Growth in potential;
–   Reduced expenses;
–   Elegant communications;
–   Better control;
–   Improved customer service;
–   Competitive advantage.

Unhappy customers are more likely to leave online reviews than satisfied ones, so having a strong reputation and plenty of positive online reviews are vital to business success in today's digital world.

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