Role of Niche Marketing on Search Engine with Reference to Pay Per Click Advertisement

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Abstract--- A niche market is the subset of the market on which a specific product is focused. Niche market is highly specialized effective and aiming to survive among the competition from numerous super companies using the niche keywords. Niche marketing has influenced by the product features of specific market needs such as price range, production quality etc. In the digital world, marketers using the Online niche marketing for the products to be advertised using search engines. Search engines involve the promotion of websites by increasing the visibility of search engines results pages through paid advertising. In this paper the researcher has focused on “ROLE OF NICHE MARKETING ON SEARCH ENGINE WITH REFERENCE TO PAY PER CLICK ADVERTISEMENT”. Pay per click is an Internet advertising model used to direct traffic to websites in which advertisers pay the publisher. When the ad is clicked with search engines, advertisers used keyword phrases relevant to their target market. Pay per click advertisement also known as banner ads shown on the websites. At present the niche markets has provided the attractive opportunities available to marketers. Eye catching, effective and localized pay per click ads impact on buying markets. As the pay per click advertisement provide purchase opportunity wherever people may be surfing.

I. INTRODUCTION

Now a days people around us are aware about the benefits of internet and their convenience of shopping online. Customers are tired of going from store to stores they look for e-market and surf in online. A new trend has evolved in the e-commerce where every e-tailors are finding success with specific services. E-commerce website is the increasing number of specific niche stores. The emergence of niche market in online world is because of what the online customers demand today. Customers are looking for specified products that would deliver a unique offering rather than generalized one. A niche market is the subset of the market on which a specific product is focused. Niche marketing refers to marketing in which a distinct or specified product is focus on such markets. It will attract and target the interested readers/viewers/buyers or just audience in general. Usually this is done in the web through search engine by creating a niche site. After creating a website, publish articles around private label rights and get a license for the digital products. In the search engines, integrate the products that need to be promoted and make money out of it. With the help of pay per click advertisement the integrated products can reach the targeted market.

Pay per click advertising is a form of online advertising that makes use of search engine. Pay Per click advertisement can be effective using the niche keywords and target the particular niche market. Niche market is highly specialized, effective and aiming to survive among the competition from numerous super companies using the niche keywords. A lot of ads aim at the broadest terms such as “dress” or “bike parts”. Since the broader terms get far more searches the cost per click is quite high compared to the focus on narrow keywords like “bridesmaids dress” or “road racing tires”. These terms will cost less and searches who use them will try to buy more products. Thus Google and most other pay per click services use niche keywords.

II. REVIEW OF LITERATURE

Dalgić and Leeuw (1994, p. 40): ‘niche marketing small market consisting of an individual customer or a small group of customers with similar characteristics or needs’, where focusing on such a market is termed niche marketing, appeared to be the popular choice. The second, and less popular approach, follows the claim made by Chalasani and Shani (1993) that niche marketing ‘is a bottom-up approach where the marketer starts from the needs of a few customers and gradually builds up a larger customer base’. However, this approach is confronted with the claim of ‘the segment of one’ (Dibb, 2001; Kara and Kaynak, 1997), which is in conflict of ‘gradually building up’ at all, but also in terms of the implied conceptual thinking where the focus is rather on ‘building down’ than building up. Further, the findings from the reviewed articles suggest that niche marketing is frequently used in mature industries rather than new ones, and that niche marketing often is a response to the increasing concentration and competitive pressure in the industry with larger and more dominating firms and lower prices, as the time and product life cycle evolve. Lastly, as in most research related to niche marketing, this claim is not supported in empirical studies. Thus, the claim made by Chalasani and Shani (1993), which implies that industries may start up with a specialized supplier and one or a few customers, and then potentially be able grow to a large industry with many actors, contradicts empirical findings. In sum this suggests that this approach is not sufficiently comprehensive for defining niche marketing as such.

Pay-Per-Click (PPC) Advertising: A method of marketing where a business pays a certain amount of money each time someone clicks on a small ad on a search engine’s results page or homepage and is then taken to the advertiser’s website.
Pay per click advertising at search engines can be described most easily as follows: The placement of a small text only advert on the search results page which is triggered by a specific keyword or phrase being typed in a search box. (Gay, Charlesworth and Esen, 2007, p.226) Pay Per Click A performance-based method of paying for online advertising whereby payment is made for each click made on a displayed advert – no clicks, no fee. Also known as CPC (cost per click) and CPA (cost per action)(Gay, Charlesworth and Esen, 2007, p.528)

This basically means that there are text based advertisements displayed on a search engine results page next to the natural search listings. Those Text ads are highlighted by the search engines with names like —sponsored links and are usually on the right hand side of a results page, clearly differentiated from the natural search results that are displayed on the left. Sometimes one or two of those advertisements are displayed on top of the list, over the organic search results, highlighted through a different background color. The advertising companies can decide which keyword-searches performed by the search engine users their ad should appear. (Gay, Charlesworth and Esen, 2007, p.226)

The first Internet advertisement was placed by AT&T in 1994 and was in the form of a banner ad (Zeff& Aronson, 1999). Until 2003, banner ads were the dominant medium for Internet advertising.

In 2003, search engine advertising exceeded that of display advertising (Online advertising spending, 2004). Search engine advertising speaks to one of the competitive advantages of the Internet—providing relevant information to consumers actively in search of something. Despite search engine advertising’s market leadership, banner ads remain a popular medium for advertisers and researchers.

Companies utilizing banner ads, or display advertising typically seek either a direct response from users or the attainment of a particular branding objective. Determining the success of an online direct response campaign utilizes click-through rates (CTR) while a branding campaign’s success is assessed with traditional offline memory and attitude measurements (Baltas, 2003).

Although direct response campaigns are more prevalent, recent empirical studies focus on online branding campaigns.

III. OBJECTIVES OF THE STUDY

To identify the factors contributing forthe pay per click advertisement in search engine.

IV. ADVANTAGES

• Less competition

Unlike in generalized marketing where market competition is still, niche marketing has quite less competition for the viable customers purchasing the products.

• Brand loyalty

Niche marketing makes it possible for businesses to build their brand loyalty. This marketing approach lets you provide customers with products and services they need and desire. You end up having a leg up on the competition because items in a niche market are difficult to find in general products.

• Best for giving marketing insight

Niche marketing is all about selling to a segmented market. It is about taking your products to people who have an interest in receiving them. This can help you redefine your business, leading it in a new product directions and services. You will end up creating new opportunities for your business by selling similar or support products. Once you begin to concentrate fully on niche marketing, you will learn about new products, innovations and ideas about the market.

V. DISADVANTAGES

Because of the smaller market size, this marketing approach is not suitable for a company that is small and intends to grow in the current market. The smaller market makes it difficult to enjoy a larger profit margin in the market.

Among the advantages and disadvantages of niche marketing is that there is limited growth because there is a small group of customers to buy products.

VI. METHODOLOGY AND DATA COLLECTION METHOD

The collection of data was carried out by using a self-administered questionnaire. The questions were presented in mostly close - ended style with self-structured questions. The questionnaires were distributed to the respondents chosen at random at locations Cyber cafe and high learning institution. This study applies convenience sampling technique as a sampling method. Further convenience sampling method was used for two reasons- firstly, respondents were selected because they happened to be in the right place at the right place at the right time and secondly, convenience sampling technique is not recommended for descriptive or casual research, but it can be used in exploratory research for generating ideas(Malhotra,2005). Sample size :100

VII. QUESTIONNAIRE DESIGN

following the literature review , questionnaires were developed to determine the extent of niche marketing on pay per click advertisement and factors when browsing and purchasing online. The questions were designed and presented within two sections, stated as follows: Section I comprised of the respondents personal background, such as gender, age, income per month, educational qualification and occupation. Respondents demographic profiles were designed in the close – ended structure questions and it consisted of five questions, which began with questions 1 and ended with question 5.
Section II required the respondents to furnish the factors that they considered when they go for buying a product online. There were 20 statements in this section. Five point rating scale ranging from 1 (Strongly agree) to 5 (Strongly disagree) were applied in this section.

The variables used in this study were obtained from the literature reviewed in the field relevant to internet users. The variables that were chosen were based on several researchers done by others. Some of the questionnaire was selected with slight modifications from various researchers. The rest of the questions were developed based on the observations of the researcher, readings from literature and consultations with the people on the same area of interest.

VIII. STATISTICAL TECHNIQUES USED

Data in the study were analyzed using statistical package for social sciences (SPSS). Factor analysis was used to analyze the data.

IX. CONCLUSION

The development of information technology and the growth of the communication network has radically transformed the local networks and connected them to the international markets. The current technological development with respect to the Internet has given rise to a new marketing system. Emergence of the niche marketing is viable, profitable and personally influence many people in the Online niche marketing. Keyword search items on the search engine (google, bing) displaying the products in the websites through pay per click advertisement directs to niche stores. Factor analysis is revealed that five factors such as advertisement factor, personal factor, security factor, feasibility factor and convenience factor were identified.

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