

Common Similarities and Differences between Traditional and Network Marketing

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Abstract: this article analyzes the general similarities and differences between traditional and Internet marketing. The course of the analysis shows a number of advantages and disadvantages of traditional and network marketing, which are very relevant in the conditions of the development of the modern market.

Keywords: marketing, network, targeting, network marketing, Internet resources, Internet marketing tools.

Nowadays, modern technologies, including network marketing, are becoming increasingly important in our lives. Marketing always develops together with consumers, so most companies are aware of the importance of Internet technologies for their business.

Considering the above, the development of network marketing in order to create opportunities for the population in each region of our country is considered important at the level of public policy.

A great influence on the pace of development of network marketing has an increasing spread of various mobile applications, as well as ways to promote with their help.

Today it is impossible to talk about the successful marketing activities of firms and companies if they do not use Internet marketing tools in their work.

Currently, a very large number of online stores are operating in Uzbekistan. The analysis revealed that as of January 2022, the number of Internet users in a country with a population of 35.5 million people is estimated at 27.2 million people, of which 25.3 million are mobile Internet users and 3.2 million are fixed (home) broadband Internet users. According to a Statista study by the US Department of Commerce's Office of International Trade, e-commerce revenues in Uzbekistan will grow by 6.3% annually by 2025.[1]. Considering the above, it is very important for companies to think over a strategy of network marketing activities for several years ahead.

Taking into account the above evidence, at present all market participants should face the question of the need to decide where it is more profitable to invest more resources: in the development of traditional marketing or in the online promotion of goods and services?

In order to make the right decision on this task, it is necessary to conduct a comparative analysis of traditional and Internet marketing.

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A number of analyses show that Internet marketing is nothing more than the use of marketing tools already familiar to us on the Internet. Others point out that Internet marketing should be considered as a separate category, which has its own specifics and features.

To date, the promotion of goods and services via the Internet is becoming increasingly widespread. Usually, many agencies offering their online marketing services urge companies to almost completely abandon traditional marketing and fully promote their products and services via the Internet.

All these agencies colorfully talk about the advantages of network marketing, without mentioning the disadvantages that are inherent in it.

Based on this, it should be said that the approach in which the company wants to focus either on Internet marketing or on traditional off-line marketing is fundamentally wrong. To date, only a skillful combination of these tools will allow the company to develop successfully in the future.

Let's try to consider a comparative analysis of traditional and Internet marketing by separate criteria.

Traditional marketing	Internet Marketing
1. Distance and speed	
With the expansion of the business, a greater increase in the distance to the consumer is required.	The distance loses its value, and the speed of propagation depends on the speed of the Internet connection.
2. Coverage of the territory	
Business expansion is almost always associated with additional costs and it is difficult for a company to reach new markets.	Internet marketing has no geographical boundaries, as the Internet covers almost the whole world.
3. Possibility of contact with the consumer	
The sale allows you to realize physical contact, track the reaction of the consumer, switch his attention.	You can find out about the consumer's preferences, but there is no physical contact. There is no need to monitor the switching of the consumer's attention and the change in his reaction relatively low costs
4. Costs of marketing activities	
High-quality marketing activities are carried out using both high-cost and low-cost tools.	Relatively low costs

Considering all of the above, it would be wrong to assume that you can make a choice and apply only one of the types of marketing. The company will have to skillfully combine the types of trading activities.

The main advantage of Internet marketing is considered to be distance.

The Internet, in turn, makes it possible to reduce the distance between the client and the company to zero. In this case, it is not necessary for the client to travel a long way to buy any product, since all this can simply be ordered via the Internet.

And the speed at which messages reach the consumer is limited only by the speed of his Internet connection. And in order to avoid difficulties in such cases, it is important to remember that the company's website should be easy and accessible to download.

In traditional marketing, there is a limit on the criterion of distance and speed of sending marketing messages. By the way, advertising on television or in the press allows you to minimize these restrictions.

But in any case, here the company can count on the fact that consumers who receive a marketing message will see it in the form that the manufacturer intended.

The next criterion to be compared is the territory covered.

The main advantage of Internet marketing is that it is able to reach the desired audience with minimal financial costs. In this case, the barrier of access to the market disappears, which occurs thanks to the Internet. But this still cannot be considered the best option, since in this case the number of consumers is limited by the totality of the Internet audience. In such a situation, the company may miss out on more mature customers, since many of them are not active Internet users. Unfortunately, there are also such territories where the Internet is not yet widespread.

With traditional marketing, there are high barriers to entry into a different geographical market. This has a particularly strong impact on the implementation of activities for representatives of small businesses. Even using all the traditional marketing tools, it is impossible to cover such a large territory that the Internet offers us [2].

The next criterion for comparison is the ability to maintain contact with consumers.

In Internet marketing, there is no physical contact with the client. In most cases, the company categorically cannot monitor the reaction of the client, the switching of consumer attention, and so on. The consumer's interest in information can be judged only by the time spent on the web page, or by whether he made a purchase or not.

But along with this, the main advantage of Internet marketing is considered to be targeted advertising. This type of advertising implies that the advertising message is shown only to users who fit certain criteria required by the manufacturing company. Ultimately, the company has the opportunity to demonstrate its advertising messages only to the target audience.

In traditional marketing, mass marketing is most often carried out, that is, advertising through mass media – such as outdoor advertising. But unlike Internet marketing, there is such an indispensable tool as direct marketing or personal sales. In such cases, the seller has free physical contact with the client. In addition, he can monitor the buyer's reaction to the offer, for the stability of his attention and can get feedback.

One of the most important comparison criteria is the amount of marketing costs.

From all of the above, it can be concluded that in most cases the costs of marketing on the Internet are lower than the costs of traditional marketing tools. At the same time, the costs in Internet marketing are often associated with copywriting, writing a good advertising text, creating an effective and understandable interface for a website, an online store, placing hidden advertising, advertising on social networks, writing reviews, and so on.

So, from all of the above, it can be understood that network and traditional marketing have both advantages and disadvantages. We managed to prove that one of the main disadvantages of Internet marketing is the lack of physical contact with the consumer, and the fact that the client does not have the opportunity to have contact with the product. In addition, Internet marketing will not be able to arouse a high degree of trust among the older, mature generation of users. Since the older generation has no trust and interest in advertising and spam. Network marketing has reached a large number of users who actively use the network. But still, the growth in the number of such consumers is still not sufficient.

And so, in the end, from all of the above, we can conclude that Internet marketing has a significant number of advantages, but this does not mean that the company should abandon traditional marketing and use only Internet tools for its activities. It is still important to find the right combination of traditional and network marketing. And the choice of making a decision should usually depend on the situation or the products that the company wants to sell.

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