

# **Internet and Its Uses in Road Transport**

**Andy Lake  
Clear Net**

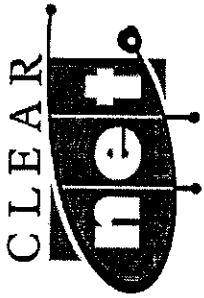
Presented to the

Institute of Road Transport Engineers of New Zealand

**SEVENTH INTERNATIONAL HEAVY VEHICLE SEMINAR**

**WELLINGTON**

**16 & 17 July 1998**



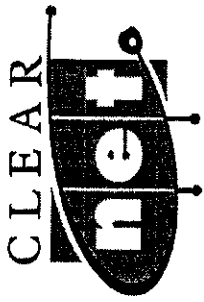
Incorporating the Internet into your  
marketing mix - the next step

**Andy Lake**

**Manager, Commercial & Product  
Development - CLEAR Net**

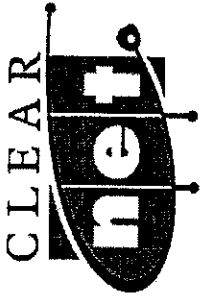
**Louise O'Neill**

**Association Account Manager**



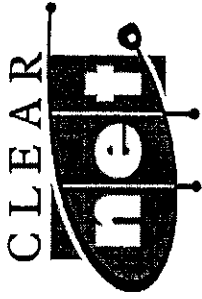
## Agenda

- Jargon Test
- You and the Internet
  - What the Internet is
  - What the Internet isn't
  - What are the key uses for the technology?
  - How can I apply these to my marketing mix?
  - How do I go about it



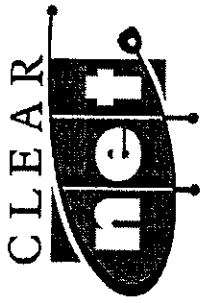
## Jargon test

- Browser
- Search engine
- ISP
- Domain names
- World Wide Web
- HTML / HTTP
- Link
- Server



## Jargon test

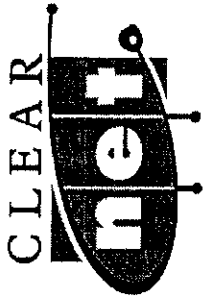
- Browser
  - Internet Explorer, Netscape
- Search engine
  - Finds the web pages for you
- ISP
  - CLEAR Net!
- Domain names
  - Olof@clear.net.nz
- World Wide Web
  - The visual side of the Internet
- HTML / HTTP
  - “Internet documents”
- Link
  - Takes you to another page
- Server
  - This is where the web pages are stored



Bill would be proud of you....

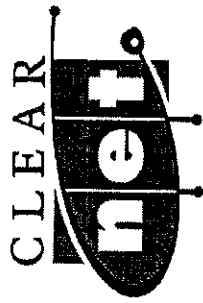
“An intra-enterprise, least common denominator publishing and information sharing platform built upon standards such as HTTP and HTML”

— Tony Bawcutt  
Microsoft Corporation



## So what is it really?

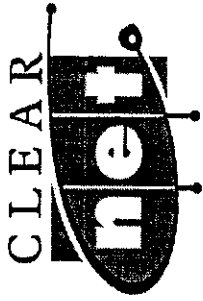
- Arose out of the cold war
- A method of connecting computers regardless of:
  - Operating system
  - Geographic boundaries
  - Regulatory control
- Provides standards (finally) for storing, delivering and publishing information



And what about CLEAR Net...

- CLEAR Net is NZ's premiere internet service
  - TUANZ Best Online Service Provider Award, 1997
  - New Zealand Netguide Awards—Best ISP, 1997
- We have unique products and services to help you use the technology
- Fast, reliable
- 24 x 7 toll-free help desk
- Flexible and advanced services

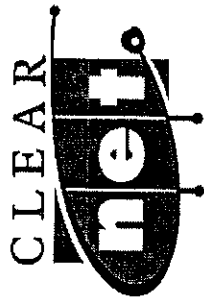




## What the Internet isn't

- A get rich quick scheme
- Difficult to connect or use
- The solution to all business communication problems

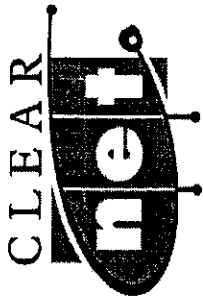




## From Atoms to Bits

“If you grow cotton, make cashmere sweaters or Chinese food, you have some breathing space; the core business won’t change. But if the bulk or all of what you sell is information, then the risk of being replaced by some electronic medium is far more immediate”

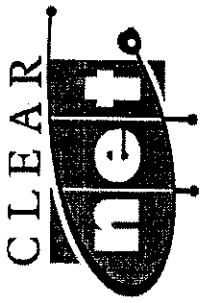
— Nicholas Negroponte  
Author: Being Digital



How will it impact your business?

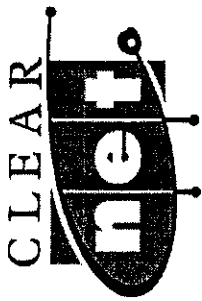
**“If you’re not scared, you don’t understand!”**

— Mike O'Dell  
Chief scientist UUNET



## Key marketing & business strategies

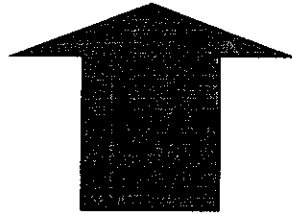
- **Grow the business at a greater rate than costs**
  - Penetrate new markets & expand share of existing
  - Reduce transactional & capital costs
  
- **Maximise life value of customer**
  - Increase knowledge of customer and customer interaction - markets of one
  - Increased loyalty
  - Lower cost of acquisition,
  - Lower churn or switching
  - Repeat purchases



# A Marketing paradigm shift

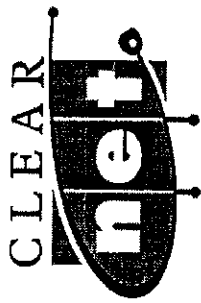
**Product centric**

**Mass marketing**  
**Mass media**  
**Mass production**  
**Market share**  
**Image - driven**



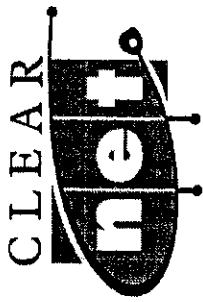
**Customer centric**

**Targeted marketing**  
**Interactive media**  
**Customised products**  
**Share of customer**  
**Information - driven**



## Emerging markets

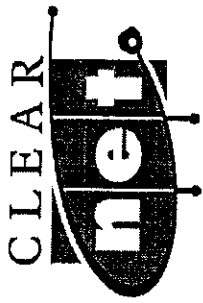
- **50 million people connected today**
- **125 million by 2001**
- **US market in 2001**
  - Financial services USD 5B
  - Bus - Business 186B
  - Consumer 18B
  - Conent 38B
  
- **200K+ in NZ today**
  - Ave house hold income 70K
  - 45% are making purchases on line
  - Watching less TV
  - Sleeping less



# Changing Demographics & Emerging Technologies

**1996**      **2000**

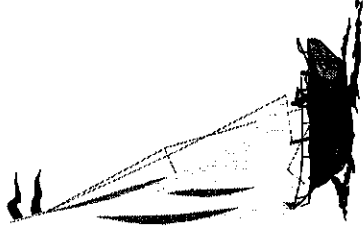
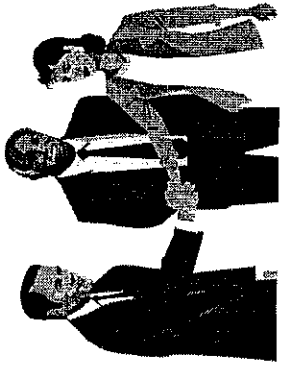
<b>Children</b>	<b>4%</b>	<b>17%</b>
<b>Women</b>	<b>22%</b>	<b>33%</b>
<b>Men</b>	<b>74%</b>	<b>50%</b>



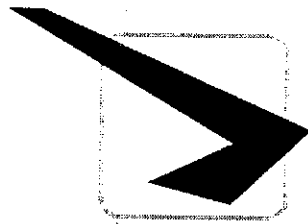
# Emerging Technographics



## Motivation



## Attitude / Income



\$\$

CC

**Fast Forwards**

**Techno strivers**

**Handshakers**

**New age nurturers**

**Digital hopefuls**

**Traditionalists**

**Mouse potatoes**

**Gadget grabbers**

**Media junkies**

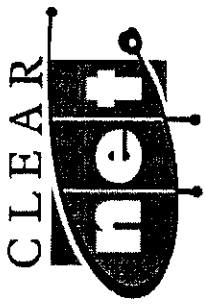


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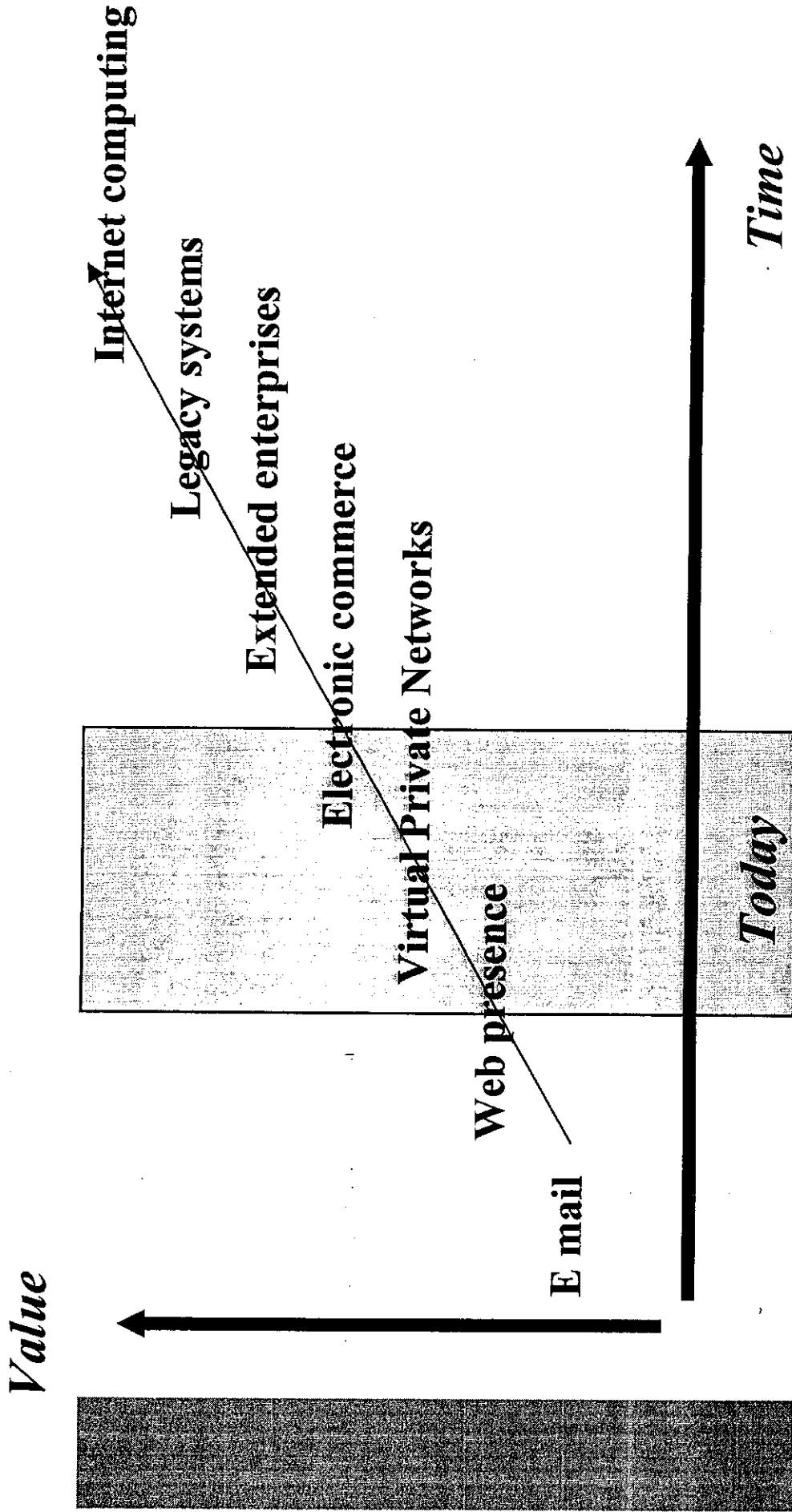
CC

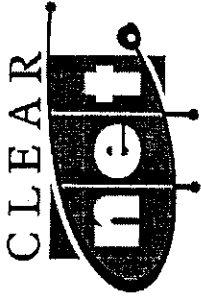
**Sidelined citizens**





# Typical business internet life cycle





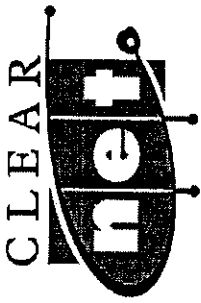
## What are the key uses for the technology—now

- E-mail
  - [olof@clear.net.nz](mailto:olof@clear.net.nz)
  - [olof@shoerax.co.nz](mailto:olof@shoerax.co.nz)
- Information search
- Market your business on the Web
  - [home.clear.net.nz/pages/olof](http://home.clear.net.nz/pages/olof)
  - [www.shoerax.co.nz](http://www.shoerax.co.nz)
  - Being open for business 24 hours a day, seven days a week
  - Accessible from anywhere in the world



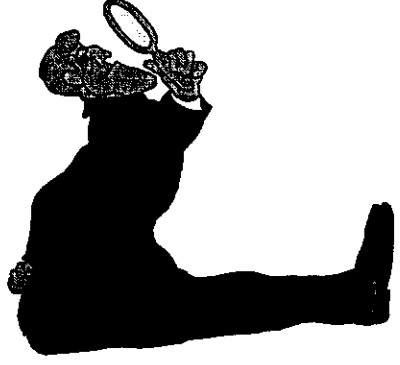
## E-mail—the great equaliser

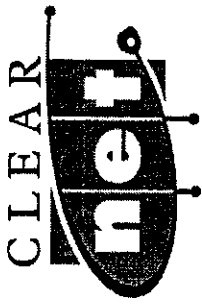
- A change of culture
  - No more “Dear Sir/Madam”
- Efficient
  - Instant delivery
  - Reaches you where ever you are
  - Cheap
- Mail domains and Mail Names
  - olof@clear.net.nz
  - olof@shoerax.co.nz, sales@shoerax.co.nz
- E-mail is the basis for modern business communication & the single biggest organisational/cultural change opportunity



Information Search:  
anywhere, anytime, anyplace

- Knowledge is power
- Learn the tools for maximum benefit
- If you give everyone access to everything - it saves you time, and gives you gossip management





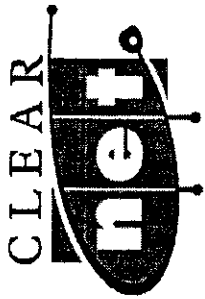
## Your own Web site?

- A web site is your Internet storefront—you decide who it is targeted at
  - Don't be a solution looking for a problem—an online brochure is a very temporary proposition
  - It must conform to your marketing standards, and be a component of your marketing programme
  - Call for action!
- Options
  - Personal web hosting: [home.clear.net.nz/pages/olof](http://home.clear.net.nz/pages/olof)
  - Professional web hosting: [www.shoerax.co.nz](http://www.shoerax.co.nz)



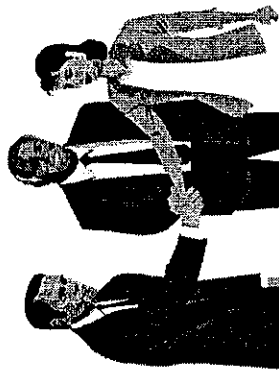
## What can it be used for?

- Targeting an expanded market
- Providing a place to order products
- Providing information to customers
- Regional Information

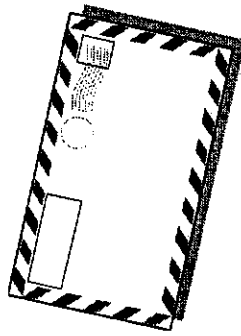


# Secrets of success - Strategies of the top players

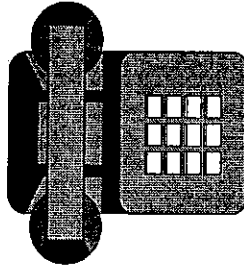
## ■ Manage the Net as a 4th channel



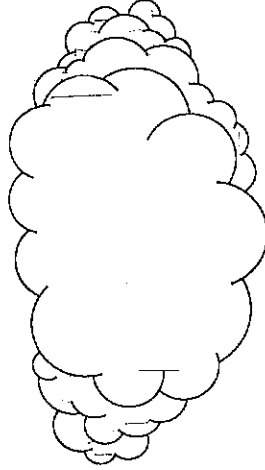
Person - person



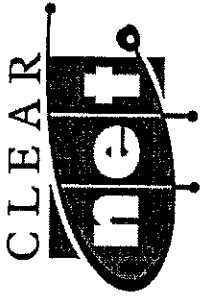
Mail



Telephone



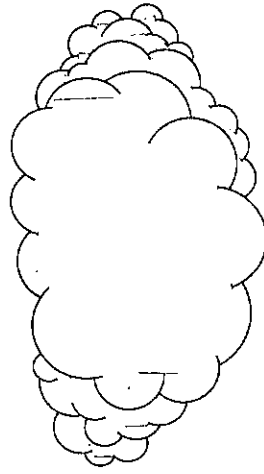
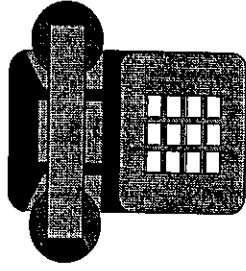
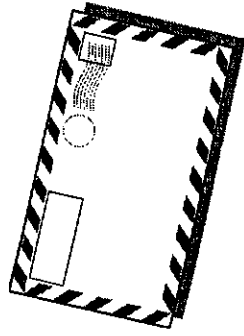
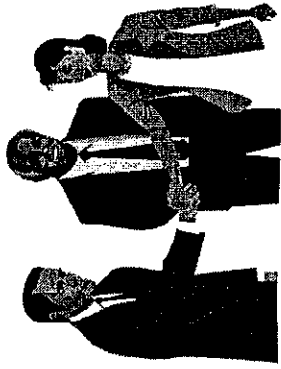
Internet



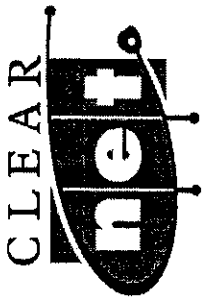
# Secrets of success - Strategies of the top players

## ■ 4th channel imperatives

- Synchronise channels
- Leverage domination in old channels
- Create mutual support in channels



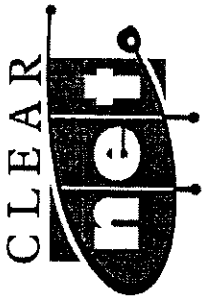




## Secrets of success - Strategies of the top players

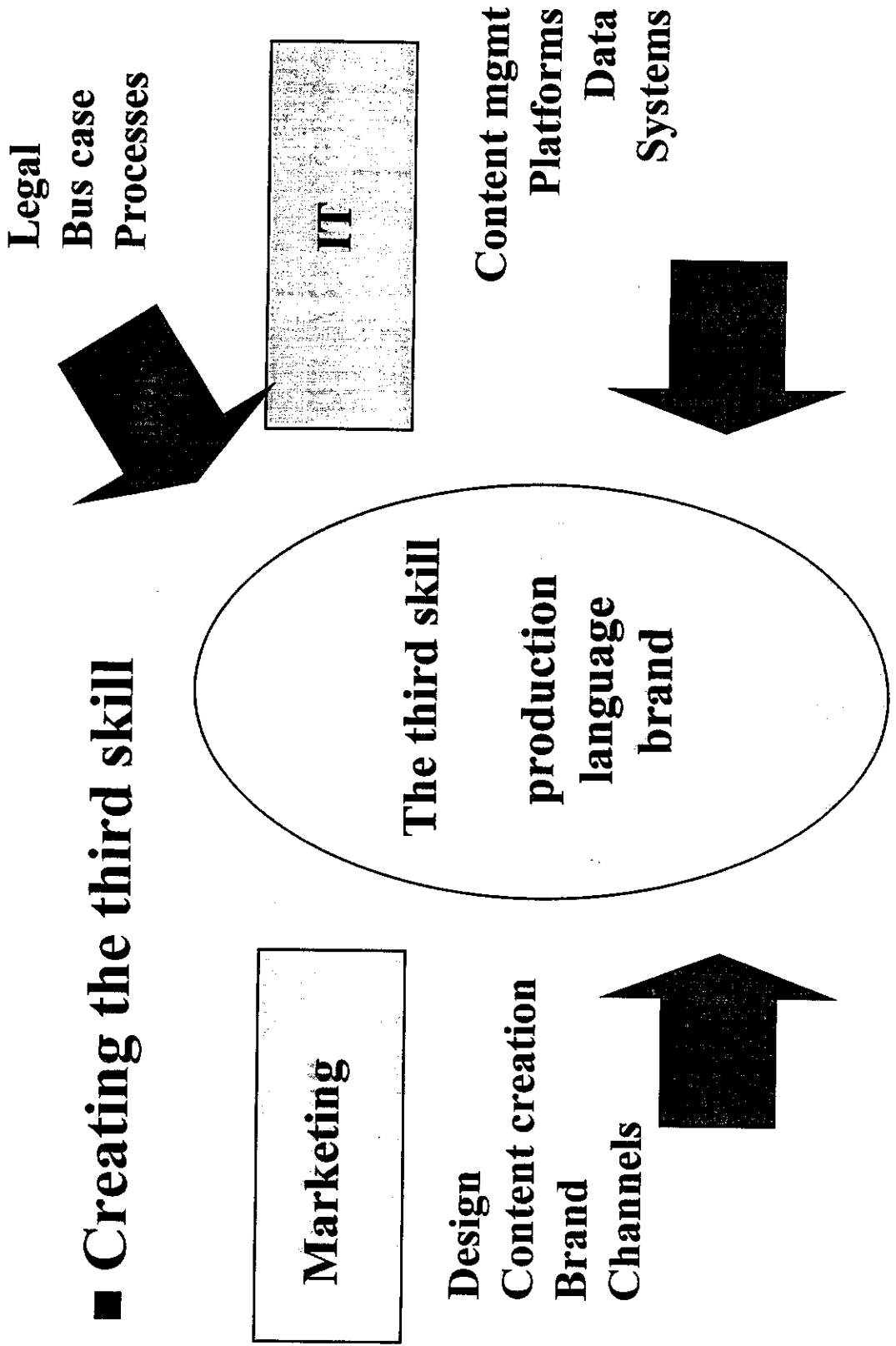
### ■ Build barriers to entry around

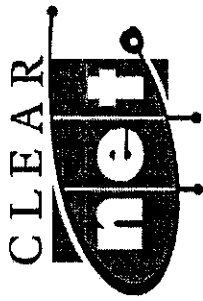
- Switching costs
- Economies of skill
- Returns to scale
- Speed



# Secrets of success - Strategies of the top players

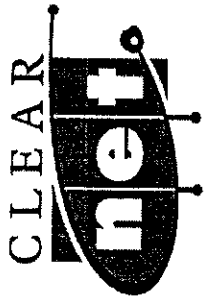
## ■ Creating the third skill





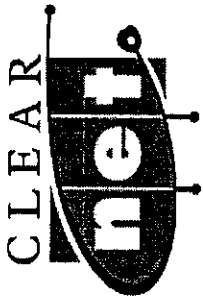
So you want to get on the net?

- You'll need a PC or Macintosh with a modem and appropriate connection software
- You'll need to buy the software from CLEAR Net or resellers or call CLEAR on 0800 888800
- You'll need to install the software and register



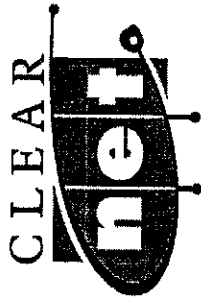
## So you want your own website?

- **You'll need:**
  - Software for site development
  - to join an ISP
  - to register your own domain name
  - pay your webhosting setup fees
- **Ongoing Charges**
  - Domain name management (\$20 + ~ \$77/year)
  - Webhosting fees (\$100 + \$100/month)
- **Developing a web site**
  - Web publisher from CLEAR Net
  - "Web in a Box" from CLEAR Net
  - Have a developer create one



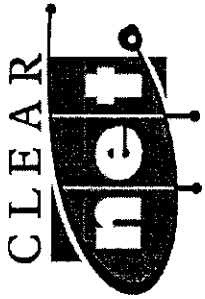
## What are the Risks

- It takes time to get it right - allow experimentation
- Unrealistic expectations
- Lack of top level support



## Summary

- Size doesn't count: you can look as big as Fletchers on the net if you want to.
- Location makes no difference—it's completely national now
- It's easy to get started, and...
- There is huge growth—so be prepared



## Contact

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### References

George Coloney, President, Forrester

John Bardawill, VP, Marketing, Wave

Ramin Marzbani, Principal, www.consult