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DIGITAL MARKETING: HOW DISRUPTIVE TECHNOLOGY IS CHANGING BUSINESS FOR GOOD

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Abstract

Digital marketing is an extremely fast-paced and competitive field. Although it provides lot of unique opportunities, it also has its concurrent challenges. In today's competitive environment, organizations are using Digital marketing for promoting products and services with the help of various digital channels to reach consumers at the right time through their preferred channel. Digital channels are accessed through desktops, tablets, mobile, smartphones, and gaming consoles and can effectively deliver personalized content and promotions. This paper focuses on the significance of digital marketing in current scenario and the key difference between traditional marketing and digital marketing. Also highlighted are the current challenges of digital marketing faced by organizations and defined strategies for building digital marketing that organizations can implement to get the competitive advantages.

Keywords: Digital Marketing, Traditional marketing, Digital marketing Opportunities & problems.

Introduction

Marketing is a widely used term to describe the communication between a company and the consumer audience that aims to increase the value of the company or its merchandise or, at its simplest, raises the profile of the company and its products in the public mind. "Digital marketing" is the process of building and maintaining customer relationships through digital channels to facilitate the exchange of ideas, products and services that must satisfy the goals of both parties. Digital channels are rendered and accessed via desktops, tablets, mobile, smartphones, and gaming consoles and can effectively deliver personalized content and promotions. Internal marketing is a major component of digital marketing. Digital marketing is NOT only focused on the online world, but it will be much, much more. Digital marketing can be done both online and offline. Offline digital marketing includes, among others, radio marketing, television marketing and phone marketing.

The term digital marketing was first used in the 1990s, but digital marketing has roots in the mid-1980s, when the SoftAd Group, now ChannelNet, developed advertising campaigns for automobile companies, Digital marketing became more sophisticated in the 2000s. As per the study of IBFE on 'India's Advertising and Marketing Industry', the digital marketing spend has grown at 33% annually between 2010 and 2016

Objectives of the study are as follow:
* To find out the key difference between traditional and digital marketing.
* To study the various components of digital marketing
* To study various opportunities available to the organization and to the customers through the digital marketing.
* To study the challenges faced by organizations in implementing the digital marketing

Research Methodology of the Study:
Research is descriptive research in nature and as well as comparative study and analytical logic developed through the understanding from various research papers, reports, books, journals, newspapers and online data bases.

Traditional Marketing versus Digital Marketing:
Now everyone spends time for checking emails, searching websites, spending time on social media sites, it makes ideal sense for media planning and buying agency to reach out to their audiences on the web. But traditional advertising has not lost its existence because every day you can see TV commercials, radio, hoardings, magazines; newspapers, etc. have their own charm and effect.

What's the difference between digital marketing and traditional marketing, does it really matter? Still small businesses struggle with deciding which kind of marketing to do, due to Budgets. The decisions that must be made are not easy.

Traditional marketing is the process of increasing the awareness of products, business and things through newspapers, radio ads, templates, flex boards. These techniques are so old and still used for today's market. On the other hand, Digital marketing is an umbrella term for the marketing of products or services using digital technologies, mainly on the Internet, but also including mobile phones, display advertising, and any other digital medium.

Basis	Traditional Marketing	Digital marketing
Barrier to success	Low due to who advertises it will relatively quickly amass fame and ensure that consumers finally going to do something with the brand.	Higher due to Start with, internet marketing is easy. It also actually successful requires a lot of time and knowledge
Target audience	Aimed at the masses. The idea is to reach the widest possible audience. However, a large part of the audience is not at the right target audience.	Focused on the individual or niche. It's easier to approach more small groups and individuals who each take potential.
Marketing Strategy	Based on "pushed in" Marketing strategy. Due to Ads are displayed when the consumer is not waiting on it. Consumers often find irritating and try to avoid them.	Based on Visitors and is drawn to object marketing strategy. With the least possible friction is the process in which the visitor is continued, and if it is pulled towards the object chosen.
Cost/ Budgets	Relatively expensive due to media requires lot of money for placing ads.	Relatively cheap due to the fact that company can succeed online with a very limited budget.
Participants	Higher threshold to participate because only the big guys have the ability to send an advertising message. For small businesses, this is often not feasible	Lower threshold to participate because every company has an equal chance of success. A small business can beat a big company, and its small can even work in your favour.
Return on investment	Among others by the high cost, the aimlessness and the guesswork is the return on investment lower.	Because of the low costs, the focus, the measuring device and the like is the return on investment is much higher.
Main competence skill	Marketing is in the first place seen as a creative process. These creative concepts are to be conceived and designed.	Marketers need strong analytical skills. Besides communication skills is primarily a technical / economic education important.
Decision taker/ Decision Culture	Hippo culture due to the fact that decisions are made by the principal (better paid) people in the company. They decide what they think is best for the customer	Data-driven culture due Decisions are made on the basis of website and customer data.
Main Ground /base	Based on supposition. It is difficult to say whether and why marketing has been successful. The consumer's response is not easy to identify.	Based on data and research: Marketing is constantly measured and analysed. The effectiveness can be viewed in real time and adjustments can be made directly on what the customer wants and needs
Marketing Orientation	The Company mainly talking about itself. Its I-oriented marketing	The customer is king. In marketing you try to connect as closely as possible to the needs of the customer. Its Customer-oriented marketing
Relationship with customers	Most of companies have Impersonal relationships with its customers due to company present itself as a company and is far removed from the customer. The customer is far from the holding.	Company do marketing through Digital Marketing build personal relationships with its customers.
Concentrated on	Concentrated on getting. The goal is to get the customer as much as possible. Money is exchanged for a product or service	Concentrated on giving. If you give away a lot of business if you can build a real relationship with your customer. Producing (wherever possible) quality content is important.
Communication objective	Marketing communication objective is on pushing advertising to its consumers. So it's One-way traffic only.	Marketing provides communication between the company and interested parties. Companies can use the reactions of people to improve themselves and are so dynamic and more focused on adaptation. So it follows two way communication.

Type of Relationship	The relationship is limited to the relationship "customer to business" and "business to customer".	Because due to Internet, anyone can come into contact with anyone (business, customer, potential customer, expert, etc.). There are many more possibilities. A plurality of relationships.
About image/About identity	About image: A company can choose how they want to be known and transmit that message.	About identity: Because everyone has access to the Internet, therefore everyone can get information easily. Is itself largely determined by the customer what a company known for. It's what you really are, rather than how you want to come over.
Measurement of growth	LiniaireGroes: The Company grows by adding new customers.	Geometric growth: The Company is growing by increasing each transaction; by focusing on customers that come back again; by satisfied customers who refer and by adding new customers
Buying time and efforts	The buying process takes time and effort: It costs the customer more time and effort to take the step of getting acquainted with the product to the actual purchase of the product.	The process is much faster: The process is much faster because the bridge between the offer of information and the reaction of the person is much smaller. Everything is possible with a few clicks.
Marketing options	Limited options	Many options
Time utility	Companies do not always available to go through process of customer. Companies are not to be present at targeted 24/7.	Companies always available to go through process of customer because the Internet is a business 24 hours a day, 7 days a week.
Reach	Small range: A small company doing business in the region. Only large companies and multinationals doing business more broadly	Global reach: You can basically reach the whole world.
Flexibility	Little change and usually Marketers use years of existing models and can often repeat the same trick. Company adopt changes slowly.	Constant change and company forced to sit there constantly on top and follow the latest developments. What works today may be obsolete tomorrow. Company adapt to changes quickly.
Nature of product	Mass products because everything 'massive' case, are not products individually customized. Small-scale production aimed at a niche is too expensive.	Niche products because it is easy (and cost-effective) to provide to a specific product or service to a defined part of a market.

Main components of Digital Marketing:

Online advertising: It is significant element of digital marketing. It is also called online marketing or Internet advertising or web advertising and is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers. Under this Publishers put about their products or services on their websites so that consumers or users get free information. Advertisers should place more effective and relevant ads online. Through online advertising, company well controls its budget and it has full control on time.

• Email Marketing—Email marketing is a form of direct marketing that uses electronic mail as a means of communicating commercial or fundraising messages to an audience. When message about the products or services is sent through email to the existing or potential consumer, it is defined as email marketing. Direct digital marketing is used to send ads, to build brand and customer loyalty, to build customer trust and to make brand awareness. It is relatively low cost compared to advertising or other forms of media exposure. Company can attract complete attention of the customer by creating attractive mix of graphics, text and links on the products and services.

• Mobility—Business Insider's recent report indicates that globally, one in every five people owns a smart phone, and one in every 17 owns a tablet. That's an increase of nearly 1.3 billion smartphones in last four years. Therefore, an increased user base accessing the internet via smartphones has prompted many companies to optimize their online content for mobile devices.

• Social media—Organizations are focusing on engaging with customers

through social media to offer real-time interactions. Social media helps organizations reach out to a vast pool of potential customers by supplying them with medical and campaign-related information.

- Social-Local-Mobile marketing— The growing popularity of smart mobile devices, increasing location based social activities like experience sharing, review reading via social media and the evolution of Global Positioning System (GPS) are helping companies leverage Social-Local-Mobile marketing activities.

- Personalized Content marketing— Customer engagement, acquisition and retention have all taken on a new dimension with the delivery of unique, personalized, and relevant messages through identified digital channels. Email is one of the most preferred marketing channels to broadcast targeted organization messages and campaigns to existing and prospective customers.

- Advanced analytics—Increased adoption of digital channels is generating large volumes of customer behavioural data. Advanced actionable analytics can help organizations define targeted marketing strategies.

- Search Engine Marketing (SEM)/ Search Engine Optimization (SEO)— Organizations are focusing on SEO efforts and paid search advertising for enhancing the visibility of their products and services.

Trends of Indian Digital Marketing Industry

- As per a recent report by IAMAI and Boston Consulting Group, India has one of the largest and fastest growing populations of Internet users in the world—190 million as of June 2014 and growing rapidly.

- According to a report, India will cross 500 million Internet Users Mark in 2020

- According to Direct Marketing Association, Digital Marketing Industry is worth $62 billion.

- According to a recent report Digital Advertising in India, jointly published by IAMAI and IMRB, the value of Online Advertising market in India is expected to increase to Rs 3575 Crore by Mar 2015 from Rs 2750 Crore a year earlier at around 30% growth.

- According to a joint study conducted by ASSOCHAM and Deloitte, Indian ecommerce industry has grown steadily from $4.4 billion in 2010 to $13.6 billion in 2014 and expected to touch $16 billion in yearly 2017.

Advantages of Digital Marketing:

- More Cost-Effective in companion to Traditional Marketing: Small businesses have very little resources and even capitalization. This is why Digital Marketing provides them with a better and much more cost-effective marketing channel that delivers results.
  o Gartner'sDigital Marketing Spend Report highlighted that up to 40% of organization believe that by using digital marketing methods of promotion for their products and services, reduced its costs.

- Digital Marketing Facilitates Interaction with Targeted Audiences: With digital marketing, consumers can interact with the company's various activities. Consumers can visit company's website, read information about the products or services and make purchases online and provide feedback. Interacting and providing your customers with proper engagement points can give you an insight of what your targeted audiences want.
  o This vital information will steer you towards making the right set of next moves, provide your customers with an even better experience, develop good relationships with

them – gaining their loyalty and trust that you will need when your business begins to grow.

- Higher conversion rates: In 2016, state of inbound marketing report claimed that digital marketing is effective way of communication with targeted customers and it will deliver better results in terms of higher conversion rates.

- Because Digital Marketing Caters to the Mobile Consumer: Mobile devices have become a central part of every one life. Mobile gadgets have evolved from being mere alternatives for laptops and personal computers, into something that is influencing their purchasing decisions as confirmed by another report from e-Marketer.

- Clear information about the products or services: Through digital marketing, consumers get clear information about the products or services. There is a little chance of misinterpretation of the information taken from sales person in a retail store. However, Internet provides comprehensive product information which customers can rely on and make purchase decision.

- Digital Marketing Earns People's Trust: Creates Trust due to direct and more personalized interaction between a brand or business and their targeted audiences.
  o In Nielsen Global Online Consumer Survey that involved 25 thousand consumers from at least 50 countries, 90% of respondents claimed they would trust information about a particular brand, product or service if the data comes from people they know.

- Easy comparison with others: Since many companies are trying to promote their products or services using digital marketing, it is becoming great advantage for the customer in terms that customers can make comparison among products or services by

different suppliers in cost and time friendly way. Customers don't need to visit a number of different retail outlets in order to gain knowledge about the products or services.

- 24/7 Shopping: Since internet is available all day long, there is no time restriction for when customer wants to buy a product online.
- Apparent Pricing: Company shows the prices of products or services through digital marketing channel and this makes prices very clear and transparent for the customers. Company may regularly change the prices or gives special offers on their products or services and customers are always at advantage by getting informed instantly by just looking at the screen.

Enables instant purchase: With traditional marketing, customers first watch the advertisement and then find relevant physical store to purchase the products or services.

Key Issues and challenges of Digital Marketing in India:

- India has a reputation of being Anglophone nation. Still only 10% of its total population speaks English as their first, second or third language. Around one out of four Indians cannot read or write English. So, India's 22 official languages (and several hundred unofficial ones) in 11 different scripts make it a difficult market to crack for internet growth .
- Security and Privacy. Most people do not completely trust Web companies and thus, they hesitate about offering information about themselves on the cyberspace. When companies that collect data are exposed to scammers and spammers, it poses a problem. To adopt a sound policy and implement a fool-proof security measure becomes imperative for e-businesses. In a particular Encryption systems are tools

that online companies should seriously consider investing in.

- There are no perfect metrics to evaluate the effectiveness of digital marketing.
  o How do you measure the ROI of any channel?
  o Are there any standards?
  There are no set answers for these questions. So, while businesses are aware of the need to spend on digital avenues, they are not aware of how to measure which channel works best for their industry, for their business. Thus it is really a subjective judgement made by business houses and may not be perfect. Analytics is working on developing sophisticated tools for measuring the effectiveness of the digital marketing and hopefully should throw some light for the business houses.

- Impersonal service: Electronic methods of providing customer service are used by businesses which are operating online. Sometimes customers perceived this to as just too impersonal or uncaring. Merchants must develop efficient checkout procedures for selling goods via the Web, for addressing this problem. Hiring call handling services is also taken into consideration, so that customers can talk to real people when they have inquiries about problems that need instant answer.

- Consumer expectations: Meeting the expectations of a consumer base that is continually associated is their main challenge. It's not just about understanding what consumers want, as, or need right now—it's about envisioning trends and demands with the goal that you can time your campaign flawlessly to make a viral sensation

- Abundance of tools: The greatest challenge confronting digital marketers nowadays is abundance. If companies have more accessibility,

then it would increase responsibility. Marketers are currently expected to administer huge volumes of content over various platforms, make unified experiences that turn visitors into fans, followers, and leads, and at the same time measuring the performance of everything with a specific end goal to settle on more informed marketing decisions. It's hard to keep up and stay ahead of the curve.

- Finding and keeping the people who can digitally transform a company: Somebody needs to build all these great user experiences that make the difference to customers' lives. But finding and keeping these people will become increasingly difficult. Designing customer interactions is as much an art as it is a skill. The best people will naturally be drawn to companies that do interesting, cutting edge stuff. That means that companies that want digital success need to become technology companies. As Marc Andreessen said in 2015: "Software is eating the world." Well, right then it was just having a snack. Now it's a banquet.

- Lack of compliance and regulation implementation

Conclusion

While Digital Marketing is necessaryand literally no business survives without it, it incurs huge cost, changes every day and presents the problem of plenty. Digital marketing has no boundaries. Company can use any devices such as smartphones, tablets, laptops, televisions, game consoles, digital billboards, and media such as social media, SEO (search engine optimization), videos, content, e-mail and lot more to promote company itself and its products and services. Marketers need to be prompt to identify what would work for them in the short run as well as in the long run, and work in tandem with the other organization functions to effectively use the channel of digital

marketing. No doubt, the digital marketing is here to stay. The challenges if overcome will help each business to differentiate and grow as a leader in its industry. As part of the integrated digital marketing strategy, companies should:

- Define a comprehensive multi-channel marketing strategy to adopt various online and offline channels.
- Adopt a globally accepted flexible model to incorporate technology initiatives like Big Data, high performance computing, cloud services and customer engagement models like ecommerce, online games, mobile services etc.

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