



PROSPECTS AND PROBLEMS OF DIGITAL MARKETING

Dr. M.Sambaiah

*Associate Professor of Commerce and Business Management, Chaitanaya Post Graduate College,
Hanamkonda, Warangal, Telangana State.*

Abstract

Every Marketer is facing new challenges, opportunities and risk factors with the development of advancement of technology and business activities around the world. The Internet has revolutionized the world business activities. The impact of globalization increases the significance of E-business has been increasing. Digital marketing is the utilization of electronic media by the marketer and to stop remote the products or services in to the market. The main objective of digital marketing is attracting customers and all owing them to interact with the brand through digital media. With the increasing usage of digital media by consumers, more companies are using digital marketing to reach their target markets. Many marketers and companies still approach the Web based on the traditional mass communication model. This paper focuses on the overview and significance of digital marketing for both marketers and consumers and to find the differences between traditional marketing and digital marketing.

Keywords: *Digital Marketing, Globalization, Traditional Marketing, Internet.*

Introduction

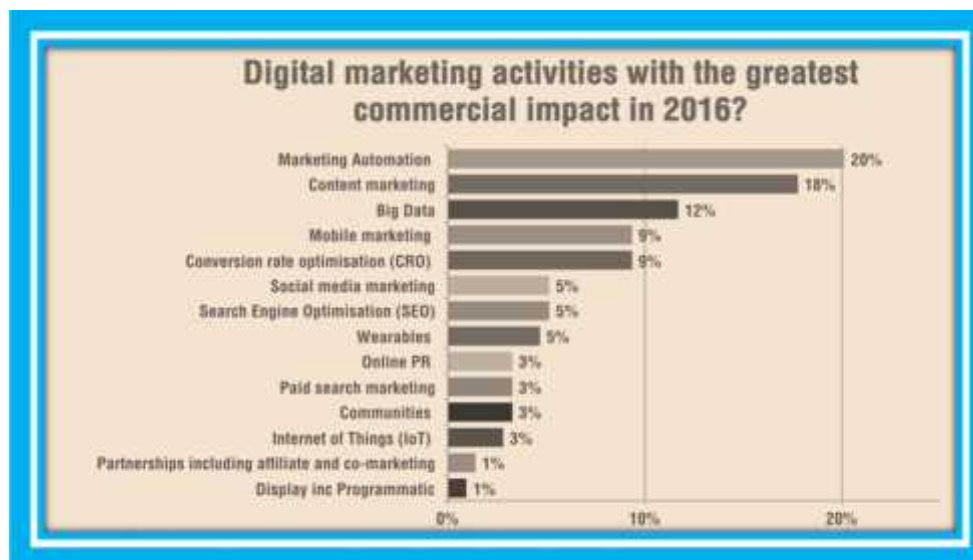
Digital marketing is known as the marketing of products and services by using digital technologies on the Internet, through mobile phone Apps, display advertising, and any other digital mediums. Digital marketing channels are systems based on the Internet that can create, accelerate, and transmit product value from producer to a consumer terminal, through digital based networks. The development of digital marketing, during the 1990s and 2000s, changed the way brands and businesses use this technology for marketing and selling the products and services. Digital marketing extends to non-Internet channels that provide digital media, such as television, mobile phones (SMS and MMS), callback, and on-hold mobile ring tones. The extension to non-Internet channels differentiates digital marketing from online marketing. As digital platforms became increasingly incorporated into marketing plans and everyday life, and as people increasingly use digital devices instead of visiting physical shops, digital marketing campaigns have become prevalent, employing combinations of search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, content automation, campaign marketing, data-driven marketing, e-commerce marketing, social media marketing, social media optimization, e-mail direct marketing, display advertising, e-books, and optical disks and games have become commonplace.

The term digital marketing was first used in the 1990s, but digital marketing has roots in the mid-1980s when the Soft Ad Group, now Channel Net, developed advertising campaigns for automobile companies, wherein people would send in reader reply cards found in magazines and receive in return floppy disks that contained multimedia content promoting various cars and offering free test drives. Digital marketing became more sophisticated in the 2000s and the 2010s; the proliferation of devices' capability access digital media at almost any given time has led to great growth of digital advertising; statistics produced in 2012 and 2013 showed that digital marketing was still a growing field. Digital marketing is one type of marketing being widely used to promote products or services and to reach consumers using digital channels. Digital marketing extends beyond internet marketing including channels that do not require the use of Internet. It includes mobile phones (both SMS and MMS), social media marketing, display advertising, search engine marketing and many other forms of digital media Through digital media, consumers can access information any time and any place where they want. With the presence of digital media, consumers do not just rely on what the company says about their brand but also. Digital marketing is often referred to as 'online marketing', 'internet marketing' or 'web marketing'. The term digital marketing has grown in popularity over time, particularly in



certain countries. In the USA online marketing is still prevalent, in Italy is referred as web marketing but in the UK and worldwide, digital marketing has become the most common term, especially after the year 2013. There are a number of ways brands can use digital marketing to benefit their marketing efforts. The use of digital marketing in the digital era not only allows for brands to market their products and services but also allows for online customer support through 24/7 services to make customer feel supported and valued. The use of social media interaction allows brands to receive both positive and negative feedback from their customers as well as determining what media platforms work well for them and has become an increased advantage for brands and businesses. It is now common for consumers to post feedback online through social media sources, blogs and websites feedback on their experience with a product or brand. It has become increasingly popular for businesses to utilize and encourage these conversations through their social media channels to have direct contact with the customers and manage the feedback they receive appropriately.

Table-1 Digital Marketing Activities.





Latest developments and Strategies in digital Marketing

One of the major changes that occurred in traditional marketing was the "emergence of digital marketing", this led to the reinvention of marketing strategies in order to adapt to this major change in traditional marketing. As digital marketing is dependent on technology which is ever-evolving and fast-changing, the same features should be expected from digital marketing developments and strategies. This portion is an attempt to qualify or segregate the notable high lights existing and being used as of press time. The more focus has been placed on segmentation within digital marketing, in order to target specific markets in both business-to-business and business-to-consumer sectors. The Important nodes are identified within related communities, known as influencers. This is becoming an important concept in digital targeting. It is possible to reach influencers via paid advertising, such as Face book Advertising or Google Ad words campaigns, or through sophisticated S-CRM (social customer relationship management) software, such as SAP C4C, Microsoft Dynamics, Sage CRM and Sales force CRM. Many universities now focus, at Masters Level, on engagement strategies for influencers.

Objectives: The Objectives of this paper is to identify the effectiveness of digital marketing in the competitive market.

1. To study the various aspects and impact of digital marketing on consumers and business.
2. To focus on the basic comparison between traditional and digital marketing;

Review of Literature

Digital marketing is the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs (Chaffey, 2013).

Digital marketing concept originated from the Internet and search engines ranking of websites. The first search engine was started in 1991 with a network protocol called Gopher for query and search. After the launch of Yahoo in 1994 companies started to maximize the ranking on the website (Smyth 2007).

When the Internet bubble burst in 2001, market was dominated by Google and Yahoo for search optimization. Internet search traffic grew in 2006; the rise of search engine optimization grew for major companies like Google (Smyth 2007). In 2007,

Marketers increasingly bring brands closer to consumers 'everyday life. The changing role of customers as co-producers of value is becoming increasingly important (Prahalad and Ramaswamy, 2004). Khan and Mahapatra (2009) remarked that technology plays a vital role in improving the quality of services provided by the business units.

According to Huge (1993), electronic marketing (EM) is a transfer of goods or services from seller to buyer involving one or more electronic methods or media. E-Marketing began with the use of telegraphs in the nineteenth century. With the invention and mass acceptance of the telephone, radio, television, and then cable television,

Traditional Marketing versus Digital Marketing

Traditional marketing is the most recognizable form of marketing. Traditional marketing is non-digital way used to promote the product or service of business entity. On the other hand, digital marketing is the marketing of products or services using digital channels to reach consumers. Some comparisons are presented below.



Traditional Marketing	Digital Marketing
Traditional marketing includes print, broadcast, direct mail, and telephone	Digital marketing includes online advertising, email marketing, social media, text messaging, affiliate marketing, search engine optimization, pay per click
No interaction with the audience	Interaction with the audience
Results are easy to measure	Results are to a great extent easy to measure
Advertising campaigns are planned over a long period of time	Advertising campaigns are planned over short period of time
Expensive and time-consuming process	Reasonably cheap and rapid way to promote the
	Products or services
Success of traditional marketing strategies can be celebrated if the firm can reach large local audience	Success of digital marketing strategies can be celebrated if the firm can reach some specific number of local audience
One campaign prevails for a long time	Campaigns can be easily changed with ease and innovation scan be introduced within any campaign
Limited reach to the customer due to limited number of customer technology	Wider reach to the customer because of the use of various customers technology
24/7year-roundexposureisnotpossible	24/7year-roundexposureispossible
No ability to go viral	Ability to go viral
One way conversation	Two ways conversation
Responses can only occur during work hours	Response or feedback can occur any time
	Products or services

Advantages Digital Marketing

With rapid technological developments, digital marketing has changed customers buying behavior. It has brought various advantages to the consumers as given below:

1. Stay updated with Products or Services.
2. Clear information about the products or services.
3. Easy comparison with others.
4. .Shopping.
5. Share content of the products or services.
6. Apparent Pricing.
7. Enables instant purchase.

Advantages Digital Marketing to Business

1. Higher Conversion Rate
2. Cost Efficient
3. Better Exposure
4. Saving of Time
5. Building of Brand
6. Establishing Brand Reputation
7. Solving Customers Problems
8. Engagement with Mobile Customers.



9. Better ROI for your Investment
10. Digital marketing is Cost-Effective
11. Potential to Earn Higher Revenues
12. Computable Form of Marketing
13. Expanding Audience Reach
14. Expansion of Faith In Your Brand

Digital Marketing Channels

Digital marketing is facilitated by multiple channels, As an advertiser one's core objective is to find channels which result in maximum two-way communication and. There are multiple digital marketing channels are available namely;

1. Email
2. Content Marketing
3. Social Media
4. Referrals
5. Direct
6. Social Media Marketing -
7. Social networking service
8. In-game advertising
9. Online public relations
10. Organic
11. Affiliate marketing
12. Display advertising
13. Email marketing
14. Search engine marketing

Conclusion

Digital channel in marketing has become essential part of strategy of many companies. At present big entrepreneurs are also using the digital marketing channels to market their products or services. Digital marketing has no boundaries. Company can use any devices such as smart phones, 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. Companies should create innovative customer experiences and specific strategies for media to identify the best path for driving up digital marketing performance. Digital marketing has turn out to be crucial part of approach of many small companies also. At the present time, it is extremely inexpensive and competent method by using digital marketing to market their products or services in the society. It has no restrictions. Digital marketing may achieve something more if it considers consumer desires as a major priority

References

1. Boyd, D.M. &Ellison, N.B.2007. "Social Network Sites: Definition, History and Scholarship", Journal of Computer Mediated Communication 13 (1), 210-230.
2. Yannopoulos.P, "Impact of the Internet on Marketing Strategy Formulation", International Journal of Business and Social Science, Vol.2No.18; October 2011.
3. Chaffey.D, "Definitions of E –marketing vs. Internet vs Digital marketing", Smart In sight Blog, February 16, 2013.
4. Chaffey, D. (2002). "Achieving marketing objectives through use of electronic communications technology."
5. Fournier, Susan. (1998).Consumers and Their Brands: Developing Relationship Theory in Consumer.



6. Research.JournalofConsumerResearch24 (4):343-73.
7. Prahalad, C.K.and RamaswamyV.(2005).The FutureofCompetition: Co-CreatingUnique Value with Customers. Boston, Massachusetts Harvard Business SchoolPress.
8. <http://en.wikipedia.org/wiki/Methodology>.
9. http://en.wikipedia.org/wiki/Search_engine_optimization.
10. <http://www.businessdictionary.com/definition/digital-marketing.html>.
11. <http://www.entrepreneur.com/encyclopedia/affiliate-marketing>.
12. http://www.sas.com/en_us/insights/marketing/digital-marketing.html.