A Critical Analysis of Digital Marketing

Dr. Aditi Banerjee
Assistant Professor
Bharati Vidyapeeth Institute of Management and Research

Abstract: This paper tries to find some understandings on current and future trends in marketing. The content is based on recent researches and on the happenings in the recent business world. The paper is based on secondary data. The various magazines, newspapers, reports, articles, researches, websites and the information on internet have been considered for preparing this article.

As developing technology is a continuous process and the world is shifting from analogue to digital concept, the way of marketing is also changing. The use of digital marketing, social media marketing, search engine marketing is automatically increasing. Indians are experiencing a radical change towards digitalization.

In this study, we recognized that businesses can really benefit from Digital Marketing such as search engine optimization (SEO), search engine marketing (SEM), social media marketing, social media optimization, content marketing, influencer marketing, content automation, ecommerce marketing, campaign marketing, display advertising, e–books, and are becoming more and more common in our advancing technology.

We all are connected through WhatsApp and Facebook and the increasing use of social media is creating new opportunities for digital marketers to attract the customers through different digital platforms.

It is always important to know the consumer’s motives because it gives a proper understanding of what influences the customers to create the content for a brand or product or might be a service. Digital marketing is cost effective and having a great commercial impact on the business.

In today’s era digital marketing has profited the most because it mainly depends on the internet and with time the internet users are increasing rapidly. The buying behavior of consumers is changing and they are more tending towards digital marketing rather than traditional marketing.

The aim of this paper is to study the impact of digital marketing and the importance of digital marketing for both the consumers and marketers. In this paper we start with an introduction of digital marketing and then highlights the different mediums of digital marketing, then we go through the difference between traditional and digital marketing, and lastly the pros, cons, and importance of digital marketing in today’s era.

Keywords— Digitization, Digital Marketing, Internet, Marketing, Social Media Marketing, Marketing Trend
**INTRODUCTION:**

The most interesting result of the technology and its easy access by consumers is the distraction of the market and the marketing practice. Today the customers are powerful customers, and in control of the interactive online media, content and communication process. The power of the traditional marketing tools and communication is fading and the customer do not trust the corporate message and brand blindly. Technology is changing the context and practice of marketing. Now marketers are increasingly forced to operate in a complex and changing world where they do not have full control on the media and the information. The behaviour of the Customers is also changing as they are losing trust on the brands and becomes much more smart, well informed and proactive than ever before. New knowledge, new skills and new approaches are required by today and future marketers not only for understanding the changing and technology enabled marketing environment but also for comprehending and communicating with the new customers.

The Marketing has become tremendously digital dependent and because of the continuous developments in technology marketers are facing new challenges as well as opportunities also likewise Mobile marketing, Internet of Things, Analytics, Big Data, 3D printing, cloud computing, Artificial Intelligence, Consumer Neuroscience / Neuro marketing are some of the most interesting and challenging domains where the future marketer are being expected must be able to function and deliver. With the ultra-rapid development of digital technology and social media, it is an enormous challenge to keep the track of those developments and to use them advantageously.

**REVIEW OF LITERATURE:**

Marketing refers to the steps that the company takes to promote the buying of any products or services. Digital Marketing means the marketing of any product or service in digital way. For example, using smartphones, computers, laptops, tablets, or any other digital devices. Digital marketing is a form of direct marketing that links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etc.

‘Digital marketing’ term was first coined in 1990s. Digital marketing is also known as ‘online marketing’, ‘internet marketing’, or ‘web marketing’. It is known as ‘internet marketing’ because with the rise of the internet there is also high growth of digital marketing. The major advantage of digital marketing is that the market is open for buying and selling of products or services for all day long and for 365 days. It helps a cost effective and time saving communications because of its excessive degree of connectivity and generally the purpose that means the selling of services or products is completed in a timely, relevant, non-public, and cost-powerful manner.

In 2005, there were around 1.1 billion internet users which consist of 16.6 percent of the population at that time. In 2020, the number of internet users is around 4.8 billion and the percentage population has increased to 62 percentage. And there is a direct connection between digital marketing and the internet. Countries like India and China have the highest number of internet users so they have a great opportunity.
The main objectives of this review paper are the following:

- Understand the various channels of digital marketing
- Comparison of traditional marketing and digital marketing
- Importance of digital marketing
- Advantages and disadvantages of digital marketing
- Challenges digital marketer face

A number of research papers and articles provide a detailed insight on Internet Marketing. The findings from the literature are presented below:

Internet marketing has been described simply as ‘achieving marketing objectives through applying digital technologies’ (Mangold, Glynn W., and David J. Faulds (2009)). Digital marketing is the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs (Chaffey, 2013). In the developed world, companies have realized the importance of digital marketing. In order for businesses to be successful they will have to merge online with traditional methods for meeting the needs of consumers more precisely (Parsons, Zeisser, Waitman 1996).

Introduction of new technologies are creating new business opportunities for marketers to manage their websites and achieve their business objectives (Kiani, 1998). Online advertising is a powerful marketing technique for building brands and increasing traffic for companies to achieve success (Song, 2001). Expectations in terms of producing results and measuring success for advertisement money spent, digital marketing is more cost-efficient for measuring ROI on advertisement (Pepelnjak, 2008).

Today, monotonous advertising and marketing techniques have given way to digital marketing. In addition, it is so powerful that it can help revive the economy and can create tremendous opportunities for governments to function in a more efficient manner (Munshi, 2012). More importantly, growth in digital marketing has been due to the rapid advances in technologies and changing market dynamics (Mort, Sullivan, Drennan, Judy, 2002).

The most important needs for digital marketing to bring success for businesses are digital content such as accessibility, navigation and speed which are defined as the key characteristics for marketing (Kanttila, 2004). Other tried and tested tool for achieving success through digital marketing is the use of word-of-mouth WOM on social media for making the site popular (Trusov, 2009).

In social media with an extra ordinary example is Facebook that has opened the door for businesses to communicate with millions of people about products and services and has opened new marketing opportunities in the market. This is possible only if the managers are fully aware of using the communication strategies to engage the customers and enhancing their experience (Mangold, 2009).
Online services tools are more influencing than traditional methods of communication (Helm, Möller, Mauroner, Conrad, 2013). As part of study, it is proven that users experience increase in self-esteem and enjoyment when they adapt to social media which itself is a motivating sign for businesses and marketing professional (Arnott, 2013). Web experiences affect the mental process of consumers and enhance their buying decision online (Cetină, Cristiana, Rădulescu, 2012).

The Internet is the most powerful tool for businesses (Yannopoulos, 2011). Marketing managers who fail to utilize the importance of the Internet in their business marketing strategy will be at disadvantage because the Internet is changing the brand, pricing, distribution and promotion strategy.

**PROBLEM STATEMENT AND OBJECTIVES OF THE STUDY:**

Seeing that the strength of internet & social media will not decrease the upcoming few years, this topic will be crucial to every organization (Giedd & Chief, August 2012). The power of smartphones in combination with social media is a constant expanding threat to many companies (Felt & Robb, 2016). The second big point of consideration is related to the continuing trend of children, adolescents, and teenagers using digital and social media more and more excessively (Giedd & Chief, August 2012). That is why this study intends to focus on understanding the internet marketing and its technique with following set of objectives:

- What are the successful techniques to be used for internet marketing today?
- The basic comparison between traditional and digital marketing.
- Finding out the most preferred internet marketing approach.
- Do companies prefer internet marketing or traditional marketing?

These objectives will help us to predict the trends in internet marketing and make suitable suggestions to companies.

**METHODOLOGY:**

This study is exploratory in nature and we have included both quantitative and qualitative analysis. As a purpose of this study (critical review), data have been collected on all India basis. The secondary data & information have been analysed for preparing this paper extensively. The secondary data & information have been collected from different scholars and researchers, published e-books, articles published in different journals, periodicals, conference papers, working paper, company websites for annual reports. The company related data and information are used which is available publicly on the websites of the companies. This is the standard practice for a research which is a critical review type.

The methodology has been used for the study is a critical literature review.
ANALYSIS AND DISCUSSION OF STUDY:

Internet Marketing

The Internet is a global system of interconnected computer networks. It is a network of networks that consists of millions of private, public, academic, business, and government networks. “Internet works in the amalgamation of a range of technologies and it is the biggest source of information human being has ever had. Internet also created the foundations of more information channels than people have created until the 20th century.” (Phillips, 2003). The term Marketing has many definitions. One of the most well-known definitions says that “Marketing is the social process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others.” (Kotler, Keller, 2007).

This can be created by creating web page, internet advertising and marketing research on the internet or the other electronic commerce etc. However, internet marketing demands a little bit different approach in certain aspects than traditional marketing.” (Blažková, 2005). Internet marketing is referred to as online-marketing, web-marketing, e-marketing, that means the marketing of products or services over the Internet.

Fig. 1: Internet and Mobile Users (Source: IAMAI, Feb 2016, Figures in Million Users, *Estimated Users)
In fact, internet marketing includes the use of a company web site in combination with online promotional techniques, such as search engines, banner advertising, PPC advertising, e-mail and links to acquire new customers. Many people can think that internet marketing is just a website with its content, but it is much more complex. Internet marketing is interconnection among the site portal, search engines, partner’s sites, blogs, other site linking, B2B partners, customers, outsource partners and much more. For any type of marketing, it is essential to have a large number of audiences, as long as internet marketing is concerned, the number of potential customers goes along with the usage of internet itself. Refer Fig. 1.

**Power of Internet / Digitization:**

Internet is the most powerful tool in this evolving globalization. These companies have understood the power of Internet / digitization long back and now they are the biggest users of Internet. It is evident from the examples given in Table-1.
Table-1: Examples of Power of Internet/Digitization

<table>
<thead>
<tr>
<th>Examples of Power of Internet/Digitization</th>
</tr>
</thead>
<tbody>
<tr>
<td>The world’s most valuable retailer, with no inventory – amazon, Alibab.com</td>
</tr>
<tr>
<td>The world’s largest Taxi Company, owns no vehicles – UBER</td>
</tr>
<tr>
<td>The world’s most popular Media owner creates no content – Facebook</td>
</tr>
<tr>
<td>The world's biggest bank, with no actual Cash – Bitcoins.</td>
</tr>
<tr>
<td>The world’s largest accommodation provider, owns no real estate – airbnb, booking.com</td>
</tr>
</tbody>
</table>

Source: Compiled by author

VARIOUS CHANNELS OF DIGITAL MARKETING:

Digital marketing contains various channels which medium are used by the marketer to promote their products and services. As an advertiser, the main aim is to select the channel which is best for communication and give maximum return on investment (ROI) (S. N. Singh, P. Kumar, and A. K. Dubey, 2016). The list of important digital marketing channels are discussed below:

A. Social Media

In the current era, social media marketing is one of the most important media in digital marketing. It is the fastest-growing digital channel. Social media marketing is the process of gaining traffic or sites through social media sites. According to Neil Patel, "Social media marketing is the process of creating content that tailored to the context of each social media platform to drive user’s engagement and sharing” [1]. The number of internet users by population has been increased from 17% to 62% percent in last 15 years and social media marketing has benefited the most from that [2].
Fig 2: Distribution of various social media platforms

Fig. 2 displays over 200 social media platforms. Below is the list of important social media platforms.

**Google+**: It is Google’s social network, user can easily connect based on their common interest and friendship.

**Twitter**: Its strategy is to increase brand awareness and sales, attract new followers, and lead and boost conversions.

**Pinterest**: It is a social media platform in which visual content is available and the user can share or store with others.

**Facebook**: It is the number one social media platform. A company can promote their product and services on Facebook.

**LinkedIn**: Professionals write their profiles on LinkedIn and can share with others. The company also build their profile and LinkedIn connect these two dots between companies and professionals.

**B. Affiliate Marketing**

In affiliate marketing, the company rewards subsidiaries for every customer or visitor they bring to the company's website by their marketing efforts or strategy on behalf of the company. According to Pat Flynn's Smart Passive Income, "Affiliate marketing is the process of earning a commission by promoting other people’s (or company's) products. That means if someone finds a product and like it, as well as promote it to others, then he earns a piece of the profit for each sale that he makes" [2]. In an affiliate marketing there are 4 different parties are involved:

**The Merchant**: Merchants can be the seller, the brand, or the retailer. This party produce a product to sell. It can be an individual, startup or big fortune company [3].

**Source**: Social Media Channels Diagram (newly updated) - Mike Kujawski | Navigating Digital Disruption
The Affiliate: The affiliate is also known as a publisher. An affiliate also can be an individual or startup or big fortune company. They take a commission from the merchant for every service or product they sell. The affiliate brings customers to the merchant.

The Customer: The customer or consumer is an important part of the whole system. They go to the affiliates and then the affiliates redirect them to the merchants by taking his commission. Without a customer, the affiliate will not be able to earn a commission.

The Network: Network works as an intermediate between affiliates and merchants. Affiliates require a network to promote products or services [4].

C. Email Marketing

Email Marketing is a message sent through email about any product or service to the potential customer. It is nothing but a simple digital marketing channel. Email marketing is used to sell a product or service using discounts, event ads, increase brand awareness, and direct people to their business websites [A. Yasmin. S. Tasneem and K. Fatema, 2015]. In an email marketing campaign, different types of email can be sent like blog, subscription newsletter, the welcome email series, the seasonal campaign, the post-purchase drip, the cart abandon campaign, follow up email etc. The biggest advantage of email marketing is that it is very cheap comparing to other marketing mediums. It is generally used to build loyalty among existing customers rather than gaining new customers. The company can get a customer's attention by creating graphic and visual ads and link product images to the website [A. Yasmin. S. Tasneem and K. Fatema, 2015].

D. Search Engine Marketing

A search engine is a web-based tool that helps the user to find the information they are looking for. Google, Yahoo, Bing, etc are some examples of a search engine. Search engine marketing refers to any activity that increases a user's websites rank in the search engine [3]. There are two types of Search engine marketing. One is search engine optimization (SEO) and the other one is paid search.

Search engine optimization is the art of ranking high on a search engine in the unpaid section [5]. It is also known as organic marketing or organic listing. In general, the higher is the rank of the webpage in the search engine there will be more visitors to visit the webpage. When it comes to SEO it consists of a search engine and searcher. According to the report 67 % of all searches happen on Google [5]. So, Google is the most significant search engine in the world.

In the other mode that means in the paid search one need to pay, to get a higher rank in search engine. In paid search, one will have the same kind of keywords as on their organic ad campaign. The majority of a paid search engine is run on a commercial search engine such as Google, Yahoo, Bing, etc. [3]. Paid search work on the pay-per-click model, in which marketers will only pay when someone clicks on their ad. The search engine algorithm will determine the rank of the advertiser's ad based on their bid and quality score [3]. Many advertisers prefer paid search rather than SEO in short term due to its ability to give a faster result.
E. Online Display Advertising

In traditional marketing, there is a poster or billboard of the organizations on both sides of the road or an ad in a magazine/newspaper to promote their products or services. Online display advertising is nothing but a digital version of the same. Today, a marketer can use online display advertising to achieve the same thing that used to be done before by traditional marketer. There are different types of display advertising such as video ads, banner ads, interactive ads, and rich media, etc. [3]. In Display advertising normally marketers use graphic designs and it is great for catching the eyes of the audiences.

In an online display advertising marketer can target an audience based on website content, geography, gender, age, device type, etc. Therefore, the marketer can show a suitable ad to the relevant customer which helps in decreasing the budget as well as increasing the sales [1].

**COMPARISON BETWEEN TRADITIONAL AND DIGITAL MARKETING:**

Traditional marketing is the most familiar form of marketing. Most people are used to traditional marketing due to its permanency. Some examples of traditional marketing include tangible items like ads in a newspaper or magazine. It also includes a brochure, commercial on TV or radio, posters, etc. It is a non-digital way of marketing. Whereas digital marketing uses various digital channels to reach to the customers. Some comparisons of Traditional and Commercial Marketing are given below in a chart:

**TRADITIONAL AND DIGITAL MARKETING COMPARISON**

<table>
<thead>
<tr>
<th>Traditional Marketing</th>
<th>Digital Marketing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional marketing includes newspaper, broadcast, telephone, poster, brochure, magazine, etc.</td>
<td>Digital marketing includes social media platforms, website, affiliate marketing, search engine optimization and email marketing.</td>
</tr>
<tr>
<td>Through the traditional marketing approach, only limited or local customer can be targeted [P. Ankita and K. Naveen, 2020]</td>
<td>But through the digital marketing approach customer around the world can be targeted [P. Ankita and K. Naveen, 2020]</td>
</tr>
<tr>
<td>Advertising campaign takes a long period of time to plan</td>
<td>Advertising campaign take a short period for planning.</td>
</tr>
<tr>
<td>It is costly and time-consuming process.</td>
<td>Relatively cheap and faster process.</td>
</tr>
<tr>
<td>A physical relationship is designed while conveying merchandise [1].</td>
<td>No physical relationship is needed due to the digital nature of digital marketing [1].</td>
</tr>
<tr>
<td>Once the campaign is made it stays for a long time and change process is very expensive</td>
<td>But in Digital Marketing a campaign can be changed very easily and less expensive also.</td>
</tr>
<tr>
<td>-----------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>For the promotion of the products, paper, posters and many types of materials are required.</td>
<td>In digital marketing physical stuff is not required because digital marketing is done on website, social media platforms, or through online videos.</td>
</tr>
<tr>
<td>Due to the physical nature of traditional marketing, the cost is very high.</td>
<td>Digital marketing is cheaper compare to traditional marketing because it is done through websites and social media</td>
</tr>
<tr>
<td>24/7 marketing is not possible in traditional marketing.</td>
<td>24/7 marketing all around the globe is possible in digital marketing.</td>
</tr>
<tr>
<td>In traditional marketing only one-way communication is possible [P. Ankita and K. Naveen, 2020]</td>
<td>In digital marketing two-way communication can happen [P. Ankita and K. Naveen, 2020]</td>
</tr>
<tr>
<td>There is no chance to go viral for the campaign.</td>
<td>But in Digital there is huge chance for the campaign to go viral</td>
</tr>
<tr>
<td>Customer can feedback only during the working time [P. C. Chandini, P.S. Divya and D. Dincy, 2020]</td>
<td>Customer can give feedback all the time [P. C. Chandini, P.S. Divya and D. Dincy, 2020]</td>
</tr>
</tbody>
</table>

**IMPORTANCE OF DIGITAL MARKETING:**

Based on the above discussion the importance of digital marketing are discussed below:

- Digital marketing is endlessly more moderate than any offline marketing techniques. It can reach to the far most audience in the easiest way.

- Digit advertisers screen things like what is being seen, how frequently and for how long, what substance works and doesn't work, and so forth. While the internet is maybe, the channel most firmly connected with digital marketing, others incorporate remote content informing, portable applications, advanced TV, and radio channels.

- Digital marketing is reasonable, targetable, and measurable and thus organizations do it and advertisers love it.

- In digital marketing results can be followed and monitored easily with the help of various tracking software. Rather than doing costly and time taking client research, organizations can rapidly see client reactions and measure the accomplishment of their promoting effort continuously.
• Collecting feedback from customers is much easier in digital marketing compared to traditional marketing mediums such as TV, radio, or billboard. They can easily give feedback on any product using a website in online marketing which helps an entrepreneur to redesign and modify themselves in their specific domain.

• It helps in advancing a business through the online medium because it is portable and arriving at a large number of clients in a second. Numerous little and huge organizations are following the methodologies of web-based showcasing to underwrite themselves globally [S. N. Singh, P. Kumar, and A. K. Dubey, 2016].

ADVANTAGES OF DIGITAL MARKETING:

The technology is changing rapidly and it has a great effect on consumer’s buying behavior. The advantages of digital marketing in consumer’ buying decision making have been discussed below:

• In today’s age the internet can be accessed by the consumers at any time from any place in the world. And consumers can stay updated about any product or service 24/7 times [P. Ankita and K. Naveen, 2020] due to the digital nature of digital marketing.

• In traditional marketing, there is a little chance that consumers can be misinformed by salespeople, but in digital marketing, consumers get clear and accurate information about any product or service at anytime from anywhere in the world. And the internet provides comprehensive data that clients can depend on to make the buying decision.

• Many different companies promote their product through digital marketing, so it becomes convenient to compare products of the different companies for the consumer. They don't need to visit various retail stores to compare the products [1] for any further decision making.

• Due to the internet consumers can do various activities like going to the company's website, reading the information, buying products, etc. This has increased consumer's engagement and improved their experience.

• Due to the digital medium viewer can share information and characteristics about the products or services with others [1] like friends, family members or any other group.

• In traditional marketing first consumers watch advertisements through posters, TV, or any traditional way and visit a retail store to buy them. But in digital marketing when consumers see advertisements, they can buy the product instantly through digital media [R. D. Todor, 2016] from anywhere and at any time.

• The organization shows the costs of items through digital mediums and this makes costs extremely straightforward and clear for the consumer. The company can even changes its prices on any holiday or festival or can give special discount to its customers and all these things are very transparent to the consumers.

DISADVANTAGES OF DIGITAL MARKETING:

In today’s era with so many advantages digital marketing has few disadvantages too which are discussed below:

• Digital marketing is deeply dependent on the internet/technology which can be persuaded to mistakes [P. Ankita and K. Naveen, 2020].

• Digital marketing isn't yet grabbed by all individuals: some customers, especially more established ones don't believe in a computerized environment, and they want to utilize the traditional strategies.
A competitor can easily copy the digital marketing campaign from others. Even brand names or logos can be utilized to fraud customers [R. D. Todor, 2016].

In traditional marketing, customers can physically touch and feel the products to verify but it is not possible in e-marketing.

Though India is digitalizing, many customers still don't trust the online payment system or don't know how to use it [P. C. Chandini, P.S. Divya and D. Dincy, 2020].

There are many cases when users ordered products through pay on delivery method with no intention of buying and they use a fake id for that purpose. This shows an ambiguity of pay on the delivery method.

CHALLENGES FACING DIGITAL MARKETERS:

There are numerous advantages of using digital marketing for promoting products and services but digital marketing needs to face some challenges too. The difficulties of digital marketing are as follows:

- Consumers leave behind a huge amount of data in digital channels every time they visit the channel. It's very hard to understand such data, and to find the correct data inside exploding information volumes that can guide the customer to make the right choices.

- Digital marketing is extremely economical compared to traditional marketing and it covers every small business which leads to powerful competition [S. N. Singh, P. Kumar, and A. K. Dubey, 2016].

- Consumers use different digital devices and various digital channels and those devices have various digital channels that lead to the creation of digital channels. Ultimately the Marketers face difficulty in choosing medium and audience [P. C. Chandini, P.S. Divya and D. Dincy, 2020].

LIMITATIONS OF THE STUDY

The effectiveness of Internet marketing with respect to different business can be analysed. The study can further be extended to compare the internet marketing techniques with specific to various businesses.

CONCLUSION:

It can't be rejected that the world is quickly moving from simple to the digital world. Individuals are investing more in online content and companies that find it hard to résumé this fact in their advertising strategy need to realize quickly. The main aim of digital India is to promote digital medium. Because people can use digital platform any time anywhere from the world. Companies needs to change their marketing strategy from traditional to digital. On the off chance that the companies don't utilize the digital platform to advertise their product and services they will not be able to compete with competitions and will eventually lose their identity.

When customers want to buy any product online, they can easily get product information and can compare with other products without visiting any retail store or shopping mall sitting his own space and as per his time schedule. It shows that consumers are more motivated towards online buying rather than visiting a retail store. As consumer's...
buying behavior is changing companies also need to change their advertising strategy and switch to digital platforms for marketing.

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