



## A STUDY ON REVIEW OF INCREASING TREND IN DIGITAL MARKETING AND DIGITAL MARKETING CHANNELS IN INDIA

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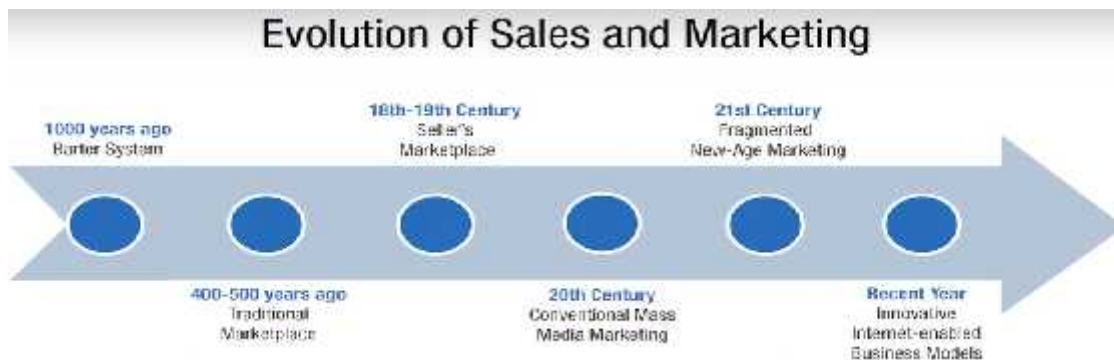
### Abstract

Digital Marketing has become the buzz word for India from last 2 decades, with the advent of internet in the market, many companies irrespective of size, revenue and customer base started using the Digital platforms to the fullest and increasing the market share. There are multiple Digital Marketing channels which are being widely used by the marketers to penetrate the customers. There is a growth of 31.25% in the Digital Advertising budget from 2019 to 2021, this is one of the examples how the Digitalization is impacting the Marketing segment in India. 57% of the companies acquired and gained the customers through company blog. 78% of internet users perform online product research while deciding for purchasing the product. According to Search Engine Optimization (SEO) statistics, rich quality content has ability to increase traffic of blog up to 2000%. Present research work tries to identify the Digital Marketing Channels which are contributing to the increase of sales in the Market.

**Keywords:** Digital platforms, Digital marketing channels, Advertising budget, Online product search, Search engine optimization and Company blog.

### Introduction

The term “**Digital Marketing**” means usage of Digital Channels to market the goods, products and services to the customers. Digital Channels include Internet, Mobile devices, Social, Media, Websites, and other Search Engines etc. The concept has been gaining importance from 1990s. Digital Advertising in India was about \$210 Billion, which was \$160 Billion in 2019, which shows a 31.25% growth. The expected digital advertising revenue is \$266 Billion, wherein the prediction was made in 2020. The share of Social media is about 28% in the digital advertising industry. Between 2016 and 2019, the number of internet users rose by eightfold in India.



**Figure 1: Evolution of Sales and Marketing**

Before going through the pros and cons of Digital Marketing and how the companies are getting advantage with the emerging Innovations of technology, we will have a simple glance over the Evolution of Sales and Marketing, which is shown in the Figure 1. About 1000 year ago the concept of Marketing was supported by **Barter System**, this is the first notified system of Market in the world. The Concept of Exchange of goods and services for something. Later about 400 to 500 years ago, **Traditional marketplace** was established in which the Goods and Services were exchanged for Gold later money. In the mid-18<sup>th</sup> century to 19<sup>th</sup> century, **Mass production** and **supply chain** were introduced, and the market has become **Seller's Market place**. Consumers got unprecedented choice in 20<sup>th</sup> century with multiple manufacturers, differentiated products from the sellers and innovations in advertisements including Radio, Television and print media. **Conventional Mass Media Marketing** gave



consumers many options to learn about a company's products and services. **Fragmented New-Age Marketing** emerged in the 21<sup>st</sup> century by launching of internet offering businesses yet another channel to market their products, goods and services, which enabled the marketers to reach the global audiences. This has led to the starting of **Innovative Internet-enabled Business Models**.

Today the consumers have various ways for searching, learning and purchasing products and services. The e-commerce technology has offered the convenience of secure and instant transactions at the same time the consumers are bombarded with messages from many sources making it sometimes difficult to take decision of purchasing. The range got increased and here Televisions, Radio channels, Newspapers, Magazines, Trade publications and Online. From Late 1990s the increasing usage of internet and early 2000s the smart phone usage got increased exponentially and this lead to multiple options for advertisers such as Mobile Phone apps, Google, Facebook, Twitter, LinkedIn, YouTube, WhatsApp, Gamification, QR codes, Proximity Marketing. An integrated approach with all the above has been developed by companies and they started evaluating the target audience and started reaching the customers with the respective online platforms.



**Figure 2: Corporate Strategy**

Setting the strategy for Digital Marketing requires constant and continuous collaboration and communication with all functional areas and business units as well as other stakeholders including senior management and partners.

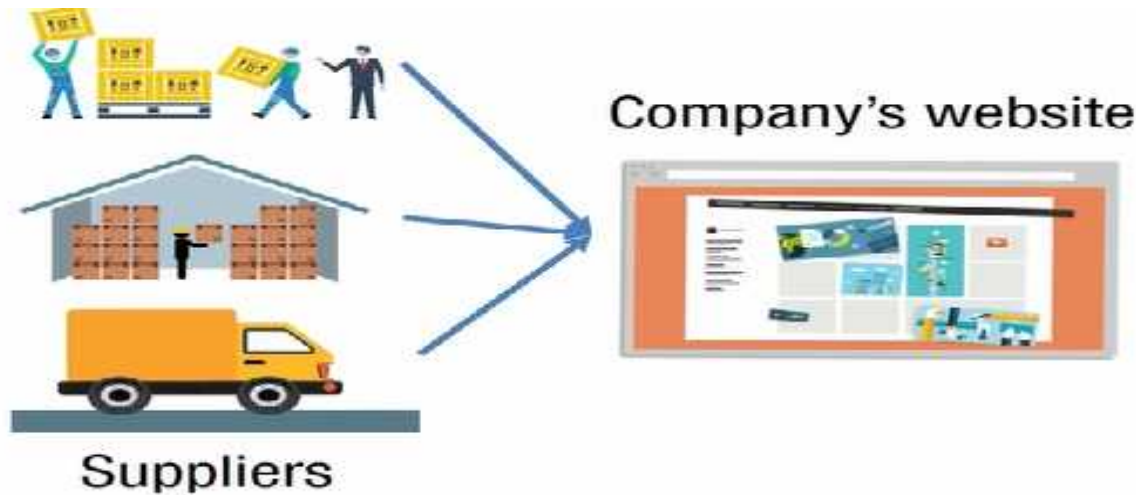
### **Characteristics of Fragmented New Age Marketing**

It is a fact that people now spend more time on the Internet using smart phones, tablets, or computers than conventional Radios, Televisions and Print media. This change in consumer preferences is altering sales and marketing landscape throughout the world. Businesses are discovering that conventional mass media marketing has limited effectiveness some customer segments are not even reachable using these traditional media forms. Fragmented New Age Marketing generally supports new small brands with much smaller budgets targeted directly to customers in global marketplaces. So even a small company is also able to reach global customers, while mass media is less targeted and primarily focused on affecting emotional attitudes about the brand, while new age marketing is data driven and more focused on driving specific calls to action. Mass media marketing typically involves interruption, new age marketing is about engagement, conventional mass media marketing is uni-directional but new age marketing is multi directional. New age marketing is Data Driven, Big data is generating (VVV-Volume, Variety and Velocity), this data is analyzed with many tools and companies are deriving valuable insights.



Traditional Marketing	Fragmented New Age Marketing
Huge budgets for Ads	Small budgets for Ads
Target group is somewhat less which is affected due to the Media choice	Target group is humongous
Primary focus on Affecting Emotional Attitude about the brand	Data driven and focused on driving specific calls to action
Typical existence of interruption	Engagement of customers
Uni directional	Multi directional
Feedback is very rare	Feedback possibility exists
Data is more conventional	Big Data, so conventional and non conventional data also can be used
Comparison is rarely available	Comparison is available

**Table 1: Difference between Traditional Marketing and Fragmented New Age Marketing**



**Figure 3: Company Website**

**Online Market places** Creation where in process of customer acquisition initiates from searching of website for example in books, consumer goods and other consumer related products. Here the company coordinates with its multiple suppliers to source products, and it displays demos, pictures and other product related information on website, once the customer places orders, the items are shipped directly to the customers.

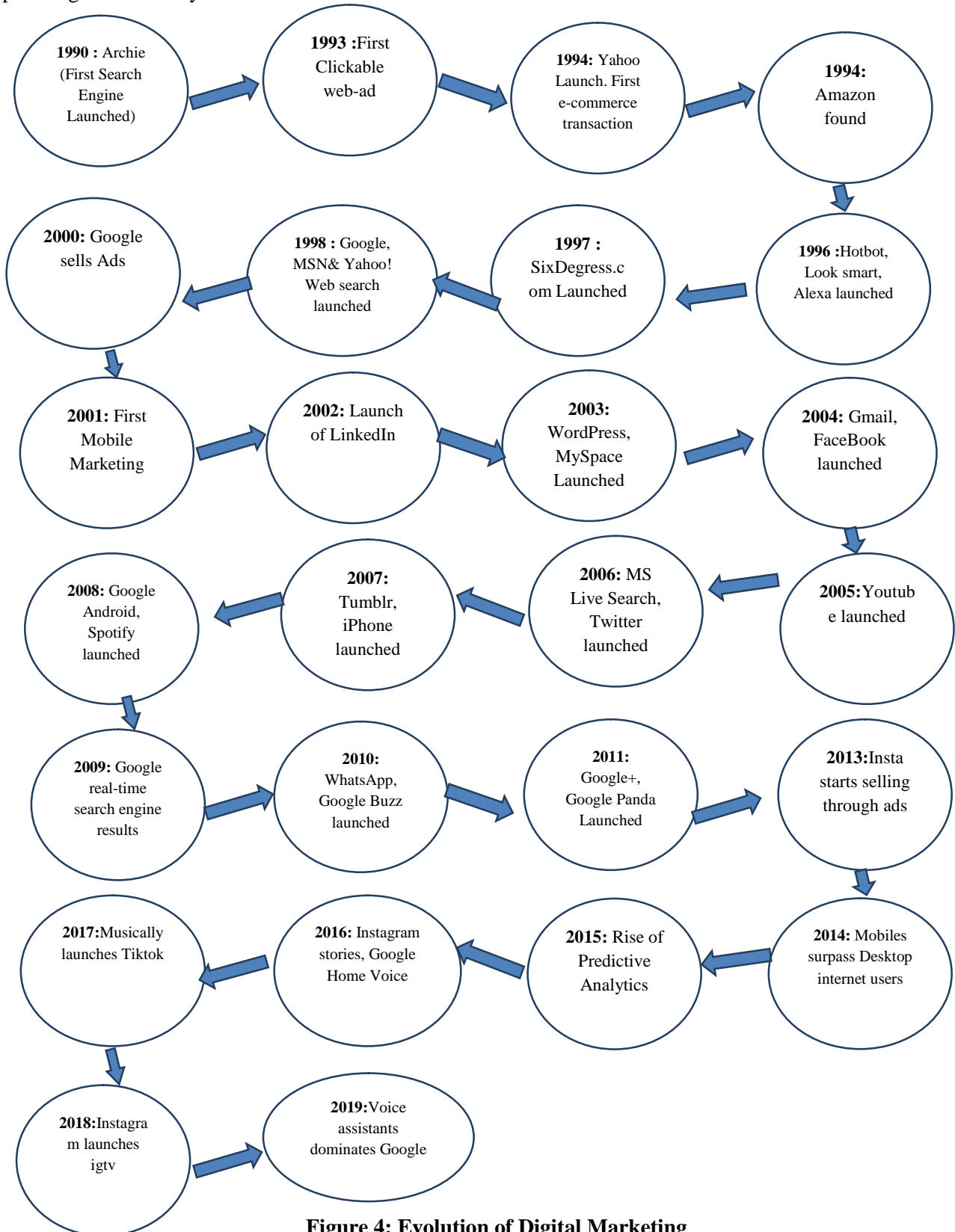
Online players are amazon, ebay, Alibaba and flipkartetcand Online payment processors are Paypal, Stripe Braintree, Google wallet, enabled small companies and startups also to sell the products globally. Global positioning systems and online maps made physical business to online business, online learning tools have gained popularity and majority of cases are replacement for physical learning tools, online networking has made the world a smaller place. Social media channels are linkedin, Twitter, Whatsapp, Facebook and Google Plus are some examples, online search engines such as Google, Yahoo and Bing make it easy to find information and locate business.

### **Innovative Internet-Enabled Business Models**

The growing popularity of internet, smart phones, social media and digital media is providing the companies with wide opportunities for not only promoting the existing products but also to come up with innovative business models where products demo, customer acquisition and order fulfillment and delivery of products to the



customers with less cost. Figure 4 shows the chronology of how the Digital Marketing incepted and how it is spreading into the daily life of customers.

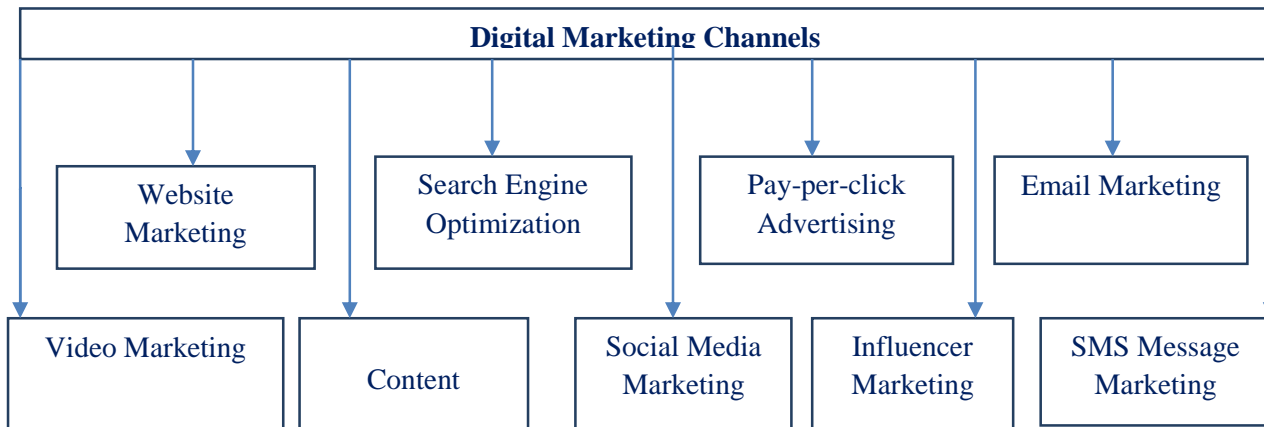


**Figure 4: Evolution of Digital Marketing**



## Digital Marketing Channels

Marketers spend a considerable amount of time and effort to identify and understand the dynamics of all available Digital Marketing Channels. Marketers have to assess and re-assess the acceptability and reach of Digital Marketing Channels to get advantage of those channels. After establishing the right channel, the company must monitor and evaluate whether the expected outcomes are achieved through the channel or not. It should be adjusted frequently according to the consumers needs and expectations. It is becoming challenging for the companies to capture receivers' attention as the receivers are increasingly overwhelmed with the huge ads. There are different channels through which Digital Marketing is flourishing now such as Website Marketing, Search Engine Optimization(SEO), Pay-per-click(PPC) advertising, Content Marketing, Email Marketing, Social Media Marketing, influencer Marketing, Video Marketing and SMS Message Marketing etc.



**Figure 5: Digital Marketing Channels**

The primary objective of Digital Marketing channels is **RRR**-Reach, Relationship and Reputation. The channel must be able to reach current and potential customers, to achieve this each channel must be optimized using a variety of tools and techniques. Once the company develops the capability to reach maximum number of customers in its target segments, it should start focusing on the second R, Relationship. The company needs to focus on monitoring and improving its relationship with the existing loyal and potential customers.

## Review of Literature

Kishor, kumar (2020), in his work "A Study of the Growth of Digital Marketing in Indian Scenario", observed that the increasing usage of internet and mobile is the primary reason for growth in Digital Marketing in India. The accessibility of consumers is also contributing to the rapid growth of Digital Marketing. The paper also differentiates between Traditional and Digital Marketing where there is no compulsion for the advertisers in Digital Marketing, which is a major drawback in Traditional Marketing Model. Krishnaveer (2020), in his study "Analysis on online digital marketing impact in social networks", concluded that India is experiencing an outrageous change towards Digitalization. Customers are using formal websites as well as informal sources of information such as WhatsApp and Facebook for getting more information about the products and services. Customers are not only concerned with products and features but also with brand and store image and most of the people are turning towards mechanized promoting, hence the companies also showing more interest in mechanized formal and informal promotions. Companies are feeling mechanized promotion as the most cost-effective manner of promotion. Reena Kumar (2019), in her paper "Opportunities and Challenges in Internet Marketing", opined that the present day marketers have got good technology and innovation coupled with internet which is becoming the major reason for delivering the value to the customers. The Internet Marketing is enabling the marketers to reach globally, lower cost, 24 marketing, high rate of personalization, one-to-one marketing relation with the customers, more innovative campaigns, better conversion rate, curtailing of market barriers and trackability of products and services. Impersonal service, lack of human touch, lower rate of computer



penetration rate, issues with Intellectual property, Cyber crimes and lack of sophisticated internet connectivity are the challenges for the Internet Marketing. MadhuBala& Deepak Verma (2018), in their paper “A Critical Review of Digital Marketing”, have identified that the businesses are benefited with Digital Marketing like Search Engine Optimization(SEO), Search Engine Marketing(SEM), Content Marketing, Campaign Marketing, Social Media Marketing e-mail direct marketing, e-books and display marketing. Most of the companies are feeling Digital Marketing is the most effective way of reaching maximum target audience in most cost-effective manner.

Suniraj (2017), in the research work “Growth of Online Marketing in India-A Study”, has focused on many aspects such as Content Marketing, Big Data, Mobile Marketing, Conversion Rate Optimization, Social Media Marketing, Search Engine Optimization, Online PR, Paid Search Marketing, Internet of Things, Display Marketing and Affiliate Marketing and found maximum customers are preferring Content Marketing followed by Big Data, and it also highlights that 82 million monthly active users in FB in the year 2017 itself and we could expect some more increase in the percentage of active social media users at present. Kamal Y(2016), in the work “Study of Trend in Digital Marketing and Evolution of Digital Marketing Strategies”, throws light on technologically advanced products and services, like if one bank launches a mobile app for its services, then the other companies start creating new apps for different banks for similar kinds of services. This concept has often been referred to as Reverse Journey, for that also the emerging companies are using Digital Marketing as very important tool.

Niharika& Satinder (2015), in their work “A Study of Internet Marketing in India: Challenges and Opportunities”, e-Marketing has paved ways to get strong customer base which could not be achieved with Traditional Marketing methods. The development of e-markets allowed customers to filter the information while making purchase decisions. The advantages of e-Marketing include cost effectiveness, convenient to the customers, One-to-One marketing even for a distant customer, improved customer-seller relationship, increased customer views of products and services, Personalization, availability round the clock, better conversion rate, allows comparison, and instant information etc., challenges include security, inferior IT support, less literacy levels, bad Word of Mouth, Lack Trust, and Ethical issues. Gangeshwar (2013), in his research work “E-Commerce or Internet Marketing: A Business Review from Indian Context”, made an attempt to discuss the implications of Search Engine Marketing (SEM) and the penetration of e-commerce in India. The work distinguishes the shopper behavior in Metropolitan cities and Non-metropolitan places of India. He has identified 5 important factors which will act as motivating factors of Online shopping, which are Cash Back Guarantee, Cash on Delivery, Access to branded products, Fast Delivery, and substantial discounts compared to retail outlets. Munshi et al (2012), in their work “Digital Marketing: A new buzz word”, opined that India is going to be one of the ‘super powers’, and the digital marketing activities are also increasing in India at a greater speed. There are many advantages which are driving the companies go or digital marketing such as Lower Cost, Higher Margin, Better Customer Service, Quick comparison shopping, Teamwork and Information Sharing, Control & Convenience. On the flip side the digital marketing has also got some disadvantages like Security issues, System & Data integrity, Consumer’s not relevant search for proper information, Corporate Vulnerability, people uninterested to purchase products and services online and certain limitations with some industries.

### **Objectives of the study**

From the above Review of Literature, the objectives of the study have been derived which are as below:

- 1 To study the increasing trend in Digital Advertising Revenue.
- 2 To review the number of Mobile Internet users in India.
- 3 To review the number of internet users worldwide

### **Discussion and Data Analytics**

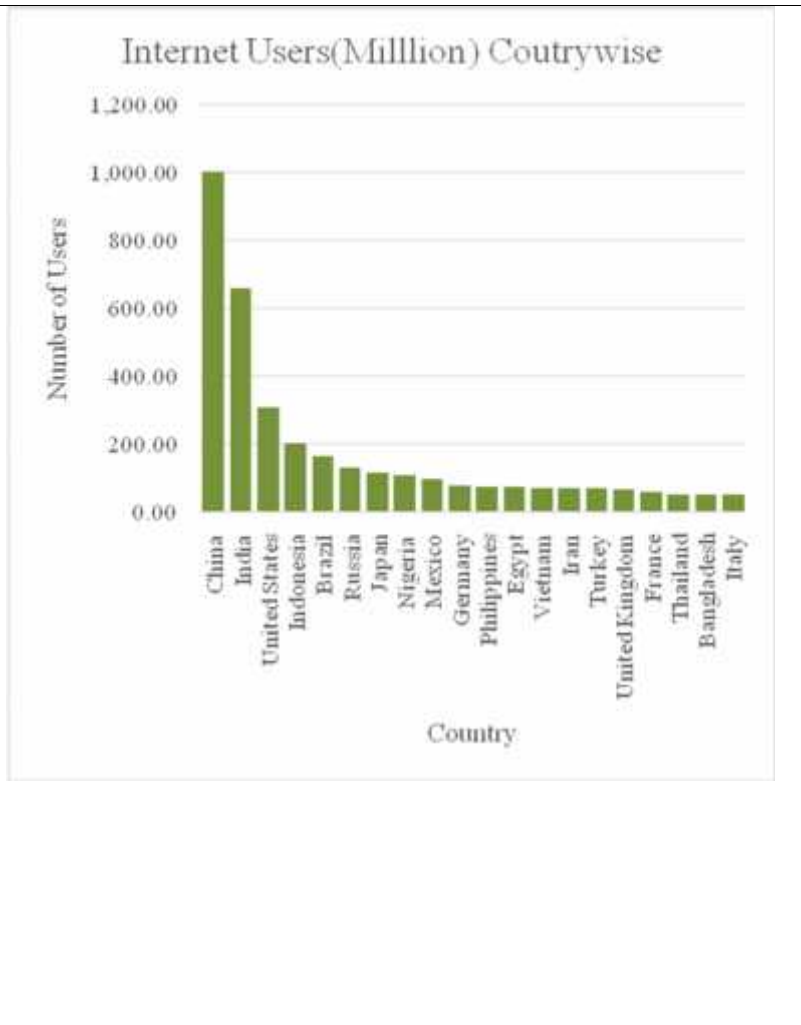
Kishor, Kumar (2020) , felt that increasing usage of Mobile internet is the primary reason for boost up in the Digital Marketing in India. Suniraj (2017) opined that there is a huge growth of Digital Media involvement in Indian Marketing scenario. Munshi et al(2012), felt that there is an increase in usage of Internet for the purpose of Marketing. To check the facts and figures of the above statements, we can have a glance on the below graphs.



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Country	Users (Million)
China	1,000.02
India	658
United States	307.2
Indonesia	204.7
Brazil	165.3
Russia	129.8
Japan	118.3
Nigeria	109.2
Mexico	96.87
Germany	78.02
Philippines	76.01
Egypt	75.66
Vietnam	72.1
Iran	71.94
Turkey	69.95
United Kingdom	66.99
France	60.92
Thailand	54.5
Bangladesh	52.58
Italy	50.85



**Figure 6: Year wise Advertising Revenue, Mobile Internet users, Number of Internet users worldwide**

Source : <https://www.statista.com/statistics/233493/digital-advertising-revenue-in-india-from-2011/>  
<https://www.statista.com/statistics/262966/number-of-internet-users-in-selected-countries/>  
<https://www.statista.com/statistics/558610/number-of-mobile-internet-user-in-india/>

The above tables shows that the India is the second largest country with the number of internet users with 658 Million after China, this is one of the best reasons for emerging markets for Digital Marketing in India. The estimated numbers of Mobile Internet users are also increasing in a consistent rate from the years 2010 to projected year 2025. The Year wise Digital Advertising Revenue also shows a consistent rate from the above table and graph from the years 2018 to projected year 2024.

**Conclusion**

According to many researchers and Review of Literature, 57% of the companies acquired and gained the customers through company blog. 78% of internet users perform online product research while deciding for purchasing the product. According to SEO statistics, rich quality content has ability to increase traffic of blog up to 2000%. Companies are feeling Customer Relevance is the first factor while creating and selling the product. 58% of the companies are giving the preference for Audience Relevance. The next place is given to Storytelling which is at 57%. Also 63% of the marketers are developing content by keeping buyer personality of the consumer. 45% of the companies believe interactive content is extremely effective. Coming to e-mail marketing, if the content is segmented then there are 82% of chances for getting opened by the user. Usage of video content





can shoot up the click rate by 300%. The users are spending 26 minutes more on their mobile devices during 2020. This number is expecting year by year. Regarding gender, 86% of the woman are visiting social media before making any purchase. Also 78% of the users are skipping the ad-video which is coming prior to the video they wanted to watch. 70% of the consumers learn about products and services through content when compared to traditional methods. The companies need to stay in touch with the customers' needs and ensure that they adapt to stay relevant to these needs. Another factor that organizations must keep in mind when interacting with consumers through Digital Media is maintaining consistent brand messaging and positioning across all channels and through various marketing activities. These shows the companies are using the Digital Media in all the aspects to deliver value to the customers.

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