

A Study of Digital Marketing in India

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ABSTRACT - Digital marketing is good option for traditional marketing because digital marketing have wider coverage at lower cost. Many channels can be use in digital marketing to reach towards targeted customers. It can be use for advertising new product, brand building, customer retention, customer feedbacks etc. The overall spending of the companies on digital marketing is increasing gradually year by year. In this paper, channels of digital marketing, advantages of digital marketing, comparison of digital marketing with tradition marketing, etc. have been discussed.

KEYWORDS : Digital Marketing, Traditional Marketing, Internet, Strategy, Technology etc.

I. INTRODUCTION

Now a day’s digital marketing have important place in marketing strategy of every business organization. Digital marketing plays important role for national as well as multinational businesses. As technology developing day by day and the number of internet user also increasing rapidly, the importance of digital marketing also growing rapidly. Digital marketing means marketing of product or business by using digital media especially internet. Digital marketing is also referred as “Online Marketing”, “Web Marketing” or “Internet Marketing”. Digital marketing have many advantages over traditional marketing. Development in technology made digital marketing campaigns more efficient and effective.

II. METHODOLOGY

The study is based on secondary data / information collected from different books, journals, newspapers and websites.

TRADITIONAL MARKETING VS DIGITAL MARKETING

Traditional marketing and digital marketing both are important for business organization. The importance of digital marketing increased with increase in internet user. Below is the comparison between digital marketing and traditional marketing

Cost –

The cost of traditional marketing is higher than that of digital marketing. Digital marketing channel like E-mail is very cheap channel. By using E-mail, company can reach towards million of customers at very low cost.

Coverage –

The coverage of traditional marketing channels is less as compare to digital marketing. Marketing can be done globally by using digital marketing channels.

Personalization –

Traditional marketing lacks personalization of marketing strategy. Personalize marketing strategy can be adopted in digital marketing.

Target Advertising –

Target advertising is difficult by using traditional marketing. But target advertising can be done by using digital marketing.

Effect Measurement –

The effectiveness of marketing strategy can be measured immediately in case of digital marketing. It take more time to know the effectiveness of traditional marketing strategy.

Sharing –

Digital advertising can be share by one user to another easily. In case of traditional advertising, sharing of advertisement is not possible or quite difficult.

24 x 7 -

All the channels of digital marketing can work for 24 hours of a week. Most of the channels of traditional marketing lack 24x7 usability.

III. SPENDING ON ADVERTISEMENT

The below table shows the comparison of spending in India for various years on Traditional Marketing and Digital Marketing

(Figures in US \$ Billion)

YEAR	DIGITAL MARKETING	TRADITIONAL MARKETING
2013	0.60	4.96
2014	0.82	5.29
2015	1.11	5.29
2016	1.52	5.51
2017	2.05	5.44
2018	2.72	5.22
2019*	3.40	5.13

* Forecasted

Above table shows that the spending on traditional marketing is yet more than digital marketing but the

spending on digital marketing increasing gradually and spending on traditional marketing decreasing slowly. The spending in 2013 on digital marketing was just 0.60 US \$ Billion whereas it was 4.96 US \$ Billion for Traditional Marketing. But from 2017, the trend has been changed. The spending on digital marketing goes up to 2.72 US \$ Billion in 2018 and that of traditional marketing reduced to 5.13 US \$ Billion.

IV. CHANNELS OF DIGITAL MARKETING

1) E-Mail Marketing -

Email marketing is widely use channel of marketing. It is act of sending commercial information on email address of potential buyer. It is very effective way of conveying business message by using graphics, text, animations, links etc. to the people who may have never heard about your business or product. It is way of conveying business message to targeted people who are interested in your business area. It is cheap way of marketing than traditional marketing. The effectiveness of email can be judge by the observing visit to the website after sending emails to masses. Emails can be sent to provide information about new product, to get feedback from customers, can be use for survey purpose etc.

2) Pay Per Click (PPC) -

It is another way of digital marketing. In PPC, advertiser has to pay a fee for each time user clicked the ad-link. It is marketing channel that allow the advertiser (marketer) to pay only if their ad is clicked by the online user. Generally, search engines like Google, Bing etc. provide this type of service to the marketer. In PPC, whenever any user search for any keyword, the ad-link matches to the keyword appeared above and below the non-paid organic search result. If user clicks on that link, the marketer has to pay fee for that. The ad spot are sold through auction. The ad of highest bidder marketer will appear first in rank, if there are numerous PPC ads for the same keyword.

3) Search Engine Optimization (SEO) -

Nearly 74% of online user use search engine to get information about product before actual buying. Search Engine Optimization is the process of increasing visibility of website in unpaid search result of search engine. It can be done by making website easy, attractive, sharing links trough social media etc. When ad-link is appeared at higher rank then the chances of get clicked by online user increases. The proper SEO helps to have website rank on first page of Search Engine Result Page (SERP). Therefore, SEO provides good ROI. Small organization with limited financial resources can choose SEO.

4) Search Engine Marketing (SEM) -

Search Engine Marketing is paid form of advertising. In SEM, marketer pays to get website link appeared above, below or beside the natural (unpaid) result of search engine. In SEM advertiser buy the space for their ad-link. Instead of

trying for higher rank on SERP naturally, fees need to pay to get your ads appeared at higher rank on SERP. PPP is type of SEM. Big organization with strong financial resources can choose SEM. For effective marketing, SEO and SEM both need to be use properly.

5) Display Advertising -

It is popular way of internet advertising. Large number of people visits to informative websites, blogs, forum etc. The advertiser can buy space for their advertisement on such third party website. When any online user visits to any of such third party website, the advertisement get appeared on the web page of third party website. The advertisement can be in the form of website link, video, animation, text etc. The advertiser has to pay fee to third party website owner. The cost is basically depends on the number of time ad to be appeared on website i.e. Cost Per Impression (CPI).

6) Social Media Marketing -

Now a days, the number of social media users increasing tremendously. Many social media website and mobile app are used by the user to share their views, opinion, photos, videos, etc. As social media app are handled through mobile phone, the advertisement through social media increases chances to reach towards million of peoples, generally youngsters. The marketer choose one or combination of social network available with them. Facebook, Twitter, Whatsapp, LinkedIn, Pinterest etc. It is mode by which marketer can reach towards targeted potential customers.

7) Content Marketing

It is way of creating, publishing, sharing valuable information to targeted audience online. It focused on creating and distributing valuable, relevant and consistent information to attract and retain targeted customers. Content marketing relies on meeting need of information of existing customers than creating demand for new need. Content marketing helps to generate customer base. Content marketing involve sharing of videos, blogs, posts etc. that does not promote brand but stimulate interest in product or service.

8) Affiliate Marketing -

Affiliate marketing is an advertising channel where a company pays commission to third party publisher for generating traffics or sale for their products or services. The third party publisher who works for commission is referred as Affiliate. It is marketing arrangement by which one company pays incentives to third party website for traffics or sale generated from its referrals. Affiliate marketing is model to sell products and services across vast network. Affiliate marketing helps to achieve greater market penetration. Amazon is leading company using the affiliate marketing.

V. FACTORS TO BE CONSIDERED WHILE SELECTING DIGITAL MARKETING

1) Goal to be achieved

A company needs to consider the goal to be achieved through digital marketing. The goal may be creating brand awareness, sales generation, Lead generation, Educate Potential Customers etc. The selection of marketing channel is depends on the goal of advertisement. The different channel needs to use to achieve different marketing goal.

2) *Financial Budget*

Many of the digital marketing channels are in paid form. Company need to pay a certain amount of fee for internet advertising. The financial resources available with the company affect the selection of digital marketing channel. Paid marketing channel can be use if financial position is strong, because digital marketing have good Rate of ROI.

3) *Creative Talent*

Effective digital marketing needs creative skill and knowledge. Company should identify if personnel with creative knowledge are available in-house or need for outsourcing.

VI. ADVANTAGES OF DIGITAL MARKETING

1) *Economical*

Digital marketing is affective alternative for traditional marketing. Through digital marketing, company can reach globally at lower rate. Digital marketing is more affordable than traditional marketing. Just by spending few amount, company can reach towards million of potential buyers.

2) *Easy to Measure*

In Traditional marketing, it is difficult to measure the effectiveness of traditional marketing channel but in digital marketing, company can measure the effectiveness of channel immediately. Many software allow the company to measure the number of user visited to website due to internet advertising.

3) *Good Return on Investment*

When we compare to cost incurred on digital market and the number of potential customers covered by the digital marketing, the cost per customer is very low. As digital marketing is more attractive and targeted, it converts more potential customers to real buyer for the products and services.

4) *Easy Adjustment*

In digital marketing, the more investment can be made in advertisement giving good response and advertisement not giving expected result may be discontinued or changes can be made easily. In traditional marketing, making such changes immediately is difficult.

5) *Multiplies Effect*

Most of the digital advertisement can be share with other online user easily. One can share ad to other, and other can share it to another and so on. It multiplies the effect and will helps to create more customers.

6) *Targeted Customers*

The interest of online user can be tracked by various websites and that data can be use by the company for advertisement on internet. Advertise can be sent to the targeted customers only instead of sending advertisement to masses in general.

7) *Global Reach*

Through digital marketing, company can reach towards millions of online users globally. Traditional marketing channel have limitations of reaching at global level. It provides opportunity to small enterprises also to reach globally at lower cost.

8) *Segmented Advertising*

Digital marketing is not only useful for targeted advertising but also allow customer segmentation. Advertisement can be made according to various segments.

9) *Competition*

Digital marketing enable the small business organization to compete with large business organization. Even start up can compete with well settled business with the help of digital marketing.

10) *No Time or Place Barrier*

Through digital marketing, company can reach to potential customers effectively irrespective of time and place. There no time and place barrier for digital marketing.

11) *Higher Conversion Rate*

The rate of conversion of potential customers into purchasing customers is high in case of digital marketing. In digital marketing, customers are just away from few clicks from actual purchase.

VII. CONCLUSIONS

Both the traditional marketing and digital marketing are important for the business organization. Business organization should make both marketing techniques with proper mix. No organization can keep itself away from digital marketing. The overall spending on traditional marketing is yet more in India than digital marketing but this picture will change in future. Every business organization should try to adopt new channels of digital marketing to reach towards billions of potential customers.

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