

# Review Paper on Digital Marketing

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**Abstract** - Marketers are faced with new challenges and opportunities within this digital age. Digital marketing is the utilization of electronic media by the marketers to promote the products or services into the market. The main objective of digital marketing is attracting customers and allowing them to interact with the brand through digital media. This article focuses on the importance of digital marketing for both marketers and consumers. We examine the effect of digital marketing on the firms' sales. Additionally the differences between traditional marketing and digital marketing in this paper are presented. This study has described various forms of digital marketing, effectiveness of it and the impact it has on firm's sales. The examined sample consists of one hundred fifty firms and fifty executives which have been randomly selected to prove the effectiveness of digital marketing. Collected data has been analyzed with the help of various statistical tools and techniques.

**Keywords** - Digital Marketing, Promotion, Effectiveness, Customer Reach.

## I. INTRODUCTION

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 they can follow what the media, friends, associations, peers, etc., are saying as well. Digital marketing is a broad term that refers to various promotional techniques

deployed to reach customers via digital technologies. Digital marketing embodies an

extensive selection of service, product and brand marketing tactics which mainly use Internet as a core promotional medium in addition to mobile and traditional TV and radio. Canon iMage Gateway helps consumers share their digital photos with friends online. L'Oréal's brand Lancôme uses email newsletters to keep in touch with customers and hence tries to strengthen customer brand loyalty (Merisavo et al., 2004). Magazine publishers can activate and drive their customers into Internet with e-mails and SMS messages to improve re-subscription rate (Merisavo et al., 2004).

## II. VARIOUS ELEMENTS OF DIGITAL MARKETING

### (i) Online advertising

Online advertising is a very important part of digital marketing. It is also called internet advertising through which company can deliver the message about the products or services. Internet-based advertising provides the content and ads that best matches to consumer interests. 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.

### (ii) Email Marketing

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. Company can promote its products and services by using this element of digital marketing easily. It is relatively low cost

comparing to advertising or other forms of media exposure. Company can bring complete attention of the customer by creating attractive mix of graphics, text and links on the products and services.

*(iii) Social Media*

Today, social media marketing is one of the most important digital marketing channels. It is a computer-based tool that allows people to create, exchange ideas, information and pictures about the company's product or services. According to Nielsen, internet users continue to spend more time with social media sites than any other type. Social media marketing networks include Facebook, Twitter, LinkedIn and Google+. Through Facebook, company can promote events concerning product and services, run promotions that comply with the Facebook guidelines and explore new opportunities. Through Twitter, company can increase the awareness and visibility of their brand. It is the best tool for the promotion of company's products and services. In LinkedIn, professionals write their profile and share information with others. Company can develop their profile in LinkedIn so that the professionals can view and can get more information about the company's product and services. Google+ is also social media network that is more effective than other social media like Facebook, Twitter. It is not only simple social media network but also it is an authorship tool that links web-content directly with its owner.

*(iv) Text Messaging*

It is a way to send information about the products and services from cellular and smart phone devices. By using phone devices, company can send information in the form of text (SMS), pictures, video or audio (MMS). Marketing through cellphone SMS (Short Message Service) became increasingly popular in the early 2000s in Europe and some parts of Asia. One can send order confirmations, shipping alerts using text message. Using SMS for campaigns get faster and more substantial results. Under this technique, companies can send marketing messages to their customers in real-time, any time and can be confident that the

message will be seen. Company can create a questionnaire and obtain valuable customer feedback essential to develop their products or services in future.

*(v) Affiliate Marketing:*

Affiliate marketing is a type of performance-based marketing. In this type of marketing, a company rewards affiliates for each visitor or customer they bring by marketing efforts they create on behalf of company. Industry has four core players: the merchant (also known as "retailer" or "brand"), the network, the publisher (also known as "the affiliate") and the customer. The market has grown in such complexity resulting in the emergence of a secondary tier of players including affiliate management agencies, super-affiliates and specialized third party vendors. There are two ways to approach affiliate marketing: Company can offer an affiliate program to others or it can sign up to be another business's affiliate. If company wants to drive an affiliate program, then, the company owner has to pay affiliates a commission fee for every lead or sale they drive to company's website. Company's main goal here is to find affiliates who can reach untapped markets. For example, a company with an e-zine may become a good affiliate because its subscribers are hungry for resources. So, introducing one's offer through "trusted" company can grab the attention of prospects which might not have otherwise reached.

*(vi) Search Engine Optimization (SEO)*

Search engine optimization (SEO) is the process of affecting the visibility of a website or a web page in a search engine's "natural" or un-paid ("organic") search results. In general, the earlier (or higher ranked on the search results page), and more frequently a website appears in the search result list, the more visitors it will receive from the search engine users. SEO may target different kinds of search including image search, local search, video search, academic search, news search and industry-specific vertical search engines.

*(vii) Pay Per Click (PPC)*

Pay-per-click marketing is a way of using search engine advertising to generate clicks to your website rather than "earning" those clicks

organically. Pay per click is good for searchers and advertisers. It is the best way for company's ads since it brings low cost and greater engagement with the products and services.

### III. ADVANTAGES DIGITAL MARKETING BRINGS TO CUSTOMERS

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

#### (i) Stay updated with products or services

Digital marketing technologies allow the consumers to stay with the company information updated. Nowadays a lot of consumer can access internet any place anytime and companies are continuously updating information about their products or services.

#### (ii) Greater engagement

With digital marketing, consumers can engage 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.

#### (iii) 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.

#### (iv) Easy comparison with others

Since many companies are trying to promote their products or services using digital marketing, it is becoming the greatest 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.

#### (v) 24/7 Shopping

Since internet is available all day long, there is no time restriction for when customer wants to buy a product online.

#### (vi) Share content of the products or services

Digital marketing gives viewers a chance to share the content of the product or services to others. Using digital media, one can easily transfer and get information about the characteristics of the product or services to others.

#### (vii) 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 changes the prices or gives special offers on their products or services and customers are always in advantages by getting

informed instantly by just looking at any one mean of digital marketing.

#### (viii) Enables instant purchase

With traditional marketing, customers first watch the advertisement and then find relevant physical store to purchase the products or services. However, with digital marketing, customers can purchase the products or services instantly.

### IV. THE IMPACT OF THE INTERNET ON MARKETING STRATEGY AND CONSUMER BEHAVIOR

Under this broad heading we may expect to see the following types of questions addressed:

- Does consumer behavior change when the Internet is used as a channel for commerce?
  - Are consumers more or less brand loyal when they buy online? What factors determine customer loyalty in an online environment?
  - How does the role of brands differ in online versus offline environments?
  - What are the short- and long-term effects of promotions in an online shopping environment?
  - Is online advertising more or less effective than offline advertising? In what respects?
  - How should we measure marketing performance online?
  - What CRM strategies are effective online?
  - How should online and offline channels be combined? Do online channels 'cannibalize' offline channels?
  - To what extent does the Internet affect international marketing and diffusion processes?
  - How does the Internet fit into everyday life? How has it changed everyday life?
  - How will Internet marketing evolve into marketing using a range of converging digital media (broadband, mobile, interactive television)?
- We would expect to see explicit use of existing theory to address these questions – theory not only from marketing but also from economics, psychology and anthropology.

### V. CONCLUSION AND FUTURE SCOPE

The digital/social media consumer behavior literature is fast-growing and largely focuses on phenomena that are practically relevant and

theoretically interesting. Researchers have mostly considered how consumers use information (e.g., online WOM, reviews) available to them in digital/social media environments. Future research should continue this approach, although in a more expanded fashion. Consumers' behaviors other than those related to online WOM/reviews should be considered, and other types of information found (and inferences made) in online environments should be considered. For example, it would be interesting to consider the complex interplay between transmitter, receiver, linguistic/content, and context factors when it comes to antecedents and consequences of online WOM.

In conclusion, there has been much recent activity in the consumer behavior/psychology literature related to digital and social media marketing, and many important contributions to knowledge have been made. To move this literature forward, particularly given the fast-moving nature of digital settings, research that attempts to broaden our understandings of key phenomena, examines brand-new phenomena, and develops theories in an area that lacks an established theoretical base will be most valuable.

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