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## DIGITAL MARKETING: 21ST CENTURY CHALLENGES AND OPPORTUNITIES

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### Abstract :

Digital marketing is a non-conventional virtual platform basically on internet for promoting Products,Services,Connecting customers,Identifying and understanding needs of user using digital technologies and devices. It is one of most effective and prominent strategy to promote business online for brand awareness and business development. Digital media has become so wide spread that anybody can access information anytime anywhere. This gives marketers more ways to promote products and services through blogs, websites and social media channels. Marketers can also see what is trending through various tools available, what is the unique selling point of a product and why and when people search for a product or service for better targeting. This paper covers opportunities and challenges of digital marketing in 21<sup>st</sup> century

**Keywords:** Opportunities,Challenges,Digital Marketing, Online,

### Introduction

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.

Nikon photo Gateway helps consumers share their digital photos with friends online. Titans brand Raga uses email newsletters to keep in touch with customers and hence tries to strengthen customer brand loyalty. Magazine publishers can activate and drive their customers into Internet with e-mails and SMS messages to improve re-subscription rate for Example Film fare Magazines. Marketers increasingly bring brands closer to consumers' everyday life. The

changing role of customers as co-producers of value is becoming increasingly important (Pralhad 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 Hoge (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, electronic media has become the dominant marketing force. McDonald's uses online channel to reinforce brand messages and relationships. They have built online communities for children, such as the Happy Meal website with educative and entertaining games to keep customers always close to themselves (Rowley 2004). Reinartz and Kumar (2003) found that the number of mailing efforts by the company is positively linked with company profitability over time. The primary advantages of social media marketing is reducing costs and enhancing the reach. The cost of a social media platform is typically lower than other marketing platforms such as face-to-face sales or sales with a help of middlemen or distributors. In addition, social media marketing allows firms to reach customers that may not be accessible due to temporal and locational limitations of existing distribution channels. Generally, main advantage of social media is that it can enable companies to increase reach and reduce costs (Watson et al. 2002; Sheth& Sharma 2005).

According to Chaffey (2011), social media marketing involves “encouraging customer communications on company's own website or through its social presence”. Social media marketing is one important technique in digital marketing as companies can use social media form to distribute their messages to their target audience without paying for the publishers or distributor that is characteristic for traditional marketing.

Digital marketing, electronic marketing, e-marketing and Internet marketing are all similar terms which, simply put, refer to “marketing online whether via websites, online ads, opt-in emails, interactive kiosks, interactive TV or mobiles” (Chaffey & Smith, 2008). Giese and Gote (2000) finds that

customer information satisfaction (CIS) for digital marketing can be conceptualized as a sum of affective response of varying intensity that follows consumption and is stimulated by focal aspects of sales activities, information systems (websites), digital products/services, customer support, after-sales service and company culture. Waghmare (2012) pointed out that many countries in Asia are taking advantage of e-commerce through opening up, which is essential for promoting competition and diffusion of Internet technologies. Zia and Manish (2012) found that currently, shoppers in metropolitan India are being driven by e-commerce.

These consumers are booking travels, buying consumer electronics and books online. Although spending per online buyer remains low, some 60% of online consumers in metropolitan India already make purchases online at least once in a month. Dave Chaffey (2002) defines e-marketing as “application of digital technologies - online channels (web, e-mail, databases, plus mobile/wireless & digital TV)

to contribute to marketing activities aimed at achieving profit acquisition and customers retention (within a multi-channel buying process and customer lifecycle) by improving customer knowledge (of their profiles, behavior, value and loyalty drivers) and further delivering integrated communications and online services that match customers’ individual needs. Chaffey's definition reflects the relationship marketing concept; it emphasizes that it should not be technology that drives e-marketing, but the business model.

All types of social media provide an opportunity to present company itself or its products to dynamic communities and individuals that may show interest (Roberts & Kraynak, 2008). According to Gurau (2008), online marketing environment raises a series of opportunities and also challenges for social media marketing practitioners.

The main objective of this paper is to identify the Overall Impact of digital marketing in today’s Digital competitive market where everything is setting up Digitally active. The supportive objectives are following:

1. To show the various elements of digital marketing;
2. To focus on the basic comparison between traditional and digital marketing;

3. To discuss the effects of various forms of digital marketing on the firm's sales and other activities;
4. To show the various advantages of digital marketing to the customers

### **Theoretical and conceptual framework**

#### **Traditional Marketing vs Digital Marketing**

Traditional marketing is the most Common and recognizable form of marketing. Traditional marketing is non-digital way used to promote the product or services of business entity. On the other hand, digital marketing is the marketing of products or services using digital channels to reach consumers. Advertising mediums that might be used as part of digital marketing strategy of a business could include promotional efforts made via Internet, social media, mobile phones, electronic billboards, as well as via digital television and radio channels.

Digital marketing is a sub branch of traditional marketing and uses modern digital hannels for the placement of products e.g. downloadable music, primarily for communicating with stakeholders e.g. customers and investors about brand, products and business progress.(2016).NachiketS.Sangvikar (2016)

#### **Various elements of digital marketing.**

There are various elements by which digital marketing is formed. All forms operate through electronic devices. The most important elements of digital marketing are given below:

##### **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.

##### **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.

### **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.

### **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.

### **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.

### **Search Engine Optimization**

Search engine optimization 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. Search engine optimization may target different kinds of search including image search, local search, video search, academic search, news search and industry-specific vertical search engines.

**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.

**Opportunities And Challenges Of Digital Marketing****Opportunities of Digital Marketing:**

Digital marketing has the following opportunities -

**Easy Brand Promotion**

With the development of new technologies and use of internet in business, the brands may take a great advantage of customer’s reach and communicate its clients successfully.

**Cost Effective Channel**

Using the internet, Digital Marketing is found cost-effective and cheaper source of advertising as compared to traditional marketing channels like T.V, Radio, Magazines, Newspapers, and Banners etc. Digital marketing allows marketers to set their advertising campaigns subject to availability of their budget. Mostly, the websites and business profiles (displaying ads and information about products or services) generate huge traffic for free. Social media, with its numerous benefits has played a vital role in promoting digital marketing activities.

Social Media Marketing platforms such as Facebook, Twitter, Google+, LinkedIn, WhatsApp, Blogs, Yelp, Instagram, and YouTube etc. also provide a huge traffic source.

**Consumer’s Convenience to Shop Online**

Due to more popularity and capabilities of digital marketing, customers have become more convenient to shop online at any time (24/7 basis) whether the shops are over or across the borders. Digital Marketing has opened-up an opportunity for companies and retailers to direct its customers to an outlet of the online store.

### **Accountability of Marketing Activity**

Digital Marketing enables the companies to measure their marketing activities such as digital marketing is working or not, the amount of activity, and the conversation that is involved. Digital marketing also helps marketers to evaluate and audit their online contents for quality purposes.

### **Easy Consumer Reach**

Digital Marketing is an effective way of communication for companies to target a large number of potential consumers at the same time. Using the internet channel for marketing is a quick approach to target a number of potential consumers and prospects at same time all over the world. Social Media Marketing has also revolutionized these marketing activities on different social media platforms such as Facebook, Twitter, LinkedIn, Pinterest etc.

### **Direct Advertising**

Digital Marketing enables direct advertising and creates awareness about a product or a brand. Now the companies can easily show their advertisements for products and services on different digital channels. But a good online advertising strategy and promotional tools can help digital marketers to perform well in highly competitive marketing environment.

### **Perpetually Displaying Ads**

Digital Marketing makes advertisements more accessible to target customers at any time or any place. There is no time and place limitation for the prospects to visit any website and view ads. The perpetually displayed ads attract the prospects to get in touch with you and find the products and services of their need. But these ads should be managed efficiently to display on a webpage. See the four-step process to display Ads on a webpage as well.

### **Challenges of Digital Marketing:**

**The digital marketing has the following challenges -**

#### **Risk of Hacking Strategies**

The risk of hacking promotion strategies of a company always rests on digital channels (internet) that is one of the drawbacks of digital marketing. The hackers or competitors can easily track and copy the valuable promotional strategies of a well- renowned company and can utilize for their purposes.



**Anti-Brand Activities (Doppelganger)**

Another drawback of digital marketing is that even a person or group of persons can harm the image of a recognized brand through 'Doppelganger'. Anti-brand activists, bloggers, and opinion leaders spread the term 'Doppelganger' to disapprove the image of a certain brand.

**Advertisement for Limited Products**

Another practical drawback of Digital Marketing is that it is only beneficial for consumer goods. The industrial goods and pharmaceutical products cannot be marketed through digital channels. The aforementioned information may help digital marketers to understand the strengths and weaknesses of Digital Marketing. To learn more about digital marketing, visit the links under related posts.

**Limitation of Internet Access**

The Digital marketing is closely reliant on internet. In some areas, internet facility may not be accessible to the consumers or with poor internet connections. The Digital Marketing can be unsuccessful in those areas having no or limited internet accessibility.

**Limited Consumer Link and Conversation**

As digital marketing is highly dependent on internet, so the marketers may find it hard to make their advertisements more comprehensive and start a conversation with their consumers about the company brand image or products.

**High Competition of Brands**

Digital Marketing has a drawback when a customer searches for a specific product of a specific company on internet, many competing goods, and services having same marketing strategies appear on the customer's home page. This conflicts the customers and provides an alternative option to choose cheaper and better quality product of another company.

As a result, some customers lack the trust on a lot of advertisements that appear on a website or social media and consider it as fraud and look like a dishonest brand.

**Conclusion:**

This study reveals that digital marketing have the potential to reach customers in a speedy and low cost – manner and can provide promotion to a wide range of products and services. The development of digital marketing and social media advertising has led to many business opportunities in 21<sup>st</sup> century despite globalization speed and the extent of opportunities that can be gained from digital marketing. It is filled with many challenges that can put you off track.

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