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Effectiveness of digital marketing over traditional marketing in current scenario

Abstract

Marketers are facing with new challenges and opportunities within this digital age. With greater usage of internet, social media, mobile apps, and other digital communication, technologies have become part of billions of people's daily lives. A clear picture depicts that people are exposing themselves to more and more digital and social media. This is for many reasons, as in their roles as consumers they search for information about products, purchase and consume them, and communicate with others about their experiences. Marketers have responded to this fundamental shift by increasing their use of digital marketing channels. In fact, by the end of 2017 approximately one-third of global advertising spending is forecast to be in digital channels. Thus, future consumer marketing will largely be carried out in digital settings, particularly social media and mobile. The main objective of digital marketing is attracting customers and allowing them to interact with the brand through digital media. It is therefore necessary for marketers to examine and understand consumer behavior in digital environments. This article focuses on the importance of digital marketing for both marketers and consumers and its effects on the firms' sales. The differences between traditional marketing and digital marketing, various elements of digital marketing, effectiveness of it and the impact it has on firm's sales have also been discussed.

Keywords: Digital marketing, social media, promotion, effectiveness, Customer Reach

Introduction

Digital marketing is an umbrella term for all integrated marketing efforts to attract, engage and convert customers online. Digital marketing utilizes multiple channels such as content marketing, influencer marketing, SEO, social media, online advertising, email marketing to help brands connect with customers and uncover performance of marketing programs in real-time.

It also extends to non-Internet channels that provide digital media, such as short messaging service (SMS), multimedia messaging service (MMS), callback and on-hold mobile ring tones,

books, optical discs and games. Digital marketing is an agile framework that integrates three basic elements that might be more internally focused: people, process and technology.

Developing a successful digital marketing strategy is as simple as:

1. Identifying your target audience.
2. Developing your business goals.
3. Formulating and implementing a strategy for meeting those goals.
4. Monitoring your chosen strategy.

Digital is now the first touch point for the consumer and a channel where the consumer has greater control over what they see, when they see it, how they see it and perceive it in a world where the intended target has limitless choices. So it's up to digital marketers to understand the customer journey, customer expectations and desired outcomes from a myriad of scenarios.

Differences between traditional marketing and digital marketing

1. Cost effectiveness - When marketing of a product is done through the means of traditional marketing techniques like paper ads, radio, billboard, or television, all of them require a business to spend a huge amount of expenses to reach their potential customers. Alternatively, digital marketing can make you reach your target customers in a very cost-efficient way. Moreover, the digital marketing strategies give you an opportunity to use some of the virtually free strategies as well.

2. Coverage of a product - The coverage of the product, in the case of traditional marketing, is used on the platforms like radio, television, or paper. Well, this kind of platforms will not provide enough exposure as this kind of traditional platforms will highlight product for a very short period of time. However, choosing online platforms for the coverage of your product will allow the user to find your product whenever required. It will always be available on the Internet, and people can get to know about it whenever they need it.

3. Real time results and consuming of time: We don't have to wait weeks for a boost to our business in digital marketing like we would have to wait for a fax or form to be returned in traditional marketing. We can see the numbers of visitors to your site and its subscribers increase, peak trading times, conversion rates and much more at the touch of a button.

4. 24/7 year-round exposure - This is not possible in traditional marketing whereas 24/7 year-round exposure is possible in digital marketing.

5. Occurrences of responses - Responses can only occur during working hours in traditional marketing whereas responses or feedback can occur anytime in digital marketing.

6. **Customer reach** - Limited reach to the customer due to limited number of customer technologies whereas wider reach to the customer is possible of the use of various customers technologies.

7. **Advertising campaigns** - Advertising campaigns are planned over a long period of time in traditional marketing whereas in digital marketing it is planned over a short period of time.

8.. **Conversation** – There is only one way conversation in traditional marketing but two way conversations is possible in digital marketing.

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:

1. An Engaging, Responsive Website

With more and more people interacting with brands via their smart phones and tablets, it's necessary to ensure you're delivering a consistent and responsive experience across all devices. It should be just as easy for a user to engage with or complete an action on your website, content and social media with their phones as it is their laptop. And we haven't even mentioned wearable devices yet, but there's going to be 116 million of these little gadgets shipped around the world by the end of 2017, so that might be important.

2. 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 and provides the content and ads that best matches to consumer interests. Advertisers should place more effective and relevant ads online so that it has full control over its budget and time.

3. 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. Email 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.

4. 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. Social media marketing networks include Face book, Twitter, LinkedIn and Google+. Through Face book, company can promote events concerning product and services, run promotions that comply with the Face book guidelines and explore new opportunities. Through Twitter, company can increase the awareness and visibility of their brand. 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 not only simple social media network but also it is an authorship tool that links web-content directly with its owner.

5. 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). 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.

6. 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. So, introducing one's offer through "trusted" people, company can grab the attention of prospects which might not have otherwise reached.

7. 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 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.

8. 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.

9. Web Analytics

Web analytics is used, to measure digital marketing effectiveness and record online customer behavior. By using analytics we gain a better understanding of our target audience. This deeper analysis allows managers to better understand variations in message performance based on time of day, day of week, audience, and engagement metrics.

10. Content Marketing

A website is nothing without great content to support it. Once customers reach your website the content that they see has to be engaging enough to keep them interested and stay on your site long enough to convert. A good content calendar will help streamline this process.

The effectiveness of digital marketing

With digital marketing, you can see the exact number of people who have viewed your website’s homepage in real time by using digital analytics software like Hub Spot. You can also see how many pages they visited, what device they were using, and where they came from, amongst other digital analytics data.

This intelligence helps you to prioritize which marketing channels to spend more or less time on; based on the number of people those channels are driving to your website. For example, if only 10% of your traffic is coming from organic search, you know that you probably need to spend some time on SEO to increase that percentage.

Digital marketing is the most widely used marketing aid in the current era as it is considered to be more effective than any other tool. This is true to the core as there is a considerable shift in the preferences of the common man. The facts through which the effectiveness of digital marketing can be discussed are-

- Through digital marketing customers can do comparative analysis of the prices and benefits of all the products available in the market by offering them a platform to review all the aspects associated with a product.

- In this challenging era the information available online is widely accepted by the customers in comparison to the physically available information.
- The coverage of digital marketing is much more than that of the physical media as the internet is now the new tool of every type of communication.
- We can't let our favorite show forgo to watch an advertisement of a company selling some random product but with digital marketing while surfing the internet it is always very easy to restart what we left from the same point. Any advertisement pop up window attracts us as soon as it flashes on the screen.
- One of the main benefits of conducting your marketing digitally is the ease with which results can be tracked and monitored. Rather than conducting expensive customer research, you can quickly view customer response rates and measure the success of your marketing campaign in real-time, enabling you to plan more effectively for the next one.
- Digital marketing helps in building positive reputation of brand and long lasting relationship with customers.

Apart from all these things the rising technology regime has given birth to many career opportunities to the aspiring youth. Digital marketing has made our lives simpler and offered us everything right in front of us virtually. Companies have got a very effective tool to market their product and services directly to the customers and track the change in the consumer behavior.

It has enabled the companies to assess all the attributes of the customers and let them make their best strategic move. Digital marketing holds a significant role for both customers as well as for the companies selling their products and services. So whether you are an individual looking for an opportunity to make your career or a company expanding their business digital market is one vital element for you.

Conclusions

Digital channel in marketing has become essential part of strategy of many companies. Nowadays, even for small business owner there is a very cheap and efficient way to market his/her products or services. Digital marketing has no boundaries.

Marketers can now be in touch with their customers on a more frequent basis and increase the level of personalization and interactivity with low or non excessive cost. The digital-advertising industry will continue to evolve, becoming increasingly ROI driven. As advertisers focus more on measurable goals for both brand building and direct response, improved efficiency will soon become a basic competitive requirement. Sustained competitive advantage will only come from

more comprehensive efforts for adapting processes and structures linked with new technologies and to focus on campaign performance, enhanced optimization, and deeper insight.

Firms can make use of creative programming to provide interactive media as well as content deemed valuable to customers. Besides having informative and useful content, having transaction capabilities such as shopping carts and online ordering forms can also engage customers' attention by facilitating sales and enquiries.

Digital marketing may succeed more if it considers user needs as a top priority. Just like "Rome was not built in a day," so, digital marketing results won't also come without attempt, without trial and error. The watchwords "test, learn and evolve" should be at the heart of all digital marketing initiatives. Companies should create innovative customer experiences and specific strategies for media to identify the best path for driving up digital marketing performance.

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