

Emerging use of Digital Marketing and its types in Companies

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Abstract - Digital marketing is referred to as promoting the products or services of a company using digital platforms. Due to its cost effective and easy to use feature, digital marketing is implemented by many businesses as their marketing strategy. There are various digital marketing types such as website marketing, social media marketing, affiliate marketing, etc. which are used to promote the company and its product or service. Digital marketing and its emerging trends are turning out to be as a successful marketing strategy for many. Not only small-scale businesses but also large-scale businesses are benefitted by the use of digital marketing trends globally. Nowadays, a large number of people shop using only digital channels and this has resulted in more customer engagement online. There are many global as well as Indian brands who have successfully adopted the strategy of digital marketing and have attracted new customers through digital platforms. The purpose of this paper is to study the emerging use of digital marketing trends in companies for promotion of products and services. This paper offers views on the digital marketing, its types and the application of it both globally renowned and Indian companies in today's time.

Key Words: Digital Marketing, Social Media Marketing, Digital Technology, Website Marketing, Email Marketing, Marketing Trends, Affiliate Marketing, Influencer Marketing.

1.INTRODUCTION

Nowadays, people tremendously use digital technologies as part and parcel of daily work requirements. Over the years, many business organizations whether small or large scale have increased the use of digital technologies for different business operations and provide a user-oriented experience for effective results. Digital Marketing was initiated in the year 1990, when a whole bunch of businesses started using large computers that stored huge amount of data. Database marketing an online technique adopted by several companies back then which resulted in efficient tracking of customer's information and increasing the buyer, seller relationships. The popularity of personal computers boosted the demand for online marketing. It became easy for customers to view advertisements and promotions of brands with the help of personal computers anytime and anywhere. In the 2000s and 2010s, digital marketing grew rapidly with increasing worldliness and the rise of devices that could access digital media anywhere. The use of digital marketing activities has prevailed even more after the COVID 19

pandemic. In present scenario, marketing is done using digital technologies. Thus, the term 'Digital Marketing' refers to promotion and advertisement of product and services through a digital platform where customers engage virtually. According to a survey conducted in the US in 2018, around 90% of consumers had done online research for the products or brand they intended to purchase before visiting the shop. According to a study, 75% or more adults living in America use their mobile phones for shopping. Therefore, in order to grow, businesses must use digital marketing strategies effectively.

1.1 Advantages of Digital Marketing:

- 1. Global Reach-** Digital marketing has a wide scope as compared to traditional marketing. More people are using internet which is increasing the reach of digital marketing globally. Even if someone is a small local sole proprietor, an online store can help them reach people around the world. With traditional marketing this is impossible and too costly. This increased access to the Internet has created a variety of opportunities for business growth. Any company can benefit from the combination of global reach and presence.
- 2. Lower Cost-** Whether the brand wants to advertise its business nationally or globally, digital marketing can be a cost-effective opportunity. This helps smaller companies to compete with larger companies using highly focused strategies. First, none of these strategies are costly (SEO, social media, content marketing, etc.).
- 3. Brand Development-** Building a brand image for your product or service through marketing and being perceived as a reputable and trustworthy name is very important. Through direct mail and customized tactics, digital marketing can help build your brand. This strategy allows for better contact with consumers and a sense of the brand's unique selling points and value. As a result, customers are more likely to prefer the brand.
- 4. Trackable Results-** Companies can easily measure the result and track the effectiveness of marketing strategies by using analytics tools and online metrics. It gives the information brand needs about

the level of customer retention and response to company's website and advertising.

1.2 Disadvantages of Digital Marketing:

- 1. Security and Privacy Issues-** In today's time of digital age security is the most crucial need for any brand. Therefore, digital marketers should take the protection of their website seriously. It's generally recommended to secure the network connection with an encryption solution such as a firewall or VPN. A good basic plan is to use good antivirus software. Legal considerations for obtaining customer information for digital marketing campaigns require completing all proper steps. Customer's information or data can be at risk in the event of a data breach, so it must be secured above all else.
- 2. Complaints and feedback-** Conserving the company's reputation by responding to negative feedback can be difficult. Distributed to targeted audiences through social networking sites and other reviewing channels, digital platforms allow anyone to comment and critique products and services. Without excellent customer service and a good foundation built on brand loyalty, every bad review can hurt some customers.
- 3. Skill Requirement-** Successful marketing activities require collecting the appropriate knowledge and experience on a digital platform. Technology advances on a regular basis, so it's important to keep our tools, platforms, and technique up to date so that we can respond rapidly to alterations.
- 4. Wider reach leads to bigger competition-** The broader audiences companies gain on a global scale translates into greater competition and greater freedom for customers around the world to submit feedback and complaints. Massive and pervasive online accessibility increases the likelihood that complaints and negative reviews will be accessible or visible to targeted consumers. This negatively impacts brand reputation and business growth.

2. Digital Marketing Types:

Businesses use these powerful trends of digital marketing to become successful.

- 1. Email Marketing-** It is generally referred to the oldest and cost-effective type of digital marketing strategy. This type of marketing deals with sending email messages to potential customers. Many companies send emails to customer's Gmail account

updating about orders and products. Email marketing is one of the most cost-effective and profitable method of marketing that provides a fruitful return on investment. There are over 4 billion users of email and 90% of them check their email at least once a day. It is important and very much useful to small businesses since it is cost-effective. Potential customers refer to people who may be interested in buying the product of a particular brand in future. Email marketing creates one to one communication with customers by sending promotional, re-engagement and informational email. The promotional email contains brand awareness, launch of new products, offers, etc. While, informational email includes order updates and details about orders. On the other hand, re-engagement emails links with customers who have not been active. Hence, email marketing has definitely helped companies in boosting sales. With the use of email marketing, around 77% of marketers have seen an increase in past 12 months.

- 2. Website Marketing-** A good website can easily help a company in developing a large pool of customers who may be interested in the brand. Website being an element of digital marketing visually represents a brand's product or service. Websites are easy to create and are uncomplicated platforms. Successful website marketing has a large number of visitors on the website on a regular basis. A good website has useful content, history of the brand, case study, online stores and social media handles. Websites are quick and easy to use since they are user friendly. Website marketing can be a success if there are large amount visitors on the website on a regular basis.
- 3. Social Media Marketing-** With the advent of mobile phones and social media platforms, there is a surge in number of users using social media. Social media marketing helps both small- and large-scale businesses to promote their product or services on various social media platform. Companies can identify their target audience since people with common interests form communities on social media platform. Apart from being cost effective and easy to use, social media has great advantage when it comes to reviewing positive or negative comments and feedbacks written by customers about the company. A company can very well understand the taste and preferences of customers by viewing the comments posted by them on various social media platforms. YouTube ads, Instagram posts, hashtags and tweets, professional LinkedIn profile and Facebook are all a method of social media marketing. Social media users have increased to around 4.9 billion and is expected to reach 5.85 billion by 2027. With 2.9 million monthly active

users, Facebook is the most used social media platform globally.

4. **Affiliate Marketing-** This is a digital marketing strategy which involves third party for promotion of products and generation of leads. In this, the third party first purchases the product of a particular brand, uses it and then promotes it to other people. The affiliate uses different methods of promotion such as text ads, banner ads, website and email marketing. As he makes the profit on each sale he receives the shares. Therefore, it is significantly used in increasing online revenue, generating leads and driving sales.
5. **Influencer Marketing-** An influencer being a public figure already has a loyal audience on social media and is popular among people. This is a type of digital marketing which deals in collaborating with celebrities, popular public figures or vloggers to promote the brand. It is an effective way of creating brand awareness and generating leads. It creates brand awareness especially in the case of B2B (Business to Business) when two businesses jointly collaborate for some special cause. Influencers helps to promote or advertise a newly launched product or service.
6. **SMS Marketing-** Another type of digital marketing strategy which is very useful for companies to send informational or promotional text messages. Companies can use this strategy for customers who do not use social media or internet services and can get text messages. It is great for markets that are emerging and has high engagement rates. The text messages generally inform about appointments, reminders, events or news. It commonly used by travel companies, businesses, large organizations etc. For best user experience companies must add their organizations name, call number and message at the appropriate timing to the customer.

2.1 Companies using Digital Marketing Strategy:

Nowadays, companies use digital marketing strategy not only to attract new customers but also drive sales.

- i. **Flipkart** – An Indian e-commerce brand established in 2007. It has huge number of products ranging from grocery, apparels and household items. Flipkart's target audience include people from all age groups. Flipkart's digital marketing strategy consists of email marketing, it sends creative, informative emails and promotional emails relating to offers and discounts to most of its customers on a regular basis. There are more email users than social media which makes it easier for Flipkart to send

emails and also, it's a cost-effective strategy. Flipkart has engaged with its target audience over the years by sending emails that have solved issues of customers as well as paved the way for more customer engagement. Flipkart uses email marketing to provide updates, offers, delivery and shipment of products as well as customer care services for hassle free shopping experience of targeted customers.

- ii. **Nike** - World's biggest sportswear brand that has over billions of customers around the globe. Everyday thousands of customers visit the website and more than half of them purchase the product. Nike already has huge customer base and followers since years, it only focusses on certain marketing strategy to attract customers for new launches product. Nike's website marketing is one of the strongest strategies. Nike has made its website user friendly with proper colors, brand's design and logo standards for website's backend. Nike has apt website marketing strategy that reflects its products and makes the customer buy the product. Nike's website includes quick links, navigation bar for better user experience. There are also creative ads and visuals which attracts users to the website and helps in increasing the website traffic. Personalized suggestions on Nike's website helps customers to purchase according to their tastes and preferences. Nike also promotes its products and services through Facebook and Google ads, and collaborate for sponsorships.
- iii. **Zomato**- An Indian food delivery app. Founded in 2008, it has successfully grown and served over billions of customers. Zomato's target audience range between adults from 18 years to 35 years. Zomato's audience includes over 90% of smartphone users who order food from Zomato's app. Zomato interacts with its audience by posting contents on trendy or current affairs related topics around the world. In 2016 Olympics, Zomato shared a photo of coffee cup stains that formed six circle rings similar to Olympics logo and insisted if coffee drinking was a sport, they would gain gold medals. Another example is of a game that was a hot topic few years' back PokemonGo, the brand also posted content related to it. Zomato also posts content relating to popular themes that would attract the audience. For example, it made comparisons on how people eat pizzas, order food and memes. Zomato also uses paid Google ads and display ads for promotion on websites to target audience. Zomato has conducted many campaigns like #zomatoloot which invited users to engage themselves in creating ads for Zomato and the winner would receive 25 lakhs, this campaign increased the

website visit of Zomato. Other campaigns of Zomato include Zomato premier league to support the favorite cricket team and win special discounts, the other one Zomato gold membership offered special subscription to users on monthly basis.

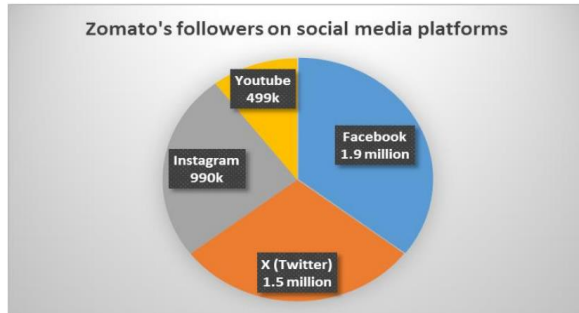


Fig-1: Followers of Zomato on different social media platforms

iv. **Amazon-** The most successful e-commerce brand amazon uses affiliate marketing strategy. Amazon's target audience include a wide range of age groups from children to adults and elderly people. It also includes households, hotels, offices etc. In order to satisfy and fulfill the customer's demand, Amazon's Associates is one of the world's largest affiliate marketing programs initiated by Amazon. Affiliates or partners who have joined this marketing campaign include creators, youtubers, influencers, bloggers etc. These affiliates promote the products and services of Amazon on their websites, social media handles and in return receives compensation from the brand. This marketing plan is ideal for bloggers and influencers who already have huge followers on social media and websites. There are some strict rules for Amazon's affiliate marketing, firstly, the website should be active and share content related to Amazon, secondly, the website must not share content from another brand or creator. Interested people can sign up for the program for free and can get commission if buyers click on the link. Since there are 120 million products on amazon, it is easy for the affiliates to select and promote the product of their choice. Amazon is a well-known and trusted brand in the world and this makes visitors on the website to click on the link confidently. There is 24-hour profitability because people would like to know more about amazon and its products.

v. **Mamaearth-** An Indian cosmetic brand founded in 2016. It sells products that are organic and chemical free. There are over 1.5 million customers of the brand and around 500 cities where the products are delivered worldwide. It has collaborated with

mothers who are bloggers and also with other popular influencers which have made the brand look appealing. Mamaearth collaborated with 500 mother bloggers from all over the nation to increase brand awareness. Mamaearth makes full use of digital marketing media. Mamaearth's digital plan leverages digital mediums to reach a wider audience, create an attractive brand image, understand what consumers want, and maintain customer relationships is focused on. Mamaearth worked with many lifestyle and beauty influencers who shared their experiences with Mamaearth products on their social media channels. This increased creating brand awareness and allowed the brand to attract more audience. Influencers also promote Mamaearth's mission to plant a tree with every purchase of its product. Apart from influencers, publishers and bloggers, Mamaearth has also collaborated with celebrities for brand endorsement and advertisements. This has made the brand grow at a higher rate and increase return on investment. Mamaearth has many campaigns such as 'Plant Goodness' to plant trees on every purchase, 'Plastic Positivity' to recycle plastic items. Other fitness campaigns in collaboration with celebrities and influencer, bloggers. Another campaign of mamaearth #BeautifulInDeed which promotes being beautiful from inside.

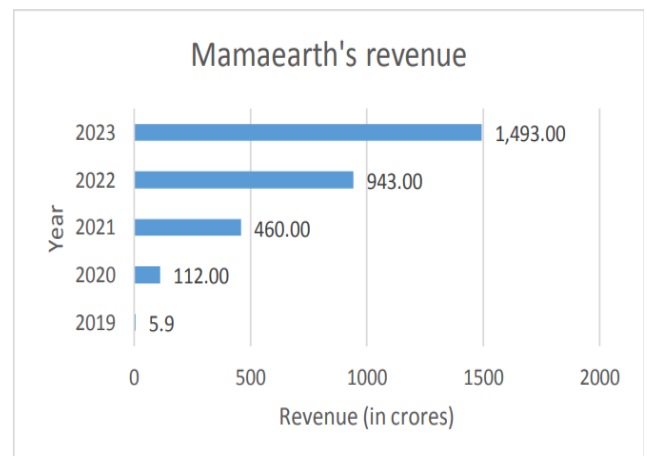


Chart -1: Increase in the revenue of Mamaearth from FY2019 to FY2023

vi. **Dominos-** It is an American pizza restaurant brand with over thousands of branches all over the world. SMS marketing strategy is used by Dominos to update its customers about the products and services time to time. Domino's Pizza has masterfully planned SMS marketing. It schedules appointments to save time and improve its marketing plans. Dominos works according to its customers and thus, sends messages especially on

weekends such as Friday's and Saturday's. Hence, messaging at the right time makes Dominos influence its target audience and they tend to read the messages and visits the store. Dominos uses persuasive languages in its messages so that customers get influenced and purchase its products. This method increases customer engagement and return on investment. Dominos takes the advantage of different weather conditions to advertise its products such as 'Winter Deals' and refreshing summer drinks. During big events like cricket match, football match, festival offers and Valentine's Day, Dominos sends messages highlighting special offers and discounts on these occasions. Many campaigns with different offers and discounts were initiated by Dominos, one of them is #nationalfriendshipday, #pizzaday etc. These campaigns attracted a huge number of people and increased the sales This one marketing strategy of Dominos has made it a huge brand and it continuously growing.

3. CONCLUSIONS

Digital marketing and its types have truly transformed the marketing activities for a great number of brands all around the globe. Whether the company is small scale or large scale, it needs great marketing strategy to implement and promote the company. Many of the brands rely totally on various digital marketing types for their growth and success. Since the usage of social media has tremendously increased among people, this has become a great tool of marketing for companies and have experienced positive results in terms of sales and revenue. Reports show that digital marketing will grow more as a field of study in the future.

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