UNIT 14 DIGITAL MARKETING

Objectives

After reading this unit, you should be able to:

- ... understand what is Digital Marketing
- ... appreciate the growing importance of Digital Marketing
- ... discuss the difference between Traditional Marketing and Digital Marketing
- ... describe different types of Digital marketing
- ... recognize the importance of Digital Marketing for business success
- ... identify the future trends in Digital Marketing
- ... put together a Digital Marketing plan successfully

Structure

- 14.1 Introduction to Digital Marketing
- 14.2 Internet and Digital Marketing
- 14.3 Definition of Digital Marketing
- 14.4 History and Evolution of Digital Marketing
- 14.5 Difference between the Traditional and Digital Marketing
- 14.6 Pull and Push Approaches to Digital Marketing
- 14.7 Importance of Digital Marketing
- 14.8 Types of Online Presence
- 14.9 Different types of Digital Marketing
- 14.10 Future and Growth of Digital Marketing
- 14.11 Summary

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14.1 INTRODUCTION TO DIGITAL MARKETING

Dear Students, in this section, we will be learning about Digital Marketing, its importance and its contribution to Marketing.

Before the development of technology, marketing and purchasing was done by the people using old traditional method. Do you remember how in the past your grandparents and parents used to read the Newspapers or hear to an advertisements on Radio or Television and thus collect the information before visiting the shops physically to purchase the goods and services.

As the digital technology developed, more and more businesses started to use digital technologies which were well within their means for the sales and marketing of their goods and services. This usage of digital technology by businesses, led to goods and services being made available on 'online purchasing platforms' for the consumers. This development of digital technology, its implementation and its use by businesses in the area of marketing is called as Digital Marketing.

Digital Marketing has changed the people's viewpoint towards business, sales and marketing of goods and services.

The continuous development in technology and digital media is changing the world at a very fast rate. Digital technology has transformed business and human lives across the world. It has brought change in the manner we try to access the information. For example, the way we use the Computers, Mobiles and Google to search information. It has also changed the way we interact and communicate with our family members and friends, for example, by using Email, SMS, WhatsApp and Social Media.

Digital Marketing is a modern form of marketing. It uses internet, digital technologies, digital platforms and devises such as computers, laptops, mobiles, and tablets. It is used to promote,

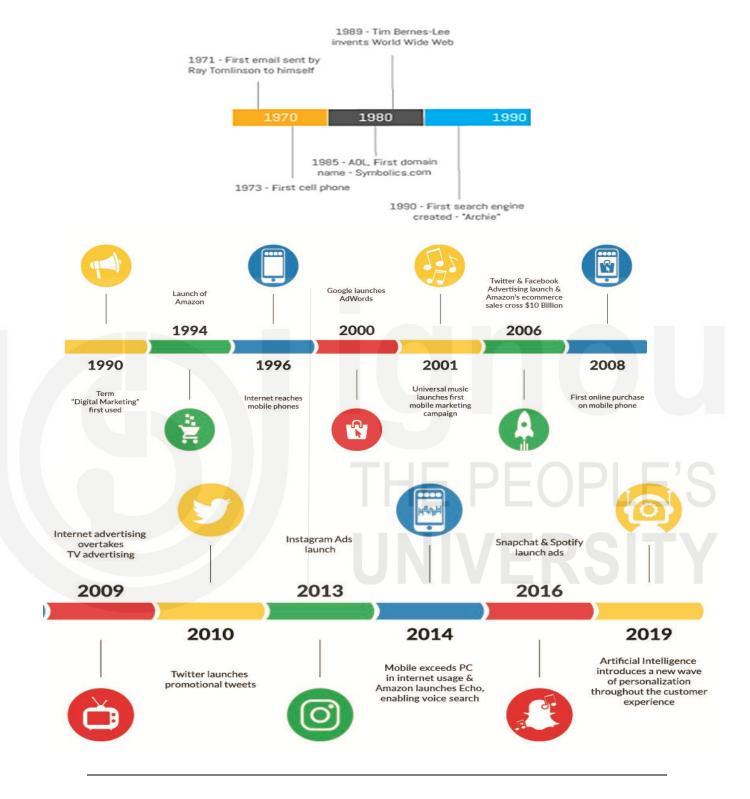
help and support –products, brands and services to the consumers. The progress in the area of Digital Marketing has changed the manner brands use technology for marketing.

The Digital Marketing makes use of the online channels and means, to help the businesses observe and study their marketing campaigns. The Digital Marketing gives 'real time' results, which helps the businesses to understand and explore its success and failure.

Digital technologies and digital platforms are fast growing. We see them increasing day by day in the marketing strategies and the everyday life of the consumers. Therefore, consumers today are now well aware of the digital devices such as computers, mobiles, tablets etc. For example, if a person wants to buy a good laptop, he/she can find and read all the information regarding its features, purchase and price. He/she can search for it online and purchase it on Amazon or Flipkart. He can also contact the available brands on their respective website or social media handles, instead of physically visiting the markets and shops for it.

The Digital Marketing campaigns have become well-known in the recent years. These campaigns use the following strategies namely, Search Engine Optimization (SEO), Pay-Per-Click, Search Engine Marketing (SEM), Influencer Marketing, Content Marketing, Content Automation, Campaign Marketing, Data-Driven Marketing, E-Mail, Social Media Marketing, E-Commerce Marketing, Direct Marketing and Social Media Optimization. We shall understand and discuss these strategies in detail in the later part of this chapter. Non-internet based channels for example - TV, Mobiles (MMS and SMS), cold calls, and on-hold mobile hello-tunes and ringtones are all a part of Digital Marketing.

The info graphic given below shows the timeline which would help us understand the evolution and development of Digital Marketing from 1970 to 2019.



14.2 INTERNET AND DIGITAL MARKETING

We have read so far, that the developments in Digital Marketing are dependent on the advances of the internet. The later 1960s saw the making of the first workable prototype funded by the Defense Department of the United States of the 'Advanced Research Projects Agency Network' (ARPANET). The ARPANET then made use of 'packet switching' (i.e. the transfer of small parts of data to many networks) to allow several computers to communicate on a single network.

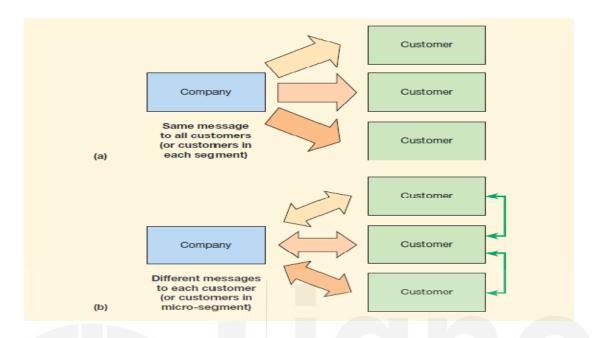
The continuous hard work, involvement and contribution of many scientists, helped in the development on the internet. The online world became recognizable in the 1990s, when computer scientist Tim Berners-Lee invented the World Wide Web (WWW).

The digital age started with the launch of the internet and the development of Web 1.0 platform. Therefore, the term 'Digital Marketing' was first used in the 1990s. Digital Marketing is also known as Online Marketing.

Digital Marketing helps the businesses to connect with their existing and their future customers by using electronic device or the internet. This is just in contrast to the Traditional Marketing which is often referred to as "one-way" communication. For example, in the Traditional type of marketing the customers could not interact with business through a billboard, TV or print advertisement.

Whereas, the Digital Marketing being a dynamic tool, offers scope for a two-way communication between the brands and its actual or future customers. For example, a customer in order to purchase a Fastrack wrist watch can visit the website and place the order for it. After the purchase he can post the pictures, reviews of the watch or can even complain on the social media handle of Fastrack. Thus the digital marketing through social media not only helps the customers to write and communicate with the brands but also helps customers to communicate, like, share and comment on each other's posts.

This type of communication pattern i.e. (a) one way communication - the traditional marketing method and (b) two way communication - the digital marketing method, is hereby shown graphically.



Source: Digital Marketing (6th Edition) by Dave Chaffey, Fiona Ellis-Chadwick, Publisher: Pearson.

14.3 DEFINITIONS OF DIGITAL MARKETING

Various marketers and authors have from time to time defined digital marketing according to their different viewpoints, for example:

- ... The *Institute of Direct and Digital Marketing (IDM)* has defined Digital Marketing as –'the management and execution of marketing using electronic media such as the web, e-mail, interactive TV and wireless media in conjunction with digital data about customers' characteristics and behaviour'. The IDM's definition highlights how digital marketing uses electronic devices and media, along with their customer behaviour data to form marketing strategies.
- ... In 2000, the 'Smarter Insights' (a publisher and an online learning platform), defined Digital Marketing as 'Achieving marketing objectives through applying digital technologies'. That is to say Smarter Insights stressed on the use of digital technologies by companies to help them realize their Marketing objectives.

- ... Kotler and Armstrong, well-known marketing gurus defined Digital Marketing in 2009 as 'A form of direct marketing which links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etcetera'. Kotler and Armstrong stated and explained that digital marketing directly connects the customers with the sellers, by using electronic devises for communication.
- ... In 2011 Bains et al. defined Digital Marketing as 'It facilitates many-to-many communications due to its high level of connectivity and is usually executed to promote products or services in a timely, relevant, personal and cost-effective manner'. This definition highlights the ability of digital marketing to connect, communicate and promote to multiple people in a personalized manner at a reasonable cost.
- ... Chaffey, 2012 defines Digital Marketing as 'The application of the Internet and related digital technologies in conjunction with traditional communications to achieve marketing objectives'. This definition emphasizes on the application of a combination of digital technologies and the existing traditional marketing methods to effectively succeed in business.
- ... The Chartered Institute of Marketing in 2015, defined Digital Marketing as 'the management process responsible for identifying, anticipating and satisfying customer requirements profitably'. The definition refers to Digital Marketing as a management process which successfully helps in satisfying the customers by identifying their expectations.
- Kingsnorth, 2016 defined Digital marketing as 'basically applying all marketing techniques to digital channels. Different sources can be used to promote services and products like SMS, search engines, email, websites, social media and mobile devices. The digital nature of this marketing method makes it a cost-effective means of promoting one's business'. The definition clearly emphasizes on Digital Marketing as a cost effective way of marketing a business with the help of websites, SMSs, emails, Social Media and Search Engine Marketing.

... The American Association of Marketing defines Digital marketing as – 'the use of digital or social channels to promote a brand or reach consumers. This kind of marketing can be executed on the internet, social media, search engines, mobile devices and other channels.'

The definition recognizes the use of internet, search engines, social media, mobiles and other digital channels to promote brands among the consumers.

Activity 1

Choose any one of the definitions mentioned	l above and explain it using an example:

14.4 HISTORY AND EVOLUTION OF DIGITAL MARKETING

This section will help us understand the advent, development and growth of Digital Marketing from time to time.

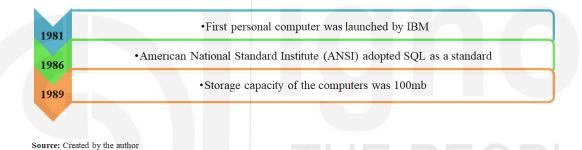
Digital Marketing in the 1980s

Digital Marketing can be traced back to the 1980s. IBM in 1981launched its first personal computer and by 1989 its storage capacity was increased to 100 MB. In 1980sthe organizations felt and realized the importance of maintaining relationships with customers. This realization saw the emergence of Digital Databases (A Digital Database is an extensive record regarding a specific subject). These Data bases changed the dynamics of the buyer-seller relationship. Thus the organizations too started maintaining a database of customers, prospects and commercial contacts. For example, Google books is one of the most popularly used digital library.

As a result of the above mentioned database formation and the importance of its use, around the 1986, the father of marketing automation - Robert Kestenbaum and Robert Shaw, together

created quite a lot of database-marketing models. These Database Marketing solutions contained several features that include - campaign management, contact strategy optimization, sales channel automation, marketing resource management and marketing analytics. This enabled the organizations to further track, gain information and store their customers like never before. For example, when you shop at Westside for the first time, the executive at the billing counter collects your phone number, date of birth, anniversary and place of residence to be added to their database. This information helps Westside to continuously track and connect with you by sending SMSs regarding birthday and anniversary greetings, sales, discounts, points earned information.

Given below is a simple figure to explain the Digital Marketing timeline in the 1980s.



Digital Marketing in the 1990s

During the 1990s, the Customer Relationship Management (CRM) tools grew into being extremely popular. CRM is defined as - a software which tracked all the business interactions between the current and future customers.

Sales Force Automation (SFA) was the first step towards CRM. SFA is a system which aims to improve the sales by automating various sales related processes. For example, automation of emails, newsletters, social media updates by brands, Chat bots, automatic email replies etc. The SFA also provided the organizations with the information regarding inventory levels and control, and interactions with the customers.

Google by 1998 became the most popular web-based search engine and played a pivotal role in optimizing Digital Marketing Campaigns and Search Marketing. During 1999 the internet supported the emerging eCRM vendors, thus, increasing their online data storage volume. This

development enabled companies to continuously update their information, leading to their enhanced customer experience.

Given below is a simple figure to explain the Digital Marketing timeline in the 1990s.

1990	The term Digital Marketing was first invented and used
1993	• Internet was first launched • The first clickable web-ad banner went live
1994	Some new technologies (First e-commerce transaction was done over the internet) Yahoo was launched (it received 1 million hits, within 1 year of launch)
1995	• The worldwide internet users reached 16 million
1996	The Americans were reported to spend an average time of 30 minutes online Search engines and tools like HotBot, LookSmart, and Alexa were launched
1997	•First social media site Sixdegrees.com was launched
1998	•41% of the users logged in to AOL.com regularly •Google was officially launched •Microsoft launched MSN, and Yahoo launched Yahoo web search

Source: Created by the author

Digital Marketing in Post Millennium

Post millennium witnessed huge development in the area of Digital Marketing. The 2000s saw the entry and launching of today's well-known star performers such as Facebook, LinkedIn, WhatsApp, Snapchat to name a few. These developments changed the manner in which the companies did businesses around the world. Realizing the potential of Digital Marketing many companies ventured into investing up to 60% of their funds in Digital Marketing.

Given below is a simple figure to explain the Digital Marketing timeline in the 2000s.

2000	*Internet bubble burst - all smaller search engines wiped out		
2002	*Internet users increased to 558 million *LinkedIn launched		
2003	*Launch of WordPress and MySpace		
2004	Google goes public Launch of Gmail and Facebook		
2005	*Launch of YouTube		
2006	Search engine traffic grew to 6.4 billion Twitter launched		
2007	*Iphone launched *Tumbir launched		
2008	Spotify launched		
2009	Google introduced products like AdWords and AdSense		
2010	•Whatsapp launched		
2011	*Launch of Google+ and Google Panda		
2012	•Year of Social Media. Companies increased SM budget to upto 64%		
2013	-Yahoo acquired Tumblr		
2014	*Facebook acquired WhatsApp		
2015	Snapchat launched its Discover feature		

Source: Created by the author

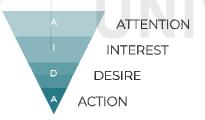
Therefore, it can be concluded that Digital Marketing has been exponentially growing and continuously providing large opportunities to connect both the users and the companies.

14.5 DIFFERENCES BETWEEN TRADITIONAL MARKETING AND DIGITAL MARKETING

Traditional Marketing: Traditional Marketing is an old technique of marketing used by brands and companies to market, promote and sell their products and services. It includes - promotions, advertisements – such as use of Flyers, Billboards, Print, Newspaper, Television and Radio advertisements, just to name a few for you. The Traditional Marketing revolves around the following four phases: Attention, Interest, Desire, and Action (AIDA). For example:

- ... Attention When you come across an improved and effective version of face mask or cloth sanitizer it grabs your attention.
- ... Interest Interest can be created by sharing more information about the face mask or cloth sanitizer through a video, a poster or a detailed description with people.
- ... Desire Desire for buying the face mask or the cloth sanitizer can be created by the seller bysharing their advantages and the benefits of using the new or the improved version of the face mask or the cloth sanitizer.
- ... Action –The purchasing of the face mask or the cloth sanitizer or adding these items to the shopping cart online is the final action.

The figure below shows the AIDA funnel showing how customer goes through the above mentioned four phases of the purchase process in the Traditional Marketing.



Activity 2

Explain the four phases of AIDA in your own words by giving an example of a product or	
service of your choice.	
	-

Digital Marketing: It is the present-day technique of marketing that began with the introduction and development of the internet, electronic devices and technology. The products and services are introduced, promoted, marketed and sold using online (internet based) process and resources. Digital Marketing includes platforms such as Google, Facebook, Instagram, YouTube, Twitter, Amazon, Flipkart, Myntra, Ajio, etc.



Explained below are the differences between the Traditional Marketing and the Digital Marketing:

Area/Zone	Traditional Marketing	Digital Marketing
Medium	 T.V. Advertisements Radio 	 Search Engine Optimization (SEO) Pay-Per-Click advertising (PPC)
	Banner Advertisements	Web Design
	Broadcast	Content Marketing
		_
		■
	Print Advertisements	Email Marketing It costs lesser than the Traditional
Cost	It is expensive as it involves Printing, Radio/TV advertisements which cost	Marketing since the use of online and
	more to the company.	social websites does not cost much
C	Slow	Fast and dynamic
Speed		
Impact	Difficult to measure	Supported by analytics Wide
Target Audience Reach	Limited.	
Keacu	It's easy to reach out to local audience with the Traditional Marketing	It allows you reach the targeted audience from all over the world.
		from all over the world.
17 1	methods or process.	
Marketing	It is a more personal approach, as it is	The physical presence of the marketers is
Approach	very easy for marketers to have a person-to-person relationship or	not required in digital marketing. However,
		physical presence of the marketers could
*	promoting their brand's name. It enables the marketers to provide	act as a bonus.
Documentation		Digital marketing platforms host the
	hard copies of product and service descriptions.	description of the products and services on their websites, social media handles.
	descriptions.	
		videos, YouTube, etc. which can be
		accessed anytime and anywhere using the
		internet by the consumer.
Customer	Very less amount of interaction is	Digital marketing offers a number of
Interaction	involved as the promotion media is not flexible enough to include the	digital interaction platforms to their customers like social networking sites, e-
	customers' interaction	
Verleiter	The result of marketing analysis of the	commerce websites, Feedback apps, etc.
Marketing Analysis	traditional marketing is complex, as	Digital marketing data and facts are recorded and stored online which makes it
Analysis	the companies need to rely on the	easy for the marketers to analyze the
	surveys and the findings of the market	marketing result from time to time.
	research	marketing result from time to time.
Real-Time Result	The Control of the Co	Digital marketing gives quick and real time
Meat-Time Mesun	weeks or months to get the result.	results.
Interruptions	Consumers cannot choose to skip	Digital marketing allows the consumers to
Interruptions	advertisements or other promotional	skip the promotional content and continue
	content.	to engage with the products and services.
Stratage	Companies are not able to quickly	Digital marketing offers real time results,
Strategy Refinement	draft or change their strategies as the	thus, enabling the companies to change or
кенпешеш	Traditional Marketing does not offer	undate their market strategy according to
	real-time results.	the market results.
Communication		
Сошшишсанов	It involves only one-way communication as marketing media is	It promotes two-way communication Thus helps satisfy the customers and make them
	l la company de la company	feel cared and wanted.
	rigid.	reer cared and wanted.

Activity 3

Describe the difference between	traditional	marketing	and	digital	marketing	by	giving
example of any mobile phone.							

Case Example

Below given is a case example of the brand Coca Cola using the Traditional and Digital Marketing in India.

Traditional Marketing: For several decades Coca Cola has been using Traditional Marketing to market, promote and sell its products in India using Hoardings, News papers and TV as the media of communication with the customers.

The following given below are some examples of Coca Cola's Traditional Marketing campaign in India.

Hoarding advertisement Newspaper advertisement TV advertisement



Digital Marketing

With development of internet and increased usage of online and social media platforms, Coco Cola shifted towards Digital Marketing. It caught the attention of its consumers with the help of a simple yet brilliant campaign 'Share a Coke', wherein they offered their consumers the opportunity to interchange the brand name 'Coke' with their own names and followed by sharing their experiences with others through social media. This campaign was one of the most revolutionary marketing campaigns ever. Overnight globally, this campaign became a successful case study for the digital marketers against other traditional forms of marketing. The 'Share a Coke' campaign reflected a complementary mix of both online and offline media. Digital Marketing made it all the more important, as it made Coke's aim to deliver 'personalized brand experience' a reality.

The following given below are some examples of Coca Cola's Digital Marketing campaign in India.

Names in Indian languages on the Coca Cola bottle



Social Media Advertisements



Indian User Generated Content on Social Media



Activity 4

Choose any post – pandemic movie of	your cho	ice and descr	ibe how that n	novie adapted	l to
the digital marketing strategies.					

14.6 PUSH AND PULL APPROACHES OF DIGITAL MARKETING

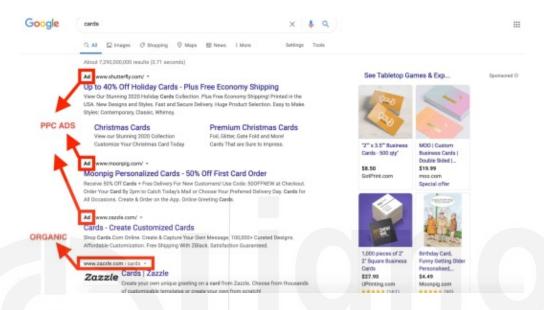
Push and Pull are two known approaches of Digital Marketing **Push Marketing**

Push Marketing is fundamentally or basically a form of Traditional Marketing.

In Push Marketing the companies make use of the Television, Radio, Direct mails, Print, Billboards, etc. to communicate with their target audience. It is a broad, shotgun approach that makes the products, brands or services, more visible among the audience to get the best results – but at a cost. Push Marketing is more considerate and active than other inbound marketing methods. It is generally preferred by businesses who intend to take benefit in a short period of time or making efforts to generate quick sales.

The Push Marketing usually involves spending money on promotions. For example, Pay-Per-Click (PPC) is one of the most popular advertising forms of Push Marketing. In PPC the

marketers can place their banners and display their shopping advertisements across online platforms using Search Engine Advertisements (as shown below) by paying a small amount of money every time the advertisement is clicked upon.



Push Marketing is often the primary business strategy for companies who are looking for:

- ... Launch of a fresh business idea or site without a repute
- ... Launching new services or products, holiday packages or seasonal events
- ... Promoting sales
- ... Growing to a newer niche market
- ... Generating quick sales or cash-flow
- ... Clearing out stocks before the end of a season
- ... Brand recognition in the competitor market
- ... Subsidizing a multi-channel strategy

Given below is an example which will help you understand the application of Push Marketing in a business situation.

For Example: Mr. Abhinav Soodis fond of traveling and is a sustainable tourism enthusiast. He recently launched a new travel agency named Galaxia, in New Delhi. His major short-term objectives of his new travel agency are:

... To provide excellent service

- ... Customers' satisfaction
- ... Business promotion

In order to attract customers' attention, reach the target audience, to build a good reputation and to establish his business Mr. Sooduses Push Marketing strategies.

- ... He uses Television, Radio and Print advertisements to promote his travel agency, the new travel packages and services offered.
- ... He uses the Search Engine Advertising tool to promote an exclusive seasonal trip to Kulu-Manali, Coorg, Darjeeling etc.
- ... He makes a quick cash flow by advertising about the discount he offers on a weekend getaway to destinations near Delhi or an off season trip to Goa.
- ... He also uses the Push Marketing strategies to promote an international trip to Maldives.

Activity 5 Explain how a Car companies use Push Marketing Strategies in their business.

Pull Marketing

Pull Marketing, involves increasing the traffic naturally. It aims to create high-value and relevant content appropriate to attract the targeted audience. Pull Marketing reaches its goals by being sensitive towards the needs of the users, who actively seek information on the products and services offered. Search Engine Optimization (SEO), display advertising and creative content on social media are a few prominent forms of Pull Marketing.

Pull Marketing can be used as the primary business strategy by companies who are looking for:

- ... Ensuring long-term growth in business
- ... Maintaining domination in a specific industry or niche

- ... Building improved loyalty
- ... Promoting brand's recognition by working on the engagement of customers and brand visibility
- ... Increasing traffic on social media handles in addition to sharing social media content
- ... Growing traffic on the site across referral, organic and social segments
- ... Affordably improving the revenue and sales
- ... Engaging the customers at the top of the shopping funnel, even before they know what they want.

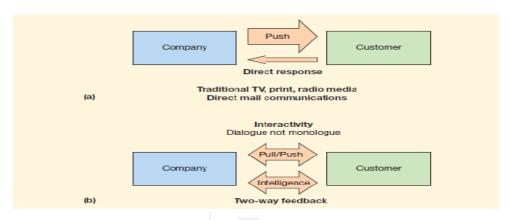
Given below is an example which will help you understand the application of Pull Marketing in a business situation.

For Example: Whenever, Nisha Malik wanted to shop online, the Amazon site appeared on top of the Search Engine list. It was so because Amazon continuously updates its content to suit the SEO requirements. Remembering the shopping experiences on the Amazon website, Nisha downloaded the Amazon app during the lockdown period to purchase necessary products and some essentials. The Amazon app soon becomes her go to space for shopping, as she engages in the Pull Marketing strategies implemented and used by Amazon, such as:

- ... The Amazon website and app sends a push notification to welcome Nisha on board.
- ... The app notifies Nisha each time about a new item added or an exclusive Amazon only offer.
- ... The app notifies Nisha on product she could add on her Wish list and the products that are offered on discount.
- ... She is redirected to the Amazon website and recently viewed products on Amazon, when she visits social media sites.
- ... During the pandemic Amazon also informs about their added product categories such as: masks, sanitizers, face shields, UV lights, gloves, etc. based on the demands of the environment.

Thus making itself all time relevant for the SEO, attracting and engaging the consumers with Pull strategies.

The figure given below shows the communication between the company and the customer using the Push and Pull/Push Marketing strategies.



Source: Digital Marketing (6th Edition) by Dave Chaffey, Fiona Ellis-Chadwick, Publisher: Pearson.

Activity 6 Explain how Swiggy/Zomato uses Pull Marketing Strategies in their business.

14.7 IMPORTANCE OF DIGITAL MARKETING

Digital Marketing tries to reach and engage its targeted audience by providing and using variety of new, innovative, cost effective and personalized ways. A well planned and made Digital Marketing strategy delivers greater Return on Investment (ROI) than the Traditional Marketing strategies.

For example, when it comes to printing of advertisements, in magazines or newspapers what many businessmen don't understand are the aspects of circulation. The total number of readers who in reality see your advertisement will always be lesser than the numbers in circulation. Since a large number of magazines/newspapers issues almost always remain unsold.

However, the Digital advertisements are easily customizable than the print advertisements. Therefore, making digital marketing less risky. For example, if you are running a digital campaign, you can easily change the targeted audience from time to time. Digital advertisements easily allow you to make real-time adjustments in your marketing plans.

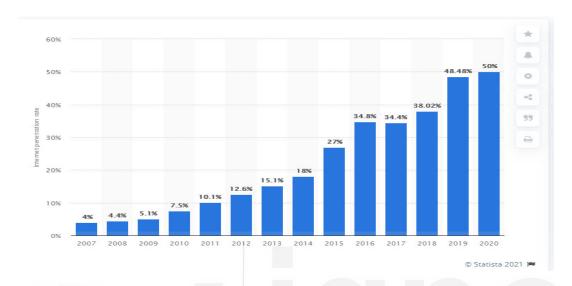
Digital marketing channel such as Google Ad words, charge based on Pay-Per-Click, rather than per impression. This means that the Cost per thousand impressions in some cases is zero. Therefore, digital marketing is the best bet for businesses with a limited budget that want to increase their chances of success.

Currently, the world without the internet is almost unimaginable. There are 4.66 billion active internet users all over the world, as of January 2021, which is around 59.5 percent of the world's population. 92.6 percent (4.32 billion) of this total, access the internet through mobiles. Internet is a fundamental pillar of the modern information society, connecting billions of people around the world.

Asia had the largest number of online users – over 2.3 billion as of 2019, whereas, China, US and India rank ahead all other countries. China and India have more than 854 million and 560 million online users respectively, however, large parts of their population is still offline.

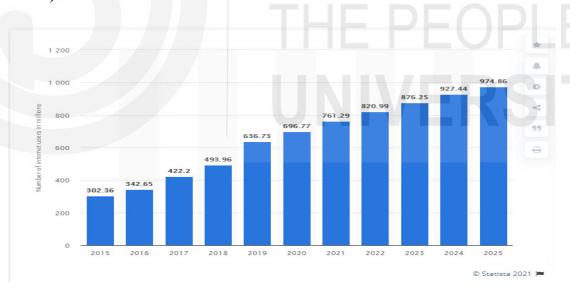
Discussed below are a few interesting statistics offered by Statista research data of India, that will help you understand the extent of penetration, usage and growth potential of Internet, Digital Marketing and Social Media for the success of any business.

Internet penetration rate in India from 2007 to 2020



The internet penetration rate in India has drastically grown around 50 percent in 2020, from about 4 percent in 2007.

Number of internet users in India from 2015 to 2020 with a forecast until 2025 (in millions)



In 2020, it was estimated that India had almost 700 million internet users. This estimation is expected to grow more than 974 million users by 2025. This indicates a big leap in the market potential in internet services. In 2019, India was acknowledged second only to China as far as the largest online market of the world is concerned. Thus the rise of the Indian internet users is

expected to increase in both rural and the urban regions, promising a vibrant growth in the accessibility to the internet.

The Number of internet users in India - 2017 to 2019 (with an estimate for 2020 by region in millions)

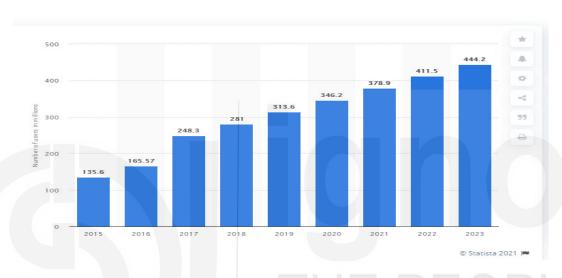


India's digital implementation has surprisingly been driven with high growth of internet users in the rural regions as compared to the urban counterparts of the country. It was found in 2019 that there were 264 million rural Indians who used internet, as compared to 310 million Indian urban internet users. It was estimated that by 2020, almost 304 million Indian rural users would be able to have access to the internet. This rise in Indian rural internet penetration is largely based on the improved availability of bandwidth, inexpensive data plans and numerous initiations taken by the government under the 'Digital India Campaign'. In 2019 more than 118 thousand villages and Gram Panchayats (small-town councils), have been equipped with the internet accessibility across India.

Researchers have observed that the number of women internet users or having access to internet is considerably lower as compared to their male counterparts. This bias is more evident in the rural India. In the same way, the use of internet is found low among the older adults possibly due to their internet illiteracy and the technology know-how. India's digital footprint can

significantly grow by encouraging the usage of internet among the sidelined groups which may also constitute the older people, the rural inhabitants and the women.

The Number of Facebook users in India - 2015 to 2018 (with a forecast until 2023 in millions)



The number of Facebook users in India is expected to reach 444.2 million in 2023, which has increased from 281 million of 2018. This indicates a stable growth and progress in the social media user base.

Benefits of using Digital Marketing for Business

Based on the above discussed statistics, it is clear that there is a significant increase in the user base, internet penetration and in the use of digital and social media. Thus, Digital Marketing becomes potential factor which can affect the success of the businesses.

Therefore, the following are some direct benefits of using Digital Marketing, based on the statistics discussed above:

- ... Marketing efforts that cost low and have higher flexibility.
- ... Easy accessibility to consumers using mobiles or consumers who indulge in online shopping.
- ... Ability to address with authority on product or industry related topics due to social media.

... Opportunities to involve with the influencers and make a rapport, earn their trust and respect and encourage them to endorse the brand.

... Chances to include and use various types of media in the marketing plans.

... It is able to track the customers' purchase journey, by following their digital foot-steps.

... Higher return on investment can be expected.

14.8 TYPES OF ONLINE PRESENCE

Chaffey and Ellis Chadwick (2015) identified four major types of online presence. Each of these online presences have different aims and purposes and are appropriate for diverse markets. We need to understand that these are not clear-cut defined categories of websites. A business may use any of these combinations of the online presence types and use it according to their market needs. As you review some websites on the internet, you may come across and note that an organization's website has different pages focusing on - services, sales and transactions, relationship-building, providing entertainment and news and brand-building.

The four major types of sites are:

1. Transactional e-commerce site

Transactional e-commerce sites enable online product purchase. The major contribution of this business site is through sales. The purpose of these sites is also to support the businesses by giving information to their consumers who choose to purchase offline.

For Example: Amazon, Big Basket, Myntra

2. Services-oriented relationship-building website

These sites give information to encourage buying, its consumption and build their relationships. Services and products listed on the site are not for purchase. However, information is given to the consumers to help them be informed and make their buying decisions. Their major business contribution is to encourage sales offline and to generate queries and leads from their potential customers. These types of sites provide value to their existing customers by giving them detailed information to support and help their purchase decision.

For Example: Hyundai, Tripadvisor

3. Brand-building site

This site just gives an experience to its consumers to support the brand. The services and products at this site are not for online purchase. Their major focus is to support the brand by developing an online experience of the brand for the consumer. These sites are typically for low-cost and high-volume brands.

For Example: Any Fast-Moving Consumer Goods (FMCG)

4. Portal or media site

This site offers news and information regarding various ranges of topics. The 'Portal' means or denotes to a gateway of information. The information is made available on this site in addition to information links to other sites. Portals generate revenue through variety of options – commission based sales advertising and sale of customer data (lists).

For example: MSN

Activity G: Visit the sites mentioned below and describe them.

Portal or media site - Yahoo! (www.yahoo.com)

- ... Transactional e-commerce site Online retailers: Amazon (www.amazon.in) or Myntra (www.myntra.com)
- ... Services-oriented relationship-building web site Volkswagen (<u>www.volkswagen.co.in</u>) or Phillips (<u>www.philips.co.in</u>)
- ... Brand-building site ITC (https://www.itcportal.com/brands-microsite/aashirvaad.aspx)

14.9 DIFFERENT TYPES OF DIGITAL MARKETING

We have already defined and discussed digital marketing in detail in the previous sections.

This section would help you know and understand regarding the various types of Digital Marketing services which companies or individuals opt to increase their digital presence.

The big brands or companies use almost all the below mentioned Digital Marketing strategies. Whereas, the small brands or companies with low budgets may consider investing only in a few to benefit them. The selection of strategy is majorly based on the kind of business and their business promotion goals.

The following is the list of various Digital Marketing types:

- ... SEM (Search Engine Marketing)
- ... SEO (Search Engine Optimization)
- ... PPC (Pay-per-click)
- ... SMM (Social Media Marketing)
- ... Content Marketing
- ... Email Marketing
- ... Influencer / Affiliate Marketing
- ... Viral Marketing
- ... Radio Advertising
- ... Television Advertising
- ... Mobile Advertising

1. Search Engine Marketing (SEM)

SEM usually includes PPC and SEO works. Attracting the traffic to the websites through search engines is challenging. Therefore, SEO and PPC are used to get website traffic through paid and unpaid means. Keywords are the foundation of the Search Engine Marketing strategy. Primarily one needs to recognize and classify the keywords relevant to the products, services or business. The keywords need to relevant to the prospective customers' search query. This type of Digital Marketing strategy can be used by both big and small businesses to grow and attract traffic to their sites.



For example: The following are the suggested Keywords for a shop that sells cotton clothing.

Ad group	▼ Keyword	Avg. Monthly Searches
Fabric	chenille fabric	8100
Fabric	chiffon fabric	18100
Clothing	clothe	14800
Clothing Store	clothing stores	110000
Clothing	cloths	40500
Cotton Fabric	cotton fabric	49500
Fabric By The Yard	cotton fabric by the yard	49500
Cotton Fabric	cotton fabrics	6600
Fabric	denim fabric	9900
Fabric Design	designer fabric	6600
Fabric Design	designer fabrics	6600
Discount Fabric	discount fabric	9900
Fabric	drapery fabric	12100
Dress	dress fabric	14800
Fabric	dress fabric	14800
Fabric	dressmaking fabric	12100
Fabric Dye	dylon fabric dye	8100
Keywords like: Fabric	fabric	673000
Fabric	fabric by the metre	12100

2. Search Engine Optimization (SEO)

SEO aims to improve the business for search engines, such as Bing, Yahoo, Google, and YouTube to name a few. SEO helps to move up the Search Engine Results Page (SERP) rankings of a website to enable better visibility while the users search online. A lot of consumers do not scroll to 'page 2' of search engines. Therefore, it becomes important and necessary to work towards generating more business from online searches. SEO takes time to give results.

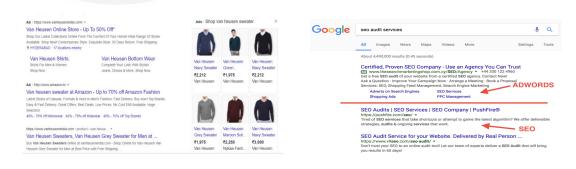
The SEO works using the crawlers or robots to collect and index the data in the archives of the search engine. The research of keyword, its ranking and analysis, defines how a brand fairs against its competitors. Based on this, the website and its content is optimized to build quality links' to and from', for search engines to crawl efficiently. SEO is continuous on-going strategy to attract traffic organically and the longer and more you invest in it, the higher and better results it would yield. It is suitable for both big and small businesses.



3. Pay-per-click (PPC)

PPC is a form of advertisement on search engines, like Yahoo, Bing, YouTube, Google etc. PPC is a method of pushing the website or product to the top of Search Engine Results Pages (SERP) using paid mechanism. The client's account is charged every time when the customer clicks on the adverts. The CPC (cost per click), is determined based on the website's quality score and the selection of keywords and its competition. It is advisable to successfully find the keywords that do not charge too much. PPC campaigns can be used a long-term or a short-term solution; many brands and companies also use it to promote seasonal deals, as a means to increase revenue. SEO works on the ranking 'earned', but through PPC the rankings on the first page can be 'purchased'.

Given below is an example of SEO and PPC



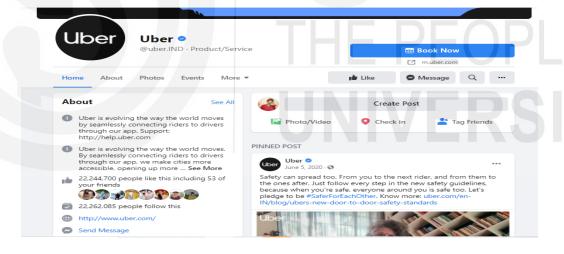
4. Social Media Marketing (SMM)

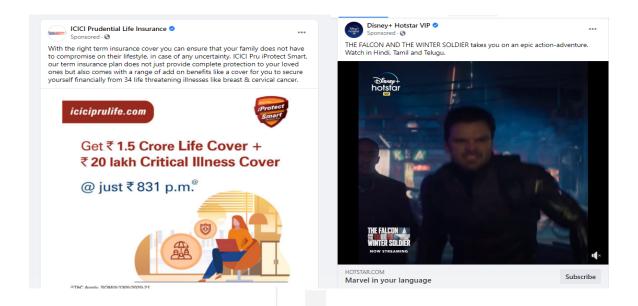
Social Media Marketing is the process of marketing through platforms such as Facebook, Instagram, Twitter, LinkedIn etc. Businesses require investing in the social media marketing so as to increase their following and also to reach new potential customers.

Type of business defines the type of social media engagement. For example, Facebook works well for B2C, but for B2B type of businesses LinkedIn works better.

Social media platforms mainly use the 'like' campaigns and targeted advertisements. The major goal of the social media pages is to continually engage and grow their social media following. For example, Facebook collects and shares the data about the individual's likes and interests, in addition, to their personal factors such as age, gender, location etc., with the brands. The sharing of this information enables the brands to design and create targeted advertisements. SMM can be used both a long-term and a short-term business needs.

Below given are a few Social media advertisements.



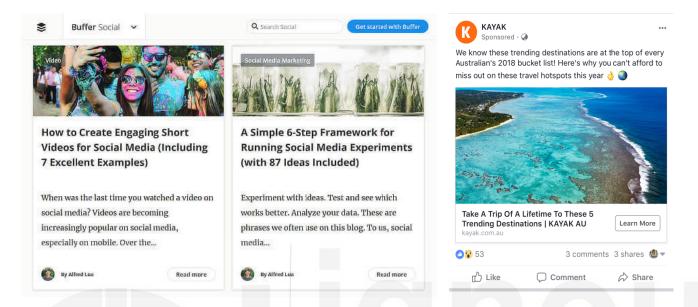


5. Content Marketing

Content marketing is a slightly different from the other types of marketing. It doesn't directly market or sell the products, services or brands to the customers. It rather creates a valuable and enriching content that improves the customer's overall experience. It can be observed that some of the biggest brands worldwide enthusiastically create and post entertaining and informative images, videos and blogs related to their businesses. It's like promoting a brand without aiming to sell anything – it is simply providing news and information, which is engaging and enriching.

By posting images, videos and blogs, the brands thus, build loyalty among the consumers who visit the website/page for its content. For example, the brand Canon sharing informative and entertaining content about photography tricks or show beautiful sunset photographs from world over. Content marketing is about listening and understanding your customer's need and producing content they want and value. Content marketing is a long-term investment, like the SEO, and you need to work on it constantly to get better results.

Below given are few examples of Content marketing.



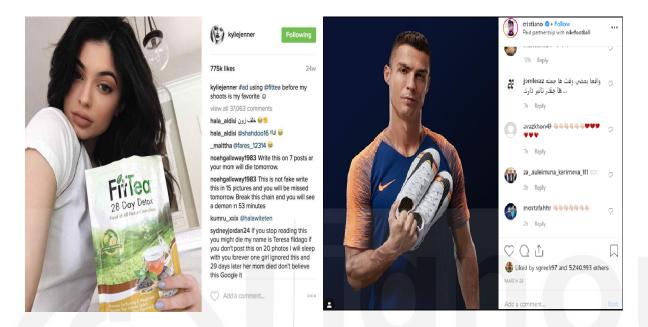
6. Email Marketing

It's a method of direct marketing where blogs, information, discounts and offers etc. are shared directly on the mail. Email marketing is tricky, because though the email reaches the inbox it needs to be eye-catchy so as to be read. Sometimes, sending unsolicited emails may also land the brand in the spam box. It is a very nice way of reaching out to the customers, post purchase interaction or mailing the newsletters. It is generally considered a short-term technique, but it can be used for long-term too. For example, sending exclusive discount codes for a small duration is a short term solution to boost sales. Sending blogs and newsletters, to boost website traffic, is a long-term use.

7. Influencer / Affiliate Marketing

It usually uses individuals in position of 'power' or having large followers, on social media. Influencers assist the brands in promoting a service or a product to their audience. This mechanism has become very popular in the recent years, due to sites such as YouTube and Instagram, where brands engage a famous influencer, to end orseand market their services or products on their social media handles or affiliate websites. These associations include, prize draws, sponsored blog posts, unique discount codes etc. Influencer marketing and Affiliate

marketing can be used as a short-term campaign, to enable more volume of sales or increased traffic on the website.



8. Viral Marketing

The aim is to create content pictures/videos/posts share-worthy – by making it on trend, funny and topical. Many brands use these as a smart means of promotion and advertising, by joining hands with popular viral content creators, influencers or promote it themselves.

This kind of promotion works successfully for B2C brands. It is by far one of the toughest types of Digital Marketing and is advisable to research which ideas succeeded or failed in the past. Once brand's content goes viral it not only increases the ROI, but also results in increase in brand awareness. For example:





9. Radio Advertising

Radio advertising is one of the forms of Digital Marketing. Radio advertisements are a wonderful way to get a brand or a business heard. Radio advertisements can be designed for targeted consumers at different locations; it can either be at National or at Local levels. Apps such as Spotify, Ganna play advertisements to the non-premium users. These advertisements can be targeted based on demographic details such as the age, gender, location and much more – as the users information is shared with the brands.



10. Television Advertising

TV advertising is also counted as Digital Marketing. The social division and digital shift of TV advertising, offer huge options. Brands that want to advertise their products or services on TV without paying for costly prime-time slots can opt for it.

Marketers use this channel by linking personal data of the consumer with new delivery approaches such as - addressable ads, localization of ads, cross-channel marketing campaigns (when a consumer watches an ad on TV, the same would be displayed on digital devices reinforcing the ad's message.)

TV adverts remain as a chief component of the marketing mix of a brand. It is important to make and adapt strategies depending on the demographics and geography of the audience.



11. Mobile Advertising

Mobile advertising spans across all forms of digital marketing, whether it is social media ads, search ads, mobile TV ads or Radio ads. Businesses all over the world are moving towards mobile advertising as consumers spend most of their time on their mobiles than any other devices. Brands can target mobile users by applying geo-fencing.

One of the most prevalent strategies in the recent times is Geo-fencing - based on a consumer's physical location. It is a laser-focused strategy used by brands to clearly target a defined and appropriate audience.





14.10 FUTURE AND GROWTH OF DIGITAL MARKETING

Digital Marketing is an evergreen industry where the only constant is 'change'. Marketers and entrepreneurs need to understand it. The following are a few emerging Digital Marketing trends to look forward to with specific emphasis on the marketing channels:

... Advanced Chatbots

As artificial intelligence (AI) develops, the Chatbots will be more useful for both – the customer support tools and the marketing channels. In the past, Chatbots were considered as annoying, inauthentic and disruptive; but with improvement in AI and machine learning, Chatbots now offer helpful solutions specific to users' individual needs. For example, Facebook data finds that 56% of shoppers would rather send instant messages than to make a call to a support line. Chatbot is the best way to deliver instant answers to prospects and customers, allowing the brands to ascertain their sales.

... Shoppable Social Posts

Shoppable posts are still new to Instagram; however, they have already proven to be highly effective in generating conversions. For example, the latest data from Instagram states that 130 million users tap on Shoppable ads every month. E-commerce brands worldwide can capitalize on this opportunity of running Shoppable advertisements.

... Optimize for Voice Search

In a recent survey the Search Engine Watch found that 27% of global internet users utilize voice search on mobile devices. As more households tend to adopt the IoT (Internet of Things) technologies like smart speakers and personal assistants, this percentage of users is expected to rise in the years ahead. The regular SEO don't offer the same results as voice-activated SEO. In order to optimize the voice-activated SEO, brands need to focus on ranking of the 'long-tail' keywords, utilizing the FAQ section, and practice SEO optimization for the mobile devices.

... The Rise of Micro-influencer Marketing

Influencer marketing is still in its infancy, yet it offers a great ROI compared to more traditional advertising channels. As consumers continue to value 'individual recommendations', it makes more sense to invest in "micro-influencers". The Micro-influencers are social media users who have a much smaller but dedicated following. They can deliver truly authentic marketing messages to their trusting audience. Influencers' power is measured by their personal relationships with each individual follower, rather than the sheer number of followers.

... Affordable

Comparing it with other marketing platforms, Digital Marketing is one of the most affordable media to promote the product. With digital media, it has become very easy. For example, if you are a real estate company, you can promote your new project on social media by reaching thousands of people at one time. Creating an ad on Facebook hardly costs around ₹40 per day, which is not expensive. The average cost per click is ₹0.52 to ₹2.3. Spending lakhs of rupees on a single ad and spending just ₹40 per day can yield good results.

Many industries and new start-ups, are all heavily investing in the digital marketing activities. They are looking for people who can devise and implement digital marketing strategies that suit their needs.

... Interactive Content

The fastest-growing trend in recent times is Interactive Content. In 2021, it is expected that shift from traditional text-based content toward dynamic, engaging content that offers users an immersive experience. For example, embedded calculators, polls and quizzes, 360-degree videos, augmented reality ads, to name a few. People like interactive content, not only because it is original and fresh, but also because it makes customers feel more connected to the brand and more involved in their purchasing process. Such contents are more engaging, more memorable and more likely to produce the results based on the needs of the business.

... Growth of Geo-Fencing

The idea of marketing services, products or brands to the customers based on their location is not new. However, this market of geo-fencing by 2023 is expected to increase to about \$2.4 billion, along with the increase in the mobile usage.

Geo-fencing permits real-time targeting, using the location details of the users. For example, the target area to market is defined as, say, within a 5 Kms of a Resto-bar. Whenever a user enters or leaves this 5 Kms area, the user receives a text message, a push notification or another form of marketing communication. Researches done in the past have shown that people often open a push notification on their mobiles - 54% of the users get 'converted' from the segmented push notifications, as compared to 15% only from the broadcast messages. Research also shows that 52% of the mobile users enable the 'push notification' on their mobiles. Geo-fencing becomes an extremely important and vital strategy for businesses and industries that need to convert digital users into 'brick-and-mortar' customers.

14.11 SUMMARY

In this unit, we have described and presented some of the most widely and effectively used Digital Marketing strategies. These strategies as and when adapted, can help any brand and organization to scale up to have an active and effective online presence.

We also learnt about some techniques to target the right audience and to encourage them to remain loyal to the organization and brands. For example, let us make a Digital Marketing plan summarizing what we have learnt so far.

14.12 SELF-ASSESSMENT QUESTIONS

- 1. Distinguish between Traditional Marketing and Digital Marketing.
- 2. Explain the main benefits that a company selling fast-moving consumer goods could derive by using Digital Marketing. Substantiate giving examples.
- 3. What is the relevance of 'Geo-fencing' to marketing? Substantiate giving examples.
- 4. Explain how Digital Marketing can be used to increase market penetration in the existing markets and to develop new markets. Give examples for the same.
- 5. Assume you are the marketing manager of a large real estate company, with branches in several Tier 1 cities in India, suggest and discuss the HOW and WHY of different digital marketing strategies to reach your target audience.

14.13 KEY-WORDS

- ... **CPC or Cost per Click:** The amount a business or advertiser is paying per one click on their ad.
- ... Crawl or Crawling: The process of scanning a website to discover new pages, updated pages, or removed or redirected pages. This is done by a Googlebot, or 'Spider,' either when a user uses a search engine, or when an advertiser is indexing (see: Index) a website from the backend.
- ... **Display Advertising:** A type of online marketing that uses images or video to communicate their ad, rather than text-based advertising. Display advertising is used across platforms like Google AdWords, AdRoll, Facebook, Instagram, and more.
- ... Google AdWords: Google's pay-per-click (PPC) advertising platform. AdWords allows you to build, manage, and optimize campaigns, ad groups, ads, and keywords within a single account.

- ... **Influencer Marketing:** A marketing strategy that involves identifying and engaging with influencers and their audiences in an effort to increase brand awareness, brand-audience engagement, and sales.
- ... **Keyword:** In Search Engine Optimization, it is a word or set of words that help make up a site's metadata and describes what is on a web page. When used correctly, a keyword should help users find a web page based on their search terms.
- ... **Search Engine:** A software or platform that searches the Internet based on user queries. The search engine will then present the found information in the form of a search engine results page (SERP).
- ... **SEM or Search Engine Marketing:** A form of PPC marketing that targets users' search engine results in the form of relevant ads and results.
- ... SEO or Search Engine Optimization: Incorporating factors such as keywords, good copy, and back links in order to drive traffic and affect the visibility of a site organically. This is done by optimizing the content of a web page and increasing its relevance to certain keywords. By doing so, the website is more likely to show when a user searches for the targeted keywords.
- ... SERP or Search Engine Results Page: The resulting list a user receives after typing in a search query in a search engine. It may be a mix of ads and organic search results.
- ... Website: An address on the Internet made up of a collection of web pages that are connected to one another in order to host information and data.

14.14 FURTHER READINGS

- ... Digital Marketing (6th Edition) by Dave Chaffey, Fiona Ellis-Chadwick, Publisher: Pearson.
- ... Principles of Internet Marketing New Tools and Methods for Web Developers, Jason I. Miletsky, Course Technology, Cengage Learning.