

EFFECTIVENESS OF DIGITAL MARKETING STRATEGIES

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Abstract: Marketers are faced with new challenges and opportunities within this digital age. Digital marketing drives the creation of demand using the power of the internet, and satisfies this demand in new and innovative ways. In other words Digital marketing is the utilization of electronic media by the marketers to promote the goods and sell in the market. Digital marketing can give value in the form of time, attention and advocacy from the consumer. Digital marketing strategies build on and adopts the principles of traditional marketing, using the opportunities and challenges offered by digital medium. This paper focus on the importance of Digital marketing for both marketers and consumers. This paper additionally includes difference between traditional and digital marketing.

Key Words: Digital marketing, Digital marketing strategies, Effectiveness.

1. INTRODUCTION:

Digital marketing is one type of marketing being widely used to promote products or services and to reach consumers using digital channels. It includes mobile phones, social media marketing, display advertising, search engine marketing, many other forms of digital media. Digital marketing can give value in the form of time, attention and advocacy from the consumer. Digital marketing strategies build on and adopts the principles of traditional marketing, using the opportunities and challenges offered by digital medium.

2. LITERATURE REVIEW:

According to Hoge (1993), digital marketing is a transfer of goods or services from seller to buyer involving one or more electronic methods or media. It began with the use of telegraphs in the nineteenth century. With the invention and mass acceptance of the telephone, radio, television, and then cable television, electronic media has become the dominant marketing force. McDonald's uses online channel to reinforce brand messages and relationships. They have built online communities for children, such as the Happy Meal website with educative and entertaining games to keep customers always close to themselves (Rowley 2004). Reinartz and Kumar (2003) found that the number of mailing efforts by the company is positively linked with company profitability over time. The primary advantages of digital media marketing is reducing costs and enhancing the reach. The cost of a digital media is typically lower than other marketing platforms such as face-to-face sales or sales with a help of middlemen or distributors. Generally, main advantage of digital media is that it can enable companies to increase reach and reduce costs (Watson et al. 2002; Sheth & Sharma 2005).

According to Chaffey (2011), digital media marketing involves "encouraging customer communications on company's own website or through its social presence". Digital marketing, electronic marketing, e-marketing and Internet marketing are all similar terms which, simply put, refer to "marketing online whether via websites, online ads, opt-in emails, interactive kiosks, interactive TV or mobiles" (Chaffey & Smith, 2008). Giese and Gote (2000) finds that customer information satisfaction (CIS) for digital marketing can be conceptualized as a sum of affective response of varying intensity that follows consumption and is stimulated by focal aspects of sales activities, information systems (websites), digital products/services, customer support, after-sales service and company culture.

Waghmare (2012) pointed out that many countries in Asia are taking advantage of e-commerce through opening up, which is essential for promoting competition and diffusion of Internet technologies.

3. RESEARCH METHODS:

This study is conducted based on both primary and secondary data sources. There were three different methods of study that were used in this research paper. First, literature reviews of articles and books on the subject of digital marketing effectiveness, social media ROI, online marketing, and social media marketing demographics, which give basic information to deepen understanding of these issues. In addition, a sample consists of one hundred firms and fifty executive which have been randomly selected to prove the effectiveness of digital marketing.

4. 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:

(i) Online advertising

Online advertising is a very important part of digital marketing. It is also called internet advertising through which company can deliver the message about the products or services.

(ii) Email Marketing

When message about the products or services is sent through email to the existing or potential consumer, it is defined as email marketing.

(iii) Social Media

Today, social media marketing is one of the most important digital marketing channels. It is a computer-based tool that allows people to create, exchange ideas, information and pictures about the company’s product or services. According to Nielsen, internet users continue to spend more time with social media sites than any other type. Social media marketing networks include Facebook, Twitter, LinkedIn and Google+.

(iv)Text Messaging

It is a way to send information about the products and services from cellular and smart phone devices. By using phone devices, company can send information in the form of text (SMS), pictures, video or audio (MMS).

(v) Affiliate Marketing:

Affiliate marketing is a type of performance-based marketing. In this type of marketing, a company rewards affiliates for each visitor or customer they bring by marketing efforts they create on behalf of company.

(vi) Search Engine Optimization (SEO)

Search engine optimization (SEO) is the process of affecting the visibility of a website or a web page in a search engine’s “natural” or un-paid (“organic”) search results.

5. CORRELATION ANALYSIS:

To show the correlation between the various elements of digital marketing and increased sales, we have collected data from one hundred fifty firms who are taking the various techniques or elements of digital marketing. Results are given below:

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Increased Sales	Correlation (r)	Increased sale	Online marketing	e-mail marketing	Text marketing	Social media	Affiliated marketing	SEO	PPC
		1	.869	.873	.840	.667	.560	.840	.560
	Sig 2 tailed		.056	.053	.075	.219	.326	.075	.326
	N	100	100	100	100	100	100	100	100

From the above table, we can conclude that the every element of digital marketing is positively related to sales increase. It indicates that all elements of digital marketing show positive effect on firm's sales. Online advertising, email marketing, social media and search engine optimization (SEO) are highly positively correlated with sales increase since showing value of r to be .869, .873, .840 and .840 respectively. The value of r of text messaging, affiliate marketing and pay per click (PPC) are .667, .560 and .560 which also shows low positive correlation with sales increase.

6. ANALYSIS OF DIGITAL MARKETING:

Digital media is so pervasive that consumers have access to information any time and any place they want. It was long ago when the messages people got about specific products or services consisted of only what a company wanted them to know. Model

	R square	F
Stay updated with products or services	.718	122.117
Greater engagement	.516	51.276
Clear information about the products or services	.629	81.254
Easy comparison with others	.639	85.141
24/7 Shopping	.749	142.868
Share content of the products or services	.656	91.498
Apparent Pricing	.636	83.962
Enables instant purchase	.667	96.028

From the above table, we can conclude that almost all the variables having weight explaining with great extent its relationship with digital marketing. For example, stay updated with products or services is explained by 71.80% of digital marketing and the remaining 28.20% is explained by other factor. Greater engagement is explained by 51.60% of digital marketing and the remaining 48.40% is explained by other factor. Clear Information about the products or services is explained by 62.90% of digital marketing and the remaining 37.10% is explained by other factor. We can also see from the above table that F value is bigger more than 80 indicating the strength of the model.

7. CONCLUSION REMARKS AND PROPOSAL:

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. Company can use any devices such as smartphones, tablets, laptops, televisions, game consoles, digital billboards, and media such as social media, SEO (search engine optimization), videos, content, e-mail and lot more to promote company itself and its products and services. 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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