

ADIGITAL MARKETING: A STRATEGIC OUTREACHING PROCESS

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ABSTRACT

The objective of this is paper to identify the need for Digital marketing can be used strategically for a new business venture. It covers an opportunity of adopting a digital marketing in product/service business as a main marketing tool. This paper presents the details of segmentation, targeting, reaching customers through Digital Marketing process. It is concluded that Digital marketing can give best and more accurate results for new product marketing on the targeted customer and to get better ROI with value targeting, offers, frequency, and messaging services that are offered to the customer with online marketing strategies.

Keywords: Digital marketing, search engine, target, marketing ROI.

Introduction:

Every business whether it is manufacturing/service, growth is measured in terms of financial healthiness; that depends on resources utilization and on the marketing strategy adopted. Marketing strategy is a deciding factor for pitching the tactics of the sales game. The strategic game is deciding the features of designed in the new product according to customer needs, ease of use, price customer is ready to pay, where to sell the products and how to spend on advertising include the conventional and the modern digital. With the rapid technological advancements and parallel information technology development, conventional marketing strategies are not giving expected yield, and are unable to target the customer. Moreover they are unreachable to essential customers adopting the least cost strategy without less human resources are the challenges faced by the marketing. Especially for new business venture this process is hectic and uneconomical. The solution is through strategizing the process with aid of IT and digital communication in this twenty-first century by Digital Marketing (DM). The objective of this paper is to highlight the strategic enables of DM and maximizing the return on investment made. In a highly competitive era, marketing strategy must be focused on giving clarity about where to compete (markets to serve and target market segments), how to reach and how to compete (by customer cognitive and behavioral responses).

Literature Review:

Digital marketing enables organizations to communicate and engage target customers through internet, smartphones, mobiles, tablets and other communicating devices. In this digital era, marketing theory and practice are being transformed by increasing complexity due to information availability, higher reach and interactions, and faster speeds of transactions (Kumar et al., 2015). An enterprise market strategy depends on type of product/service, offerings of the products, type of industry, market demand and target customers. Jin and Li (2012) stated that the DM gives more information and services about business and it is undergoing an evolution in networking and digitalization technology. Internet marketing has created new opportunities for marketers to target specific audiences. In recent years, the use of Internet marketing has rapidly increased (Liao et al., 2010; Shankar & Batra, 2009). Through Internet marketing campaigns (e.g., e-mail marketing), consumers become more involved in generating/communicating advertisements than they do through traditional marketing channels, such as TV, newspaper or billboard advertising (Holland, 2008).

Digital marketing is a powerful tool for marketing campaigns because e-mail marketing can be an inexpensive and quick way to reach consumers (Bonfrer & Drèze, 2009). E-mail is widely viewed as an effective Internet marketing tool (Chittenden & Rettie, 2003). Additionally, marketing through mobile devices is a rapidly growing practice and has become increasingly popular as a result of the possibility of worldwide distribution (Lee & Benbasat, 2004; Tsang et al., 2004). E-mail has the advantage of being a well-known and widely used communication

channel through which advertising information is sent to consumers (e.g., via newsletter subscriptions) (Reichhart et al., 2013).

In the early stages of the internet age, business managers believed use internet as a distribution channel for advertising it boosts sales increases organizational performance and easily reaches objectives of organization. (Hansen, 1995; Westland & Au, 1997). The advantages are provides every second access for customers, reducing boundaries globally to provide access to different and new markets and also, to maintain speed communication with customers (Corley II et al., 2013).

Digital Marketing Framework:

Digital marketing (DM) is one of the most important type and modern method of promotion and campaign of product/service of online using the internet, smart phones and Tablets by different methods at lowest cost. In this method business enterprise accurately and effectively reaches targeted customers at lowest price and less loss of marketing efforts. In 1990s the term 'digital marketing' was first used. The rapid evolution of 'DM' has created new opportunities and new strategies in marketing from evolution day after day. Digital marketing is proliferated by different devises and it led to exponential growth of digital marketing. DM creates digital brand engagement. DM is applies platforms including websites, E-mail, Mobile Apps and social networks. DM can be done through Non-internet channels like TV, Radio, SMS etc., and through Internet channels like social media, E-mail ads etc., and Social media marketing is a main part of DM. Big organizations are using combination of traditional and digital marketing channels. DM is now in this modern technological era is becoming more popular, it allows marketers to target and track many aspects like ROI, customer satisfaction index.

Conventionally the ROI is ratio of net profit from an investment. In marketing ROI it may be used as profit earned minus strategic investment cost divided by investment cost. By the using the conventional method of financial formula of ROI may lead to erroneous data as it is not easy substitute the values only because of the marketing campaign profit have earned (Ho, 2015). Many researches have tried to segregate the expenditure only for the marketing.

As marketing executives work in a excel sheet to find the effectiveness of the subjective campaign and expenditure on the past. They use their own yardstick to justify the means. A CEO of Lenskold group (www.lenskold.com) has addressed the issues of marketing ROI as new areas a template is created with two option (i) Campaign ROI (ii) Measurement ROI with the variables such marketing and advertisement budget, average gross margin, target ROI. Keeping fixed target incremental revenue. If an ad campaign is to launched with the expected ROI (either 10%,15%) the backward integration can be done to know the investment to be made from the campaign. The same data helps to prepare the marketing budget.

As Almquist & Wyner (2001) in their research have tried experimental method to improve the marketing ROI as a case study using Design of Experiments (DOE), with price, promotional message and defend that free samples given at the store may have an interaction effect with other

variable. In other words caution must be exercised while experimental methods are being followed to know the main effect and other effect because of digital marketing.

In order to improve the digital marketing ROI, De Clerck (2011) recommends the fundamental principles to be followed track the incremental sales changes and the customer value on the digital marketing expenditure made. Value targeting, offers, frequency, and messaging on the offered given to customer. Use behavioural models for both online/offline conversions. Capture the interaction effects, cross-over impact, and synergetic influence of the strategy adopted to boost the sales.

1. Digital Marketing Strategies:

Digital marketing is depended on Information Technology developments because both are connected. Main DM strategies are;

Segmentation: In this based on customer needs different segments will be created.

Target: It is based on product and/service focused.

Influencer marketing: Important areas identified those are called Influencers, assist in identifying the targeted product/services.

Online behavioral advertising: This is the process of collecting information about customer behavior according to that marketing strategy created.

2. Methods of Digital marketing:

a) Search engine optimization (SEO): The process of optimizing the website for top organic or free listings on search engines. Generally the time span of marketing is 3 months to few years. It is process of improving ranking. For e.g. we are searching for good spoken English institute in search engine than list comes, that list is rank format.

b) Search engine marketing (SEM): This purely commercial. The process of optimizing the website for top paid listings on search engines. SEM is basically two types,

1. Pay per click: It is impotent type of advertising here search engine is main target, whenever customer clicks only money paid to search engine and also we can get top ranks as soon as we pay amount and start our marketing.

2. Display marketing: Here the product will be displayed. This is done by third party channel.

c) Social media optimization: It creates brand awareness in social media. Generating the visitors and increasing the brand awareness using social network sites. In this case no time span is required to implement the marketing (e.g. Movies, Gadgets and Beverages).

d) Email marketing: This is also called remarketing. In this case who is already ou customer we will reach them by this method.

Marketing of a New Product:

Using DM not only existing enterprises new enterprises can also market their products irrespective of size of organization. Startup enterprises can tap the enormous opportunities of data why because compared to traditional marketing it is less costly and accuracy is high. It seems to be costly but reaching targeted customers is very effective. Big companies maintain separate departments for each above mentioned DM methods but for new business units can go easily by combined form.

DM gives best results for new product and new business venture. It is very worthy and economical. By adopting the DM it is easy to calculate the ROI in the expenditure made for effectiveness in sales promotional activities.

Discussion and Conclusion:

Digital marketing is an important strategy of marketing in the globalized scenarios. The benefits of using DM are that it accurately focuses on the customers and to get good return on investment. Not only for old business for new business also is useful. For new products it is very good method for advertising and campaigning. Scope of this study can be done further in finance and customer satisfaction area.

This paper is an attempt made to strategizing the benefits of DM and attempts to improve and capture the marketing ROI.

Enterprises can use Digital marketing as main tool for accurate targeting of customers. DM evolved from traditional marketing and adding more value. Different methods of DM will helpful for better marketing. Finally from this study conclude that Digital marketing can give best and accurate results for new product marketing for accurate customer targeting and to get good ROI.

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