

## A STUDY ON DIGITAL MARKETING OPPORTUNITIES AND CHALLENGES

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### ABSTRACT

This present economy has made the whole world as a small market and removed the entry and exit barriers of marketing. Thus it has created more opportunity to the marketers to market their products and services like new market, market growth, leadership in the market & survival and digital marketing in which location based marketing has emerged as one of the biggest trend in marketing, social media marketing, email marketing, customized customer marketing, integrated marketing etc.

The current global economic crisis has thrown new challenges on marketing like managing campaign execution, understanding customers interactions across channels and controlling, marketing project budgets. The marketing strategies which are used to fulfill this challenge are creating issues related to ethics, legal, social and public policies. Managing multicultural perspectives of customer behavior, new development in online marketing are some of the issues in the present market.

This paper is a framework on the various opportunities and challenges in marketing offered by the development in the present economy and the issues that are raised in fulfilling these challenges.

**Key words:** Social media marketing, digital marketing, content marketing, ROI, multicultural perspectives.

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## Introduction of Digital marketing:

Before the popularity of the Internet, marketing comprised with television, radio and print advertisements, business cards, brochures, trade shows and telemarketing. While these methods remain beneficial, they don't offer the opportunity to interact directly with the audience. Also, traditional marketing cannot be accurately measured. It's difficult to count the number of people who have seen the advertisements or quantify which method is the most effective and brings the highest ROI. Because of these limitations, the budget reserved for traditional marketing for many companies has significantly declined over recent years.

Digital Marketing has become a huge part of the marketing industry. Although relatively new, because of the surge in Internet usage and the growing number of electronic devices, digital marketing has become a primal tool in product and brand communication. More and more brands look to create and expand their presence digitally as more and more people turn to their devices for almost every task.

In the present emerging economy business marketing is experiencing a rapid development with the changes in digital technology. Every day there is some new things to learn. Being up-to-date with the latest trend is very essential for every business. Digital technology has opened new channels for selling products. It provides the consumer with a previously unimaginable quantity and quality of information in an easily accessible form. Thus digital marketing has been introduced into the world which covers everything from company's website, search engine rankings and social media presence to a host of other online media strategies. Apple introduces the digital technology for designing the advertisement by using a Macintosh with a graphical user interface and hyper card the first universal multimedia tool. Companies are now developing their marketing plans accordingly, and developing an effective online presence and brand awareness has become the number one priority for most businesses.

Thus Digital marketing involves the promotion of products and services using digital distribution channels that reach consumers in a timely, relevant, personal and cost-effective manner.

At a high level, digital channels can have several categories such as the internet, mobile, digital outdoors and any form of interactive digital media. Each category has multiple digital tools/ sub-channels that can support digital marketing. These include:

- **Internet-** Email, banner ads, dedicated websites, pop-up ads, sponsored content, paid keyword search, podcasts, social networks, blogs, wikis, widgets, virtual worlds, online gaming, RSS etc
- **Mobile-** SMS, MMS, Mobile web, mobile applications, mobile video
- **Digital outdoors-** Still/ Video digital display, interactive kiosks.
- **Interactive digital Medium-** interactive television channels.

### Objectives of digital marketing:

The main objective of digital marketing are:

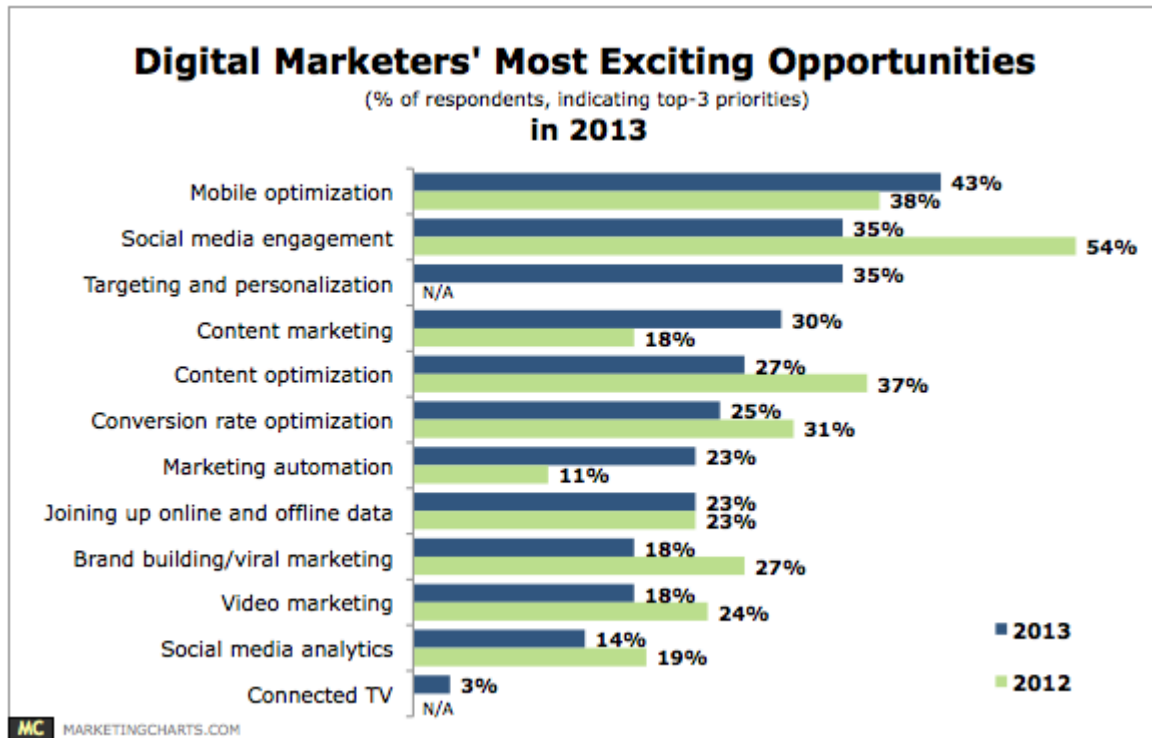
- to increase the customer engagement
- conversation with the customers

### Research tool:

The present study is completely based on the secondary data. The secondary sources used for this study are books, journals, conference proceedings, articles.

### Digital marketing opportunities:

In the digital marketing arena change is only accelerated. As we approach 2013, it's worthwhile for businesses to look ahead and consider emerging technological trends that could benefit their business. Today's customers are both multi-channel and multi-device users, which creates a unique circumstance that is both the challenge and the opportunity for digital marketers. The emerging opportunities in digital marketing are:



### i) M-commerce:

Mobile phones alike are regarded by many merchants as another channel to reach its consumers and facilitate their shopping routine. At the same time, software development companies have identified another area of mobile app development services to direct their efforts towards M-commerce application development. M-commerce solutions complement existing e-commerce solutions and traditional shopping in a brick and mortar stores.

M-Commerce is on everyone's lips due to its immense potential, displaying a 86% growth rate and hitting \$25 billion in 2012 and set to reach \$86 billion in 2016.

### ii) Mobile operated Vending machine:

The popularity and usage of vending machine is not much more popular in India because of the problems of currency issues, lack of trust and availability of labor at less prize. Mobile operated vending machine has overcome this problem.

It is user friendly. User sends a message to the mobile number displayed on the LCD panel of machine and waits for the machine to display the user's Mobile number. Once the user number

appears on the LCD screen, the machine asks for the user to select an item. The user selects an item and it is vended followed by an electronic receipt in the form of an SMS giving details of the transaction with a time stamp and informs the user that the amount has been billed in the Mobile bill for post paid customers or has been debited from the balance in case of Prepaid Customer.

### iii) Targeting and personalization:

Targeting is the process of sending a marketing piece only to specific people who are most relevant to the message you are sending. Personalization is the process of individualizing the marketing process, so the prospect is seeing content and offers that best match their interests. Now-a-days the prospects are wants to be distinct identification. So personalization will be used to a greatest opportunity for marketers to promote the product.

### iv) Content marketing:

In the present world the customers are more intelligent and the need more information about the products, brands before taking the purchase decision. Thus, content marketing has been emerged to satisfy this need of the customers by providing the complete information about the brand, product, usage, raking etc.

Content marketing is used as a one of the tool of most appealing trend for success of online marketing and most of the brand managers, marketers, companies and/or sectors would agree with this statement. If done right, it can create wonders to leading to traffic and driving sales. The key to this is to have a plan, a plan to target effectively & grab the target audience's attention. There is no doubt about the fact that social media & mobile marketing have also showcased content to be supreme.

Marketers use different strategies in content marketing. In 2011 the markets has used eight strategies whereas in 2012 it was twelve and it is expected that in 2013 the figure is going to be thirty. Gambling content strategy, info graphics, A breakthrough content.

## Digital marketing Challenges:

Digital Marketers are now challenged with gaining insight from many customer data warehouses, which include the web, email, social, CRM and even mobile. As the amount of customer data is continuously growing, customer journeys and paths are now often scattered across these different databases – creating data prisons. Taking this customer information, analyzing it and developing actionable insights can very challenging, along with getting measureable results and immediate ROI on past customer behavior.

### i) Data:

The rate of change and evolution in this industry doesn't look like slowing down in 2013, and as always that will be the biggest challenge. However, the challenge specific to 2013 for marketers will be how they turn all the "Big Data" they sit on into actions to optimize revenue. Marketers sit on more data than ever before across multiple online and offline channels, and this year they will look to find solutions to how they can turn this data into actions which optimize revenue outcomes in a scalable way.

### ii) Prioritization

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### iii) Customer loyalty:

With the availability of huge information about the product the customers are able to evaluate their preference easily and at the same time they facing the difficulty of evaluate the data and the competitors are using this opportunity to attract the customer's towards their products. The customer switching cost is less so the customers are easily owed by the competitors.



Thus, digital marketing is an effective tool to attract the customers but retaining the existing customers is a challenging task to the marketers in the digital world.

#### iv) Return On Investment:

Market project budget for digital marketing is too high because digital marketing invites large amount of investment compared to the traditional marketing. As the competition is high and the customer retention is very difficult the marketing has to spent more money in all the stages of the product,

#### Conclusion:

From this it is cleared that the digital marketing is providing excellent opportunities by maintaining effective relationship with the customers and increasing the customer satisfaction .

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