



DIGITAL MARKETING AND ITS CHALLENGES

Sanmathi Anbumani

Dr. Ch. Bala Nageswara Rao, Dr. J. Gomathi Sankar,

Saveetha School of Management, Saveetha University, Chennai, Tamil Nadu, India

ABSTRACT

Digital marketing is a paid form of promotion of products and services through an identified sponsor using a digital medium. Digital marketing is that element of promotion mix, which is often considered prominent in the overall marketing matrix. Its high visibility and pervasiveness has made it an important commercial medium in Indian society. It is a means of influencing the consumer to buy products or services through visual or audio persuasion. A product or service is primarily advertised to create awareness of its utility in the minds of potential buyers. As a result of globalization and the consequent changes in consumer buying patterns, the advertising industry has undergone significant transformation in past few years. The current article highlights the scenario of digital marketing challenges and ways to overcome it.

KEYWORDS: *Digital Marketing, Consumer, Social Media*

INTRODUCTION

The fastest growing media outlet for advertising is the Internet. Compared to spending in other media, the rate of spending for Internet advertising is experiencing tremendous growth. However, total spending for Internet advertising remains relatively small compared to other media. Yet, while Internet advertising is still a small player, its influence continues to expand every year major marketers shift a larger portion of their promotional budget to this medium. Two key reasons for this shift

rest with the Internet's ability to: 1) narrowly target an advertising message and 2) track user response to the advertiser's message. The Internet offers many advertising options with messages delivered through websites or by email.

Handheld devices, such as cell phones, Personal Digital Assistants (PDAs) and other wireless devices, make up the growing mobile device market. Such devices allow

customers to stay informed, gather

information and communicate with others without being tied to a physical location. While the mobile device market is only beginning to become a viable advertising medium, it may soon offer significant opportunity for marketers to reach customers at anytime and any place.

Also, with geographic positioning features included in newer mobile devices, the medium has the potential to provide marketers with the ability to target customers based on their geographic location. Currently, the most popular advertising delivery method to mobile devices is through plain text messaging, however, over the next few years multimedia advertisements are expected to become the dominant message format.

Digital marketing plays a significant role in today's highly competitive world. Companies, personalities, even voluntary or religious organizations, use it in some form - such as Event management, Image management, Internet marketing, etc. either to promote a product or to promote a point of view.

Specifically, marketers will study consumer behavior in an attempt to understand the many factors that lead to an impact purchase decisions. Those who develop digital marketing strategies begin by identifying relevant markets and then analyze the relationship between target consumers and the product/service or brand. Often, in an attempt to gain insights, marketers employ techniques borrowed from other disciplines.

India has indeed joined the digital marketing league. There is a vast middle class market numbering as much as 250 million today. The American business week magazine, said in April, 2008, that there were 8% rich Indian having incomes higher than an average American. Even time magazine focused on it in a cover features, "Consumer Boom". If the consumer, exposed to the advertisement, keeps it at the back of his mind or if in the case of non-durable makes a trial purchase and is satisfied, it may result in putting the brand among the most – favoured ones in his 'evoked set, as stated in the 'Howard-Sheth model'. Thus, there is a positive perception to advertisements of new brands as well as to remainders advertisements of older brands. How the consumer makes use of this advertising communication provided by the marketer is

a matter in the purview of consumer behaviour. Marketing people consider that, advertising is effective promoting the sales of a company's products and services. However, the relationship between advertising and sales is rather indirect.

It is desirable that the marketer should also measure the effectiveness of digital marketing, and in the face of results, obtained make qualitative changes in his marketing programme. The appraisal of marketing programmes should result in the business becoming economically viable. But, the degree of its effectiveness vis-à-vis the amount spent on digital marketing cannot be measured directly as put rather helplessly by Wanamaker. The potential buyers make the buying decisions not only due to the digital marketing they see but also due to many other economic and social factors. The effectiveness of digital marketing is a function of several variables. The problem is that the organization cannot measure the impact of one variable alone.

Since digital marketing is widely accepted as a significant marketing strategy, it is necessary to design digital advertisements in new forms and formats to make them more effective and accessible through popular media like e-mails, advertisements through

social sites like Facebook. Thus the subject of digital marketing is put to research from different angles is evidenced by the literature review. This research study adds new insightful inputs to the promotional strategies of marketing through digital sources.

LITERATURE REVIEW

Prof. Mahendra Mohan (2006) of IIM-A writes that the ultimate test of effectiveness of marketing obviously consists in the degree of achievement of the objectives set by an advertiser, in consultation with the advertising agency working on the account.

Ayaz S. Peerbhoy (2010), founder-Director of MAA advertising Agency, Bombay – Bangalore describes that, “The concept of digital marketing as understood in the Indian conditions can be explained still further in terms of its effectiveness on and receptivity by the consumers and the markets if proper Scientific Research methods and techniques are applied. To advertising points, the author research is a part of the marketing activities “built-in-progress”.

An exhaustive study on digital marketing and publicity has been done by Sexena, S.S (2013) surveys the prevalent practices and methods in India and appraises the

contributions made by advertising and publicity to the business and social cultural enlightenment of the public.

The definition and fundamentals of digital marketing are discussed at length by Devar and Rustom. S. Towards the end, much stress is laid on marketing research, motivation research and management.

A clear understanding on digital marketing, market research, advertisement and sales force management i.e., recruitment, selection and training of sales staff is given by Roy, P.C (2010).

Parikh. J.C. (2013) explored further improvements and changes in the advertisement, selling and consumer relations necessitated by the introduction of man-made fibre fabrics. The survey makes some useful recommendations.

In, “the changing pattern of India consumption, (A study of change in living standards)”, Quarterly economic review Dec.1958, establishes a conceptual correlation between consumer durables and consumer goods(and that the rate of risk in the case of the former being higher than that of the latter).

Boyd Harper W. and Kapoor. M.C (2013) mentioned various products that meet the needs of local market and product research. Newer methods have an important role to play in determining the acceptability and profit potential of certain new products.

Ram Swami, R. (2014) says that “ although the fact remains undisputed that advertising promotes national economy and raises the standard of living, especially in the Indian context, yet the existing criticisms are against too much of advertising rather than against the prevailing trends of advertising.

Bahl. G.C. (2014) says “A deeper understanding of consumer behaviour is the basis of Advertising. So far as consumer resistance is concerned it can be overcome by Pre-testing and Post-testing the advertising campaign to make it more effectively”. The author stresses the role of the advertising in a production-oriented economy like India.

Patnagar, V.N. (2012) stresses the role of the research in promoting not only the advertising of a particular item but also to improve in general the practice of advertising.

Lathif, T.A.A, (2014) says, “Efficient Management is a prerequisite to an

industrial affluence and marketing is a prerequisite to efficient management. Therefore, “Marketing should have priority in management decision and major elements for are production and manufacturing operations.

Varma, J.K. (2010) says as per consumer preferences, attitudes and habits, stresses the importance of marketing research to bridge the gap between the producer and the consumer. It is emphasized by the author with some examples.

Patel, V.P. (2010), says, “Efficient Advertising pushes the economy of the industry which in turn purchases the economy of the country”. Advertising is a link between production and consumption and yet it is integral part of marketing.

First of the series on, “from the consumers end” based on the survey conducted by the Indian Institutes of public opinion, concludes that the middle class consumers are deeply dissatisfied with the service and prices charged for the near necessities of inferior quality.

DIGITAL MARKETING CHALLENGES AND ITS SOLUTION

1. Not getting lost in the volume

The digital world is booming and almost every business out there has taken its products/services online to reach out to the masses. According to a report by Experian, most marketers are now facing the challenge of making their brand stand out in the volumes available on the internet. This eventually leads to difficulty faced when trying to run a brand awareness campaign or acquiring new customers.

Solution

While it is a fact that at least some of your products/services might be similar to what another business has to offer, there is definitely a small aspect that is unique to you. Discover the USP of your product/service and find ways to convey the same. Conduct surveys on your existing customers and your target audience to better understand what they are looking for, and identify which of those needs your brand can fulfill.

2. Driving relevant traffic to the website

Continuing on the point above, marketers today are consistently facing a challenge when it comes to spreading brand awareness in the right target market. This also makes it harder for them to drive the ideal traffic to their business websites. Therefore,

understanding which channel to tap into and driving relevant audience to your website to turn them into customers is becoming an ongoing challenge for marketers.

Solution

Conduct an audit of your online activity – what tactics are you opting for to reach out to your audience. Take into consideration the content you're producing, the channels you're presenting it on, the social media channels that you're actively present on and the paid/unpaid campaigns you are possibly running.

3. Targeting the right audience effectively

One of the first and foremost thing that an effective marketer does, is to identify their target audience in the market. With the number of internet users increasing by the day and their needs changing almost every second, targeting the right audience has become one of the biggest challenges for marketers.

Solution

Look at the general demographics of the market that you want to reach out to. Identify their needs and create customer personas taking into consideration their

online behavior and possible future needs. In this case, companies like **Wigzo** equip you with machine learning and predictive analytics tools to enable better persona creation.

4. Lead generation using social media

When it comes to the various social channels, most businesses and marketers don't really know how to remain consistent at it. Most of them feel that it is all about the paid campaigns they are supposed to run for brand awareness and lead generation. Although, both of them are a constant challenge with the ever increasing market competition.

Solution

The most effective way to leverage from social media is to integrate your marketing and sales efforts. Sharing behavioural data and interaction levels with leads on social media, can help the sales team define a custom, personalized customer journey for them – which they are more likely to convert on.

5. Keeping up with the changing trends

The digital market and marketing techniques have changed drastically over the last few

years. And it continues to change even today to cater to the modern day addressable market needs. Hence, it is important for marketers to stay up-to-date with all these changes.

Solution

Consistently engage with your target audience on platforms that they are most active on. The most effective way of doing so is to leverage from social listening using tools like Hootsuite. They help you understand what people are saying about you and your product/service, what they expect – giving you the opportunity to become a part of their conversation.

The Research Methodology

Data Source

Primary data

The present research being descriptive in nature mainly depends upon on primary and secondary sources of data. Structured questionnaire method is used to collect from the consumers using digital media.

Secondary data - is taken from the materials (relevant documents) provided by various websites, industry reports. All possible existing literature is obtained by

going through various journals e-journals, online repositories, magazines and publications. The study mainly presents primary data collected from the respondents selected by a sample survey in the Chennai.

Field Analysis

Field analysis is done by survey method to ensure that collected data is factual and doesn't differ from the real life situation.

Research Instrument

The questionnaire is fully structured. Before finalizing it, a pilot survey was conducted to pre-test it and the views of the respondents were considered in finalizing the questionnaire. The residents were contacted directly by the researcher for collecting the relevant data. Proper care has been taken to maintain the heterogeneity of sample.

The Primary data on digital marketing collected through the questionnaire was scientifically tabulated and analyzed while interpreting.

To study the opinion of the respondents towards advertisements, a five point Likert's scale (Likert's scale is adopted for measuring the degree of satisfaction against each statement) comprising strongly

disagree, disagree, neither disagree nor agree, agree and strongly agree is adopted to study the respondents attitude and perception. A five point verbal scale is adopted to find out the respondents level of satisfaction. A five point efficiency scale is adopted to study the present effectiveness of advertising and respondents expectations on the same.

Sampling Procedure and sample size

The sampling method chosen for the study is multi-stage sampling, where respondents were selected from Chennai. (The reason for using Cluster Sampling Technique is that apart from providing reliability, it also confers economic advantage in the form of lowest per unit cost per selected clusters.) A sample of 385 respondents was taken for the study. The population is taken from the residents comprising of 18 years and above from census calculation of Government of Tamil Nadu.

The sample selected covers the following areas in Chennai

Ramapuram	40	Adayar	40
Anna Nagar	40	Triplicane	40
Mylapore	40	T Nagar	40
Perungudi	40	Alandur	40
Besant Nagar	40	Sholinganallur	25

Research approach

The choice of qualitative research is based on our intent to gain a deeper understanding of the consumer behaviour and the influence of digital marketing on it. The information collected from the respondents will give us a possibility to gain an understanding of what

the population covered think and what influences their decisions.

Validity and reliability of the research Instrument

Before administering the questionnaire the instrument was subjected to a validity and reliability test. The questionnaire has passed

the required validity test, results indicating .806 or (81%) validity for the 158 variables covered in the questionnaire. This is also in tune with Cronbach's Alpha statistical measure which helps in checking the relationship between two variables and also helps in confirming whether the research

findings are really about what they appear to be about.

Quality of this study was enhanced by defining the concepts used for construction of frame of reference based on established literature. This provided the base for developing the checklist for data collection.

ANALYSIS

Table No. 1

Cross tabulation between age and advertisement observing habits of using social media N=384

Age Opinion		I do not use social media	I watch both posts as well as advertisements on social media	I concentrate more on advertisements than posts	I only watch posts	Total
		Age in Years	18 – 25	9	38	8
13.8%	58.5%			12.3%	15.4%	100.0%
26 – 33	3		42	9	28	82
	3.7%		51.2%	11.0%	34.1%	100.0%
34 – 41	12		58	15	11	96

		12.5%	60.4%	15.6%	11.5%	100.0%
	41 – 50	12	41	3	12	68
		17.6%	60.3%	4.4%	17.6%	100.0%
	50 – 57	2	15	5	17	39
		5.1%	38.5%	12.8%	43.6%	100.0%
	58 years & above	3	23	4	4	34
		8.8%	67.6%	11.8%	11.8%	100.0%
Total		41	217	44	82	384
		10.7%	56.5%	11.5%	21.4%	100.0%

Source: Primary data (Compiled from the tabulated responses)

From the above table it can be interpreted that the age group who prefer social media out of 384 population 65 respondents come under 18-25 years of age group and their highest preference i.e., 58.5% (38) respondents watch both posts as well as advertisements and 15.4% (10) do not watch advertisements and only watch posts. 82 respondents comes under 26-33 age group with highest number 42 with 51.2% of respondents prefer advertisements along with other posts and the least three (3.7%) of respondents do not use social media at all.

96 respondents fall under 34-41 age group out of which 58 respondents with 60.4% prefer posts as well as for advertisements.

Only 11.5 % (11) respondents prefer watching posts. 68 respondents comes under 41-50 age group and highest preference 60.3% with 41 respondents prefer social media for posts as well as for advertisements. Last three respondents with 4.4% concentrate more on advertisements than other programs. 39 respondents comes under 50-57 age group and their highest

preference with 38.5% is also for using social media not other posts, but also for advertisements and 17 respondents with

43.6% prefer social media only for other posts rather than advertisements.

Table No. 2

Advertising messages solve the decision making dilemma

Message type/ Rank	I	II	III	IV	V	Total %
Price clarity	143 37.1%	102 26.5%	50 13%	27 7%	63 16.4%	385 100%
Product benefits	175 45.5%	58 15.1%	51 13.2%	30 7.8%	71 18.4%	385 100%
Brand association feelings	79 20.2%	102 26.5%	84 21.8%	77 20%	43 11.2%	385 100%
Brand personality Used in the ad	77 20.2%	77 20.2%	101 26.5%	72 18.9%	54 14.2%	381 100%
Comparison of the brand with competitors	106 27.6%	66 17.2%	74 19.3%	71 18.5%	67 17.4%	384 100%

Source: Primary data (Compiled from the tabulated responses)

The above table infer that the type of message advertisements solve the decision making dilemma. The above table indicates first message is price Clarity. Out of 385

population 143 (37.1%) of respondents have given I rank for price clarity and 102 (26.35%) respondents have given II rank , 50 (13%) respondents have given III rank,

63 (16.4%) respondents have given V rank, finally 23 (7%) respondents have given IV rank for type of message advertisements solve the decision making dilemma through price clarity.

Out of 385 population (45.5%) respondents have given first rank for product benefits advertisements solve the decision making dilemma. 58 (15.1%) respondents have given for second rank, 51 (13.2%) for third rank, 30 (7.8%) respondents have given fourth rank and 71 (18.4%) respondents have given fifth rank for product benefits solve the decision making dilemma through message advertisements.

The above table indicates another message advertisements are brand association feeling through we can solve the decision-making dilemma in consumer products. First that 102 (26.5%) respondents have given the second rank for brand association, 79 (20.2%) respondents have given first rank, 84 (21.8%) respondents have given third rank, 77 (20%) respondents have given fourth rank and finally, 43 (11.2%) have given fifth rank for brand association feeling

solve the decision making dilemma through advertisements for consumer products.

It is drawn that out of 381 population 101 (26.5%) respondents have given third rank, to the opinion about brand personality used in advertisements in solving the decision making dilemma in consumer products. 77 (22.2%) respondents have given equal ranks (i.e. First & Second), 77 (18.9%) respondents have given fourth rank and 54 (14.2%) respondents have given fifth rank for brand personality used in the advertisements and solve the decision making dilemma in consumer products.

Finally, out of 384 population 106 (27.6%) respondents have given I rank their opinion about comparison of the brand with competition of message advertisements solve the decision making dilemma in consumer products. Followed by 74 (19.5%) respondents have given III rank, 71 (18.5%) respondents have given IV rank, 67 (17.4%) respondents given V rank and 66 (24%) respondents have given II rank for comparison of the brand with competitor's advertisements to solve the decision-making dilemma in consumer products.

Table No. 3

Preference of digital media advertisements

Media/ Opinion	Preference					
	Strongly Like	Like	Neither Like nor strongly Dislike	Dislike	Strongly Dislike	Total
E-mails	172 44.8%	93 24.2%	52 13.5%	37 9.6%	30 7.8%	384 100%
Facebook	77 20.1%	175 45.7%	88 23%	22 5.7%	21 5.5%	383 100%
Whatsapp	83 21.8%	127 33.3%	97 25.2%	55 14.4%	19 5%	381 100%
Others(Interactive)	34 9.2%	120 32.4%	88 23.8%	70 18.2%	58 15.7%	370 100%

Source: Primary data (Compiled from the tabulated responses)

From the data given in the above table, we can interpret that: Out of 384 populations' 172 respondents with 44.8% said their strong like for e-mails and only 30 people with 7.8% strongly dislike e-mails. Out of 383 total populations 175 people with 45.7%, have a strong preference for Facebook and only 21 people strongly dislike Facebook. 127 people with 33.3% out of 381 population like advertisement through Whatsapp.

Out of 370 total populations 120 people with 32.4%, have liking for other interactive sources. From their analysis it is said that majority of the population like electronic

media followed by print and hoardings. Other interactive sources play least role in influencing the people.

CONCLUSIONS AND RECOMMENDATIONS

The purpose of the study is to highlight digital marketing and its challenges. The study seeks to provide the ability to visualize how digital marketing strategies are formulated and perceived by consumer segments.

The study seeks to offer key indicators of effective digital marketing strategies. Advertising in the digital media were taken into account. For this purpose, advertisements in the digital media has been taken into consideration.

Indian consumers have always been open to the idea of trying new products. With the socio-economic changes taking place and the increase in the number of nuclear families and well as twin-income families, there is a dramatic increase in household as well as disposable incomes. To cater to their need marketers are introducing new and advanced products, and positioning them to attract target customers.

A single brand image is the most important reason for standardization. Due to increasing geographic customer mobility (e.g., because of tourism) and media spill over (e.g., global broadcasting). This results in the broadening of the “perception sphere” (ibid). Cultural, economic, social and other differences make

it difficult for companies to define or identify a single brand image that has a global appeal.

A standardized digital marketing strategy should be more easily produced for products in which individuals share common consumer behaviours than for products used in culturally specific ways. For instance, consumer high-tech goods (computers, mobile phones) may be somewhat similar across cultures whereas food is generally considered to be consumed in traditional and idiosyncratic ways. Beauty-related product advertisements may be more easily standardized than more culture-specific items such as food or automobiles because they focus on similar needs for beauty among a shared audience.

Advertising firms might share certain spokespersons and thus the celebrity will end up promoting more than one brand. An example of this is the actress Catherine Zeta-Jones who promoted both T-Mobile and Elizabeth Arden. Also, the golf champion Tiger Woods endorsed as much as three brands; American Express, Rolex and Nike.

The rate of change in the awareness of the Indian consumer during the last decade has

been slow despite the proliferation of the social media and advertising. As the number of brands are increasing in the market, consumers have become choosier, forcing marketers to adopt various strategies to woo target consumers with large investments in advertising/publicity, offering discounts and luring them with freebie schemes. These have only ended up in giving those short-term gains in terms of increasing their turnover and improving their brand equity.

REFERENCES

1. Mahendra Mohan, "Marketing Management": 'Analysis, planning and control' PHI Pvt. Ltd., New Delhi, 2006.
2. Ayaz, "The models of buyers behaviour" John Wiley and sons Inc, India, 2010.
3. Sexena, James F. kollat, David T. and Black well, Roger D., "Consumer Behaviour", Dryden Press, Illinois, 2013.
4. Roy, Joel ' Managerial Economics" PH India Pvt Ltd., New Delhi, 2010.p.256 to 261.
5. Parikh, Rakie,W and Jonathan.N . Crooke, "Managerial economics" Heritage Publishers, New Delhi, 2013.pp.156-167.
6. The Indian council of Social, science Research " A survey of research in Management volume-2, Vikas Publishing House New Delhi.
7. Harper "Relevance of Advertising to developing nations" , Economic Times of 9th November, 2013. pp.23
8. Swami, 'Advertising Expenditures and the Macro Economy: Some New Evidence.' International Journal of Advertising, No.1 2014, 1-14.
9. Bahl, S "Advertising and research", Progressive, Bombay, 2014.
10. Patnagar "advertising and Publicity in India" Agra University, Economics Ph.D, Agra, 2012.
11. Lathif " Modern Marketing Management in the India context" Prograssive, Bombay, 2014.
12. Varma "Salesmanship", Prentice Hall Of India Pvt. Ltd., New Delhi, 2010 (Millennium Edition).
13. Patel " Preferences, Attitudes and habits of consumers in respect of man-made fibre fabrics", *Journal of marketing*, Vol. 56, Issue 2, 2010, pp. 1-17

14. Boyd, Harper W. & Kapoor M.C “
Readings in Marketing Management
Bombay, Asia,. 2012.