

Digital Marketing in India

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Abstract:

Digital marketing is the component of marketing that uses the internet and online based digital technologies such as desktop computers, mobile phones and other digital media and platforms to promote products and services. Digital marketing, also called online marketing, is the promotion of brands to connect with potential customers using the internet and other forms of digital communication. This includes not only e mail, social media and web-based advertising, but also text and multimedia messages as a marketing channel. Indian market has shifted from traditional marketing efforts to digital marketing to take advantage of technological advancements and competitive environment. Increasing use of internet technologies opened many opportunities for Indian companies to update customers . Presently, businesses are focusing on refining and continuously optimizing the online marketing efforts to outshine in market. The study focuses on the scope of digital marketing in India.

Key Words: Digital media, online marketing, digital communication, optimizing.

Introduction:

Marketing is the activity of showing and advertising a company's products in the best possible way. Digital marketing is generally more cost-effective and can be more targeted, while traditional marketing can be more effective at reaching a larger audience. Companies traditionally focused on marketing through print, television, and radio etc. But internet has shifted the approach of companies to reach customers. That's why digital marketing comes into play . This form of marketing involves the use of websites, social media, search engine and applications. Increasing use of technology forced companies to change their marketing strategies. It makes it possible for the companies to track data to cater customer needs. Statistical data shows that there were 692.0 million internet users in India in January 2023. India internet penetration rate stood at 48.7 of total population and number is expected to rise exponentially with the development of technology. Various studies show that 70% of people prefer using their phones to make buying decisions. Such type of information provides companies with an extensive customer database and instantaneous feedback thus, allowing them to cater the customized individual needs.

Objectives of Study:

The objectives of the study are as follows-

- To understand the effectiveness of different digital marketing strategies.
- To study the impact of digital marketing.
- To understand about the current and future prospects of digital marketing in India.

Research Methodology:

This study is based on secondary data collected via. government publications, international journals, newspapers, articles, and websites. This descriptive study highlights the prospects of digital marketing in India.

Review of Literature:

Shard Madhukar (2011) in his thesis on " A Study of the Growth of Internet Marketing in Indian Scenario" concluded that conventional marketing will soon be replaced by digital marketing due to increasing use of internet.

Niharika Satinder(2015), in their journal, " A Study on Internet Marketing in India: Challenges and Opportunities" says that online marketing develops a greater opportunity to get information relating to customers as compared to traditional methods of marketing. In the next few years, online marketing will strengthen more and makes the shopping habits of the people more efficient and world class. Because

of the use of credit cards, the online shopping became easier.

Rajiv Kaushik(2016) "Digital Marketing in Indian Context" viewed that digital marketing has tremendous potential to increase sales, brand reputation and brand loyalty.

Dr. Amit Singh Rathore and Mohit Pant(2017) "Emerging Trends in Digital Marketing in India" highlighted the changing purchasing habits of the people. Today's life is more oriented towards the social media and people prefer buying goods and services online via ecommerce platforms.

Evolution Of Digital Marketing in India:

Digital marketing was first heard of in India during 1989-90 when it was still nascent. The evolution of digital marketing happened in stages, around 1996 when computers and laptops first arrived on the scene. Digital marketing has a slow and disorderly journey in India since internet penetration itself was quite low and secondly the customers were not aware about it as well. More importantly, the customers are not ready to take the risk of buying a product without seeing it physically because Indians are very conservative in their approach to shopping. Indian market focused its attention towards digital marketing back in 1996 with the launch of India Mart. It was a new concept for Indian businesses. But 2008 saw the rise in digital awareness and it went on till 2016, until the launch of Reliance Jio. Since 2016, India became the one of the top country with highest number of internet users in the world. New trends of digital marketing in India are showing their magical performance. It is for sure that digital marketing is going to stay forever but it's trends and channels are going to be more advanced with the passage of time.

There are top 3 companies that helped to revolutionize the growth of digital marketing in India are:

- A) India Mart: India Mart was the first company that helped in revolutionizing the growth of digital marketing in India. It launched its services in 1996 and was unique types of business during that time. It helped consumers meet the right dealers on the internet.
- B) Flipkart: Flipkart is another E-commerce company that helped revolutionize the growth

of digital marketing in India. Flipkart took its inspiration from Amazon to launch its services, selling everything on internet. It is the first company that took major advantage of digital marketing in India.

- C) Bharti Airtel: It is the third company that helped revolutionizes the growth of digital marketing in India. It is multinational telecommunications company that with the rise in technology improved the condition of the 3G Internet services in India, which resulted in people accessing high speed internet in India. Thus, more and more people started using the internet, and the digital revolution started taking place.

Advantages of Digital Marketing:

- Global Reach: Websites and online platforms allow the marketers to reach globally to large number of masses due to aggressive use of internet and social media. This online accessibility has opened many growth opportunities for businesses to explore.
- Lower Cost: It provides cost-effective solutions. A properly planned and well targeted digital marketing campaign can reach the right customers at a much lower cost than traditional marketing methods.
- Trackable, measurable results: It helps in providing detailed information about how customers use your website or respond to your advertising.
- Personalization: Now a days, companies are making to attract large number of traffic and understand consumer behavior.
- Social Influence: The tools like social marketing and content marketing help to change the outlook of the society towards various stereotypes. Thus, leading to a positive impact on society.
- Ease of Information: The information of various products and brands are just one click far from the customers. Websites and push notification etc.

provide them with all relevant data needed to make sales.

- Customer Database:

Digital marketing tools help to track, understand, record and analyze the customer behavior and requirements. Thus, helping the companies to create an informative bank.

- Brand Awareness for Small Business:

Digital platforms could help the small business to headway into competitive market and reach large customer base and build brand awareness.

Disadvantages:

- Privacy and Security Problems:

The online content and data is open to all and everyone could have access to it. Thus, increasing the chances of data breach and other security problems.

- Time Consuming:

The task of creating online content and media to attract potential customers takes lot of time and efforts.

- Skill and Training:

The marketer needs to ensure that the staff has the right knowledge expertise to carry out digital marketing with success. Tools and trends change very rapidly, and it is vital to be updated with changes.

- Not Suitable for Illiterate Customer Segment:

Online marketing could not be successful for the segment containing mostly illiterate people who don't have access to internet facilities.

- Complaints and Negative Feedbacks:

Any complaint or negative feedback could destroy the image of company. Therefore, carrying out online customer service could be challenging.

Future Scope of Digital Marketing in India:

Digital marketing has become an essential tool for businesses to connect with customers. According to a survey by Forbes magazine, in India, where over 82% of customers shop and research online, the digital marketing is booming. The country's Digital India initiative has stimulated private sector and job growth and could increase GDP by upto \$1 trillion USD by 2025. India is the second largest country in

terms of population and active internet users, with a population of almost 2 billion. This makes it one of the biggest markets, and the market's soaring demand reflects the vast growth potential of the nation. Therefore, if one has the necessary expertise and understanding in this area, they can succeed in this dynamic sector. In addition, the use of digital platforms in India has been rising steadily ever since the Ministry of Electronics &IT announced the creation of Digital India.

Digital marketing in India is still in its nascent stage, with most business have not yet fully understand and leverage the potential of digital channels for marketing purpose. Though increasing use of mobile and internet users have led India towards the digital economy. Businessmen are becoming more digital savvy and customers too are getting more comfortable with the digital channels. But one thing is for sure, digital marketing is hereto stay and will only get bigger and bigger.

- **Increasing Internet Users:**

According to report, Indians spend on average of 3.4 hours per day online and around 10% of the online time watching videos. There are more than 650 million users currently and by 2025, it is going to increase up to 900 million. This number indicates the increasing scope of digital marketing for persuasion of consumers.

- **Government Initiatives:**

The government of India recognized the potential of the internet and in 2015, launched the Digital India Campaign to spread awareness of internet among people. This campaign resulted in huge hit and people from both rural and urban areas started getting familiar with the technological world and online payment, which were earlier reluctant of.

- **Arrival of Advanced Technological Devices:**

Advanced technological devices were not affordable for the small and middleclass India users. But now various companies have come up with budget friendly smartphones. According to study, currently there are 14 billion mobile users, and the number is projected to grow to almost 18 billion by 2024.

- **Increased Scope After Pandemic:**

Internet use has surged since covid-19 epidemic. Today, almost anything can be done online including buying prescription drugs and food delivery to your home. According to a study, before the epidemic, online shopping accounted for around 34% of all consumer product purchases worldwide, including fashion, technology and home décor. This increased to 53% during the epidemic. Consumers predict that internet purchasing will be a more common feature in their following average shopping needs. In such an environment, the usage of digital marketing is a crucial means for meeting growing customer demand and reaching the right audience. Thus, there is a need of digital marketing to inform and persuade customer to buy product.

- **Rural Market and Digital Marketing:**

Over the years, small towns and rural belts have shown a noteworthy digital drive , according to report 31% of the rural population is adopting internet actively. But it has lot of undiscovered potential. To grab this benefit companies, need to focus on increasing digital literacy among rural individuals and should focus on long term strategies as adopted by ITC.

- **Digital Marketing for Small Scale Concerns:**

Small startups too are focusing on ‘Being Digital Is Being Global’. Small concerns could use this budget friendly marketing technique to approach to maximum potential consumers. Digital platforms could help to strengthen their business and beat large concerns.

- **Artificial Intelligence:**

AI is now also prevalent in the digital marketing domain a well; there are basically two ways how AI works for companies one is on the backend when marketers use AI to forecast demand for products develop customer profiles, do programmatic and buying’ and the like. The other is the customer-facing side, as marketers use AI to improve the customer experience, thereby strengthening the brand and making more sales.

Augment Reality in Marketing:

Augment reality allows company to give customer unique realistic experiences while selecting products.

Like Lens kart give you the opportunity to try lenses and frames before buying. Similarly,Nykaa too gives you chance to apply products before buying so that you buy what suits you.

Conclusion:

The scope of digital marketing is increasing exponentially day by day as it has a tremendous potential to increase in sales, brand recognition and brand popularity. During pandemic many companies realized the potential of digital media as the number of internet users increased and this was the most reliable and economical means to boost their sales. Small concerns too have opted this form of marketing over the traditional one. Rural market too is untapped.

New technological invention, artificial intelligence has too increased the spheres of digital marketing and made marketing more interactive, easier via real like experiences for customers through augment reality, interactive chat boxes, customized mails etc.

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