

Opportunities and Challenges of Digital Marketing in India

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ABSTRACT

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India is a huge market for marketing of any company's product. It is because of its rising population size and increasing disposable income especially of its young population. Hence all the marketers' pays special attention to India for its own business. As you know, along with the passage of time everything changes in this world, same is the way with marketing activities used by any company also. Traditional methods of marketing are rapidly being replaced by modern marketing techniques involving latest technologies. And digital marketing is one of them. Its importance also increases in India because of rapid penetration of internet in India and its tech savvy rising young population. Hence in order to connect with consumers, the need of the hour is to rapidly adopt this method by the company whether big or small. Consequently, the marketers must consider and analyse both advantages and disadvantages of digital marketing while planning the best marketing technique and setting business goal. It is in this context that this paper will try to analyse about the opportunities and challenges of Digital marketing in India.

Keywords : Digital Marketing, Population, Rapid Penetration

Introduction

Many scholars have defined marketing in various ways. According to Dr. Philip Kotler, Marketing is "Satisfying needs and wants through an exchange process." The foundation of marketing is connecting to creating and enabling product and service reach from concept to customer. There was a time when there were few industries existing in the world and selling of product was not problem as already Industries used to have order in their hands from consumers before the actual production of goods . But after the first Industrial revolution in the year 1760 in England followed by Industrial Revolution in US, use of technology in order to produce goods were common .Consecutively supply of goods also increased and companies started to face trouble in selling goods.

In order for a service or product to be delivered, it must be promoted. There are many different forms of promotion that may be used to raise brand awareness, encourage sales and customer loyalty, and pick consumers' interest and curiosities. And hence companies started to use all the tools of promotion as per their requirement,

budget and the need of the hour. In the twenty-first century, the marketing strategy has changed from using traditional channels of promotion to one that uses modern techniques like using digital platforms, to influence consumer decisions by using a variety of strategies. With this digital strategy, the marketing mix evolved to become more customer-focused, and new products are created with the consumer at the center. The Industrial revolution has increased the demand for quick and effective marketing, while technology development has altered client outreach. Search engines are used by a lot of advertisers and sectors to market their products. The transition from paper writing to blogging has happened considerably more quickly than in the previous five decade, and marketing practices have undergone a mammoth shift. Internet accessibility already started to shift from 2G to 4G and 5G, and this has set the stage for a new era in which various products are placed and studied online. An industry that is always expanding is “Online Marketing”. Any form of advertising that uses electronic devices to promote goods or services is referred to as “Digital Marketing”. According to the Institute of Direct Marketing “Digital marketing is a broad field that encompasses all types of marketing that takes place through electronic devices, including those that function online, on mobile, and on-screen. According to the CAM Foundation —Digital marketing has grown significantly over time and has continued to do so.

The most well-known and in-demand aspects of digital marketing include search engine optimization, search engine marketing, or pay-per-click advertising, social media marketing, content marketing, mobile marketing, web analytics, marketing automation, content writing, and rate optimization. Customers' connection with e-marketers is supported by technology and the inventive use of management information systems (MIS). The rapid growth of the global economy has been greatly facilitated by the advent of digitalization. Digital markets are among the most well-known and well-established platforms in developed markets. Compared to underdeveloped economies, where below the line (BTL) marketing activities predominate, organized digitization accounts for 75–80% of total marketing. Being where your customers are, as the saying goes, is now made possible by digitalization. This is true of social media platforms like Facebook, Twitter, YouTube, and Instagram. All markets whether large or small are experiencing tremendous growth in the use of digital technology. Smaller markets are promising, where potential matters along with size, while big markets are nations that will always be e-commerce behemoths due to their size (though not always). In a recent ruling, the Kerala High Court recognized the right to the internet as a fundamental freedom and as a component of the human right to education. With 4.39 billion Internet users and 3.48 billion active social media users in 2019, 1.92 billion people around the world make purchases online, making up a quarter of the global population. Online shoppers numbered 1.32 billion in 2014; they are projected to reach 2.14 billion by 2021, and growth over the ensuing five years is predicted to increase by 21%. India, the second-most populous country in the world, is a developing nation with 627 million Internet users, 273 million of whom are actively shopping online, and a 20% annual growth rate for online shoppers. Hence there lie lots of opportunities as well as challenges in Digital Marketing.

Research Methodology

It is an exploratory research which is based on collecting datas from secondary sources and analyzing the same.

Opportunities of Digital Marketing

1. Easy Consumer Reach

According to a joint report by the industry body IMAI and market data analytics firm Kantar, currently 759 million citizens of our country are active internet users and this figure is expected to grow to 900 million by 2025. Hence, digital marketing by using internet as a channel is an effective way of communication for companies to target a large number of potential consumers.

2. Global Advertisements

This is one of the most effective benefits of Digital Marketing that enables the companies to make advertisements internationally and expand their customer reach to other countries across geographical boundaries.

3. Easy Brand Promotion

With the development of new technologies and use of internet in business, the brands may take a great advantage of customer's reach and communicate its clients successfully.

4. Cost Effective Channel

Using the internet, Digital Marketing is found cost-effective and cheaper source of advertising as compared to traditional marketing channels like T.V, Radio, Magazines, Newspapers, and Banners etc. Digital marketing allows marketers to set their advertising campaigns subject to availability of their budget. Mostly, the websites and business profiles (displaying ads and information about products or services) generate huge traffic for free. Social media, with its numerous benefits has played a vital role in promoting digital marketing activities. Social Media Marketing platforms such as Facebook, Twitter, Google+, LinkedIn, WhatsApp, Blogs, Yelp, Instagram, and YouTube etc. also provide a huge traffic source.

5. Consumer's Convenience to Shop Online

Due to more popularity and capabilities of digital marketing, customers have become more convenient to shop online at any time (24/7 basis) whether the shops are over or across the borders. Digital Marketing has opened-up an opportunity for companies and retailers to direct its customers to an outlet of the online store.

6. Accountability of Marketing Activity

Digital Marketing enables the companies to measure their marketing activities like whether digital marketing is working properly or not, the amount of activity, and the conversation that is involved. Digital marketing also helps marketers to evaluate and audit their online contents for quality purpose.

7. Change in consumer behavior

The modern customer is time-constrained, technologically smart, and socially empowered. Meanwhile, technology is rapidly developing and adapting to the demands brought on by modern consumer incentives. Compared to previous generations, consumers today have considerably greater power to influence both other consumers and businesses. Customers now anticipate having access to the entire world whenever, wherever, and however they want it. They shop constantly and there is no scheduled location or event. Additionally, they desire a genuine buying experience that is personalized for them. "Generation Z" wants everything. They aim to leave a lasting impression on the world and share everything they have learned along the way. They make an effort to

be sincere, socially responsible, and, in many cases, prioritize purpose over profit. They have a strong moral consciousness and are motivated by ambition. More loud and informed than any previous age, they seek for independence. They are thoughtful, involved, and selective. They demand that the companies they work with uphold these criteria, or they will take their business elsewhere. Additionally, they will voice their opinion, which other customers can read. Beginning in the 1990s, Indian politics underwent digital transformations as political leaders encouraged computerization and digitalization. The late Mr. Rajiv Gandhi, who served as India's prime minister at the time, spearheaded the telecom and IT revolutions, opening the door for numerous international companies to enter the Indian market. These businesses hurried to serve India's 200 million or so middle class consumers because they regarded it as a huge market potential. India has overtaken the rest of the world as the largest consumer of most industrial products, and it has reacted to global demand at twice the rate. This increased once more with the introduction of mobile at the lowest price, which brought the mobile revolution to India in 2000 and the Jio Internet revolution in 2017. These two phases enabled India to view the world in the same terms as industrialized nations, which are considered as having the international market on their fingertips. Although the country's current GDP rate has dropped to 6.6% as a result of recent government initiatives including the installation of the GST and demonetization, India is focused on reaching a \$5 trillion economy, which is encouraging international MNCs to serve the Indian market. India ranked first in the world for youth population, making it the largest market and a prominent country to accept the digital market.

Challenges of Digital Marketing

No doubt, Digital Marketing is an expansion tool for the businesses but it is facing some challenges or hindrances. Some of these challenges are

1. Limitation of Internet Access

The Digital marketing is closely reliant on internet. In some areas, internet facility may not be accessible to the consumers or with poor internet connections. The Digital Marketing can be unsuccessful in those areas having no or limited internet accessibility.

2. Limited Consumer Link and Conversation

As digital marketing is highly dependent on internet, so the marketers may find it hard to make their advertisements more comprehensive and start a conversation with their consumers about the company brand image or products.

3. High Competition of Brands

Digital Marketing has a drawback when a customer searches for a specific product of a specific company on internet, many competing goods, and services having same marketing strategies appear on the customer's home page. This conflicts the customers and provides an alternative option to choose cheaper and better quality product of another company. As a result, some customers lack the trust on a lot of advertisements that appear on a website or social media and consider it as fraud and look like a dishonest brand.

4. Risk of Hacking Strategies

The risk of hacking promotion strategies of a company always rests on digital channels (internet) that is one of the drawbacks of digital marketing. The hackers or competitors can easily track and copy the valuable promotional strategies of a wellrenowned company and can utilize for their purposes.

5. Anti-Brand Activities (Doppelganger)

Another drawback of digital marketing is that even a person or group of persons can harm the image of a recognized brand through 'Doppelganger'. Anti-brand activists, bloggers, and opinion leaders spread the term 'Doppelganger' to disapprove the image of a certain brand.

6. Advertisement for Limited Products

Another practical drawback of Digital Marketing is that it is only beneficial for consumer goods. The industrial goods and pharmaceutical products cannot be marketed through digital channels. The aforementioned information may help digital marketers to understand the strengths and weaknesses of Digital Marketing.

Conclusion

Digital marketing has emerged as a buzz word in last half decade of this century. E-Commerce has revolutionized the concept of business from physical aspect of delivery to virtual aspects of marketing and selling. Digital activities are an increasingly important part of any marketing and sales strategy of any company now. There is a paradigm of shift in how business is conducted from traditional model to E-commerce model. There is under expansion of products and markets and at the same time challenges are emerging to make the players; more competitive in the field. Today, most companies are either thinking about or pressing ahead with digital change initiatives. Every company has a website, and few marketing strategies are signed off without incorporating social media. Certainly, social media is a critical component of any digital strategy, but a holistic response to the digital shift must go further. Digital Marketing is changing the world, and progress is not linear. In a world where a Smartphone is no longer just a Smartphone, but a potential revolution, we invite organisations to explore what digital advances mean for them and their stakeholders. In this current scenario we must support the opinion of executives who view digital techniques much more as an opportunity to be tapped than as a risk to guard against. Not every digital initiative will work for every organisation, and it is important to assess capability and capacity for change before deploying a digital strategy.

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