

## The Evolution of Marketing: Navigating the Impact of Digitalization

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### **Abstract**

The present study aims to explore the impact of digitalisation on marketing. The advent of digitalisation has ushered in a new era in marketing, fundamentally transforming how businesses engage with consumers. This abstract explores the profound impact of digitalization on marketing practices, emphasizing its effects on consumer behaviour, marketing strategies, and the overall customer experience. Digitalisation has revolutionized consumer behaviour, with individuals increasingly relying on digital platforms, such as social media, search engines, and e-commerce websites, to gather information, make purchasing decisions, and interact with brands. This shift has created an abundance of data, enabling marketers to gain deeper insights into consumer preferences, needs, and behaviours. Marketers can now leverage analytics and data-driven tools to tailor marketing messages, personalize experiences, and target specific customer segments more effectively.

The rise of digital channels has also transformed marketing strategies. Traditional marketing approaches have given way to digital marketing techniques, including search engine optimization (SEO), content marketing, social media marketing, email marketing, and influencer marketing. These strategies leverage the power of digital platforms to reach wider audiences, engage with customers in real-time, and foster interactive and two-way communication. Digital marketing campaigns can be measured, analysed, and optimized in real-time, enabling marketers to adapt their strategies promptly for improved results.

**Keywords:** digitalisation, customer, digital marketing, consumer behaviour

## Introduction:

Digitalisation has significantly impacted the customer experience. With the propagation of digital touchpoints, consumers now expect seamless and personalized interactions with brands across multiple channels. Marketers are challenged to create cohesive omnichannel experiences that provide consistency and relevance at every touchpoint. Moreover, the instant accessibility and convenience of digital platforms have elevated customer expectations for personalized offers, instant gratification, and exceptional service. Digitalisation means the combination of digital technologies into any aspect of daily life that can be digitalised (Gray & Rumpe, 2015; Khan, 2016). However, Gartner (2018) defines digitalization with a more business-oriented focus: “Digitalization is the use of digital technologies to change a business model and provide new revenue and value-producing opportunities; it is the process of moving to a digital business.” Digitalisation is based on the availability of large amounts of external and internal data (Gray & Rumpe, 2015) from different sources, and data mining and machine learning techniques to use it for decision-related purposes, such as the identification of a business opportunity or predictions of future market and client behaviour (Witten et al., 2016). Topical developments in digital technologies like AI and blockchain are expected to bring about major changes for how firms are organised and governed and how decision-making is executed and translated into real actions. Advancements in technology, such as artificial intelligence, augmented reality, and voice search, will continue to shape marketing strategies and redefine consumer experiences. Marketers must stay abreast of emerging trends, adopt agile approaches, and embrace continuous learning to effectively navigate the dynamic digital landscape.

In order to produce opportunities and lessen the risks of digital disruptions, companies both from traditional sectors (e.g. construction, agriculture) and technology-intensive industries (e.g. telecom) design “strategies that embrace the implications of digital transformations and drive better operational performance” (Hess et al, 2016). A digital transformation strategy serves as an overarching and a company-wide vision steering an organisation through digitally induced changes and strengthening the ability to react proactively and timely to internal and external shocks caused by organisational, cultural and technological implications of digitalisation. Despite its advantages, digitalisation in marketing also presents challenges. The increased competition in digital spaces necessitates marketers to cut through the noise and differentiate their brand effectively. Privacy concerns and consumer distrust regarding

data usage also pose challenges, requiring marketers to be transparent and build trust by prioritizing data privacy and security. Looking ahead, the impact of digitalization on marketing is poised to grow even further.

### **Factors that force Companies to Adopt Digitalised Model in their Business Operations**

Many Organisations are finding the way to explore the market needs by the use of various digital devices. Now companies have realised the need of the hour and start adopting digital solutions to improve operational efficiency and effectiveness (Bilgeri et al, 2017), and to lesson the effects of costs (Valenduc & Vendramin, 2017), this will improve supply chain and demand matching (Groen et al, 2017), ensure strategic differentiations from competitors (Andriole, 2017), enhance skills of workers (OECD, 2016) and support strategic planning, problem-solving and decision-making (Carlsson, 2018). The use of this digital technology platform contributes to an arrival of new business models, products and services. According to the survey of the Harvard Business Review, 84% out of 783 company senior managers believe that their industries are already being disrupted or will be disrupted by digital technologies by 2020 (Harvard Business Review, 2017). The Internet of Things (IoT) enables companies to design on-demand services creating sizable efficiency gains both for customers and providers. Several examples of such solutions include lighting on demand service of Philips, Power by the Hour service of Rolls-Royce, performance-based contracts of General Electric. With the development of these services, customers may reduce their financial risks, improve planning of operational costs, pay for highly personalised products and services only when in use and benefit from automatic and constant improvements. Digitalisation enables rapid prototyping, computer modelling and simulations, reducing costs and material use and accelerating innovation cycles. Over-the-air software updates let manufacturers launch a product on the market before it is fully finalised. For 1 The survey covered companies active in manufacturing, finances and technology. Organisations with more than 10 000 employees formed 53% of respondents, organisations with 1000-9999 employees accounted for 26% of respondents, organisations with 100-999 employees constituted to 21% of respondents. The geographical representation is as follows: North America (35%), Europe/MEA (35%), Asia/Pacific (23%) and South and Central America (35%). instance, Tesla launched its S model in an alpha version. Through constant software updates and monitoring of the product usage behaviour, Tesla was able to further improve the functionality of the S model on the go without recalling cars for a technical maintenance. Data-driven services let companies bypass

intermediaries and build up direct relationships with their customers, thus strengthening bargaining positions in value chains. New operating models and process innovations powered by digital technologies can also disintermediate relations between suppliers and customers. With the emergence of digital services developed atop existing physical products, firms can engage in closer interactions with their customers and extract value beyond the sale date. Consequently, revenue streams can become less vulnerable to cyclical fluctuations and exhibit positive tendencies for a substantial growth. Another factor which raises the interest of firms in digital technologies is new opportunities for revenue extraction provided by digital platforms. According to the findings of the World Economic Forum's Digital Transformation Initiative (DTI), digital platforms have a potential to generate \$10 trillion of value for companies till 2025 (WEF, 2017). Platforms introduce new ways for interactions between customers and suppliers, blur boundaries between industries, enable the co-creation of new services with ecosystem partners and raise the scalability of businesses without significant follow-up investments (Tiwana, 2014; De Reuver et al 2018; Von Engelhardt et al, 2017). It was found in the research that a company can enjoy various benefits by adopting digital transformation such as rationalization of operations, better customer experience and engagement and innovation in the business model. Though various benefits are associated with the digital transformation, still companies are not able to implement them because of various constraints associated such as manager do not feel the sense of urgency, financial constraints, lack of leadership qualities, culture, limited application of IT technology, unclear role, and lack of vision are various other constraints that a company faces and management is not able to cope up with these constraints (Fitzgerald et al. 2014). Digital transformation to be a dynamic process that is under continuous development to implement new and innovative business tactics with technological and organizational attributes (Christoffels 2019). Digital transformation commonly focuses on e-business and requires balancing with other areas such as suppliers, customers, IT as it cannot work in isolation. It emphasizes achieving change at different levels such as better customer experience, smooth operations and innovation in the business models (Sundaram et al, 2020).

### **Conclusion:**

In conclusion, digitalisation has revolutionized marketing, empowering businesses to engage with consumers in more personalized and impactful ways. The ability to leverage data, implement targeted strategies, and deliver seamless omnichannel experiences has become

imperative for success in the digital era. As digitalisation continues to evolve, marketers must adapt and embrace innovative technologies to stay ahead, foster meaningful connections with consumers, and drive business growth.

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