

A STUDY ON DIGITAL MARKETING AND IT'S IMPACTS ON TRADITIONAL MARKETING

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ABSTRACT - Marketing is not an exception to the general world's transition from analog to digital. The use of digital marketing, social media marketing, and search engine marketing is growing along with the advancement of technology. Due to its reliance on the internet, digital marketing has benefited the most from the rapid increase in internet users. The purchasing habits of consumers are evolving, and they are increasingly drawn to digital marketing over traditional marketing. This review paper's goal is to examine the effects of digital marketing and highlight its significance for both advertisers and consumers. This essay starts with an overview of digital marketing before highlighting its various channels, contrasting it with traditional marketing, and discussing its benefits, drawbacks, and significance.

Keywords—*digital marketing, internet, online advertising, internet marketing*

I. INTRODUCTION

Marketing refers to the steps that the company takes to promote the buying of any products or services. The company seeks customers or consumers for their products or services via the help of marketing. Digital Marketing refers to the marketing of any product or service in digital form. For example, marketing using smartphones, computers, laptops, tablets, or any other digital devices. Digital marketing is a form of direct marketing that links consumers with sellers electronically using interactive technologies like emails, websites, online forums and newsgroups, interactive television, mobile communications etcetera [12].

‘Digital marketing’ term was first coined in the 1990s. Digital marketing is also known as ‘online marketing’, ‘internet marketing’, or ‘web marketing’. It is known as ‘internet marketing’ because with the rise of the internet there is also high growth of digital marketing. The major advantage of digital marketing is that marketers can sell their products or services 24 hours and 365 days, lower cost, efficiency gain, to motivate the customer for more purchase and improve customer services [13]. It helps many-to-many communications because of its excessive degree of connectivity and is generally completed to sell services or products in a timely, relevant, non-public, and cost-powerful manner.

In 2005, there were around 1.1 billion internet users which consist of 16.6 percent of the population at that time [8]. In 2020, the number of internet users is around 4.8 billion and the percentage population has increased to 62 percentage [8]. And there is a direct connection

between digital marketing and the internet. Countries like India and China have the highest number of internet users so they have a great opportunity.

The main objectives of this review paper are the following:

- Understand the various channels of digital marketing
- Comparison of traditional marketing and digital marketing
- Importance of digital marketing
- Advantages and disadvantages of digital marketing
- Challenges digital marketer face

II. VARIOUS CHANNELS OF DIGITAL MARKETING

Digital marketing consists of various channels which are medium used by the marketer to promote their products or services. As an advertiser one, the main aim is to select the channel which is best for communication and give maximum return on investment (ROI) [15]. The list of important digital marketing channels are given below:

A. *Social Media*

In the current era, social media marketing is one of the most important media in digital marketing. It is the fastest-growing digital channel. Social media marketing is the process of gaining traffic or sites through social media sites. According to Neil Patel, "Social media marketing is the process of creating content that you have tailored to the context of each social media platform to drive user engagement and sharing" [7]. The number of internet users by population has increased from 16.6 to 62 percent in 15 years and social media marketing has benefited the most in that [8].



Fig. 1. Distribution of various social media platform [6] Fig. 1 displays over 200 social media platforms. Below is the list of important social media platforms.

1) *Facebook*: It is the number one social media platform. A company can promote their product and services on Facebook.

2) *LinkedIn*: Professional write their profiles on LinkedIn and can share with others. The company also build their profile and LinkedIn connect these two dots companies and professionals.

3) *Google+*: It is Google's social network, user can easily connect based on their common interest and friendship.

4) *Twitter*: Its strategy is to increase brand awareness and sales, attract new followers, and lead and boost conversions.

5) *Pinterest*: It is a social media platform in which visual content is available and the user can share or store with others.

B. *Email Marketing*

When a message is sent through email about any product or service to any potential customer it is known as email marketing. It is a simple digital marketing channel to understand. Email marketing is used to sell a product using discounts and event ads, increase brand awareness, and direct people to their business websites [1]. In an email marketing campaign, the types of email can be sent are blog subscription newsletter, the welcome email series, the seasonal campaign, the post-purchase drip, the cart abandon campaign, follow up email when website visitor download something, holiday promotional to loyal members, the re-engagement campaign, etc. [4]. The biggest advantage of email marketing is that it is very cheap compare to other marketing mediums. It is generally used to build loyalty among existing customers rather than gaining new customers. The company can get a customer's attention by creating graphic and visual ads, link product images to the website [1].

C. *Affiliate Marketing*

In affiliate marketing, the company rewards subsidiaries for every customer or visitor they bring to the company's website by their marketing efforts or strategy on behalf of the company. According to Pat Flynn's Smart Passive Income, "Affiliate marketing is the process of earning a commission by promoting other people's (or company's) products. You find a product you like, promote it to others, and earn a piece of the profit for each sale that you make" [8]. There are 4 different parties involved in affiliate marketing:

- 1) *The Merchant*: Sometimes it can be the seller, the brand, or retailer. This party produced a
- 2) product to sell. It can be an individual or startup or big fortune company [5].

3) *The Affiliate*: This party is also known as a publisher. . It also can be an individual or startup or big fortune company. They take a commission from the merchant for every service or product they sell. The affiliate brings customers to the merchant.

4) *The Customer*: The customer or consumer is an important part of the whole system. They go to affiliates and affiliate redirect them to merchants by taking his commission. Without a customer, the affiliate cannot earn a commission.

5) *The Network*: Network works as an intermediate between affiliate and merchant. Affiliates require a network to promote products or services [5].

D. Search Engine Marketing

A search engine is a web based tool that helps the user to find the information they are looking for. Examples of a search engine are Google, Yahoo, Bing, Baidu, etc. Search engine marketing refers to any activity that increases a user's websites rank in any search engine [3]. There is two types of Search engine marketing search engine optimization (SEO) and paid search.

According to Neil Patel, Search engine optimization is the art of ranking high on a search engine in the unpaid section [6]. It is also known as organic marketing or organic listing. In general, the higher the rank of the webpage in the search engine more visitors will visit that webpage. When it comes to SEO it consists of a search engine and searcher. And 67 percent of all searches happen on Google [6]. So Google is the most important search engine in the world.

In paid search one need to pay to get a higher rank in search engine. In paid search, one will have the same kind of keywords as on their organic ad campaign. The majority of a paid search engine is run on a commercial search engine such as Google, Yahoo, Bing, etc. [3]. Paid search work on the pay-per-click model, in which marketers will only pay when someone clicks on their ad. The search engine algorithm will determine the rank of the advertiser's ad based on their bid and quality score [3]. Many advertisers prefer paid search rather than SEO in short term due to its ability to give a faster result.

E. Online Display Advertising

In traditional marketing, there is a poster or billboard of any company on both sides of the road or an ad in a magazine/newspaper to promote their product or service. Online display advertising is a digital version of that. Today, a marketer can use online display advertising to achieve the same thing. There are different types of display advertising such as video ads, banner ads, interactive ads, and rich media, etc. [3]. Display advertising is great for catching the eye due to graphic ads.

An online display advertising marketer can target an audience based on website content, geography, gender, age, device type, etc. So the marketer can show a suitable ad to the relevant customer which helps in decreasing the budget and increasing sales [1].

III. COMPARISON BETWEEN TRADITIONAL AND DIGITAL MARKETING

Traditional marketing is the most recognizable form of marketing. Most people are used to traditional marketing due to its longevity. Some examples of traditional marketing include tangible items like ads in a newspaper or magazine. It also includes a billboard, brochure, commercial on TV or radio, poster, etc. It is a non-digital way of marketing. Whereas digital marketing uses various digital channels to reach customers. Some comparisons are given below:

TABLE I. TRADITIONAL AND DIGITAL MARKETING COMPARISON

Traditional Marketing	Digital Marketing
Example of traditional marketing includes a poster, brochure, magazine, newspaper, broadcast, telephone	Example of digital marketing includes a website, social media platforms, affiliate marketing, email marketing, search engine optimization
With a traditional marketing approach, only limited or local customer can be targeted [10]	With a digital marketing approach customer around the world can be targeted [10]
Advertising campaign takes a long period to plan	Advertising campaign take a short period to plan
It is costly and time-consuming	Relatively cheap and faster
A physical relationship is shaped while conveying merchandise [1]	No physical relationship is formed due to the digital nature of digital marketing [1]
One campaign stays for a long time and change is expensive	A campaign can be changed very easily
For the promotion of product poster, paper, billboard many various types of	No physical stuff is required because digital marketing is done on website, social

material is used	media platforms, or through online videos
Due to the physical nature of traditional marketing, its cost is high	Digital marketing is cheaper compare to traditional marketing because it is done on websites and social media
For market analysis traditional marketing depends on surveys or experimentation, it is complex to analyze the result and does not provide accurate data [1]	Facts and data available on various analytic tools make it very convenient to analyze the data and to interpret it [1]
24/7 marketing is not possible	24/7 marketing all around the globe is possible
Only one-way communication can happen [10]	Two-way communication can happen [10]
No capacity to go viral	Capacity to go viral
Customer can give feedback only during the working time [11]	Customer can give feedback any time [11]

IV. IMPORTANCE OF DIGITAL MARKETING

Based on the above discussion summary of the importance of digital marketing that every marketer should follow is written below:

- Internet marketing is endlessly more moderate than any offline marketing techniques. It can reach a wider audience easily [11].
- In digital marketing results can be followed and monitored easily with the help of various tracking software. Rather than leading costly client research, organizations can rapidly see client reaction rates and measure the achievement of their promoting effort continuously, empowering them to design all the more adequately for the following one [11].

- Collecting feedback from customers is easy to compare to traditional marketing mediums such as TV, radio, or billboard. They can easily give feedback on any product using a website in online marketing which helps a businessman to redesign themselves in their specific domain.
- It helps in advancing a business through the online medium like web or portable subsequently arriving at a large number of clients in a second. Numerous little and huge organizations are following the methodologies of web-based showcasing to underwrite themselves globally [15].
- Digit advertisers screen things like what is being seen, how frequently and for how long, what substance works and doesn't work, and so forth. While the internet is maybe, the channel most firmly connected with digital marketing, others incorporate remote content informing, portable applications, advanced TV, and radio channels.
- Digital marketing is moderate, targetable, and quantifiable and thus organizations do it and advertisers love it.

V. ADVANTAGES OF DIGITAL MARKETING

Technology is changing rapidly and it also has affected consumer's buying behavior. Below is given some advantages digital marketing brings to the consumer:

- In the year 2020 consumers can access the internet any time from any place in the world. And due to the digital nature of digital marketing consumers can stay updated about any product or service 24/7 times [10].
- Due to the internet consumer can do various activities like going to the company's website, reading the information, buying products, etc. This has increased consumer's engagement and improved their experience.
- In traditional marketing, there is a little chance that consumers can be misinformed by salespeople, but in digital marketing, consumers get clear and accurate information about any product or service. And the internet gives exhaustive item data that clients can depend on and settle on a buy choice.
- Many different companies promote their product through digital marketing, so it becomes convenient to compare products of the different companies for the consumer. They don't need to visit various retail stores to compare products [1].
- Internet is available all day so there is no restriction on time and customers can buy the product any time [14].
- Due to the digital medium viewer can share information and characteristics about products or services with others [1].
- The organization shows the costs of items through digital channels and this makes costs extremely understood and straightforward for the consumer. The company also changes its prices on any holiday or festival to give a discount and is very transparent to the consumer.

- In traditional marketing first consumers watch advertisements through posters, TV, or any traditional way and visit a retail store to buy them. But in digital marketing when consumers see advertisements they can buy the product instantly through digital media [14].

VI. DISADVANTAGES OF DIGITAL MARKETING

In today's era digital marketing has many advantages though it has a few disadvantages that are discussed below:

- A competitor can easily copy the digital marketing campaign of others. Brand names or logos can be utilized to swindle customers [14].
- If the internet connection is slow or there is some problem with websites, then websites may take too much time to open and the customer will not wait much and leave.
- In traditional marketing, customers can physically touch the products to verify but it is not possible in e-commerce.
- Though India is digitalizing, many customers still don't trust the online payment system or don't know [11].
- The absence of trust of the clients due to the enormous number of fakes concerning virtual advancements. Fair organizations might be influenced since their picture and the notoriety of value can endure harm [14].
- There are many cases when users ordered products through pay on delivery method with no intention of buying using a fake id. This shows a loophole of pay on the delivery method.
- Digital marketing is profoundly reliant on the internet/technology which can be inclined to mistakes [10]
- Digital marketing isn't yet grasped by all individuals: some customers, especially more established ones don't believe in a computerized climate, wanting to utilize the traditional strategies.

VII. CHALLENGES FACING DIGITAL MARKETERS

There are numerous advantages of using digital marketing for promoting products and services yet a digital marketer needs to face some challenges. The difficulties are as per the following:

- Consumers use different digital devices and various digital channels and those devices have various digital channels that lead to the proliferation of digital channels. And Marketers face difficulty in choosing medium and audience [11].
- Digital marketing is extremely cheap compare to traditional marketing and it covers every small business which leads to intense competition [15].
- Consumers leave behind a gigantic amount of data in digital channels every time they visit the channel. It's amazingly hard to understand such data, just as locate the correct data inside detonating information volumes that can assist you to make the right choices.

VIII. CONCLUSION

It can't be rejected that the world is quickly moving from simple to the digital world. Individuals are investing more in online content and companies that find it hard to digest this fact in their advertising strategy need to adjust quickly. The more time individuals spend on the internet every year, the more digital platform they use play an ever-developing function in their lives. The main aim of digital India is to promote digital medium. Because people can use digital platform any time anywhere from the world companies need to change their marketing strategy from traditional to digital. On the off chance that the companies don't utilize the digital platform to advertise their product and services then they cannot compete with competitions and will eventually shut down.

When customers want to buy any product online, they can easily get product information and can compare with other products without visiting

any retail store or shopping mall. It shows that consumers are more inclined towards online buying rather than visiting a retail store. As consumer's buying behavior is changing companies also need to change their advertising strategy and embrace digital platforms for marketing.

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