

## **A PERSPECTIVE STUDY ON USAGE OF ONLINE MARKETING IN INDIA**

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### **ABSTRACT**

Digital marketing is rising in India with fast pace. Many Indian companies are using digital marketing for competitive advantage. Success of marketing campaign cannot be solely achieved by digital marketing only. Rather for success of any marketing campaign it should fully harness the capabilities of various marketing techniques available within both the traditional and modern marketing. Startups who use digital marketing many times got failed. This study shows precautions to be taken for effective implementation of digital marketing to reap tremendous potential to increase in sales.

**KEYWORDS:** Digital Marketing, Social Network, Ecommerce, Online Retail, Start Up And Commandments.

### **INTRODUCTION**

Digital Marketing is any form of marketing products or services, which involves electronic devices. It can be both and offline. According to institute of direct marketing "the use of internet and related digital information and communication technologies to achieve Marketing objectives. "According to CAM Foundation "Digital Marketing is abroad discipline, bringing together all forms of marketing that operates through electronic devices-online, on mobile, on-screen. Over the years, digital marketing has developed enormously, and it continues to do so." Search Engine Optimization, Search Engine Marketing or Pay per Click Advertising, Social Media Marketing, Content Marketing, Mobile Marketing, Web Analytics, Marketing Automation, Content

Writing & Rate Optimization are the popular and most-demanded areas in digital marketing. It is the creative use of management information system (MIS) and technology which supports customers interaction with e-marketers. Marketers need to use technology and information and intuition to set brands and grab opportunities. E-Commerce has unleashed the revolution which is changing the way of doing business. In 1997 U.S. govt. allowed use of internet by commercial organization. This gave impetus to new way of conducting trade and commerce. In 2017 e-commerce activities get boost up with rapid Investment made so far to generate early adopters of e-commerce are rotating into targeting late adopters through regional and vernacular offline media.

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**SOME FACTS ABOUT INDIAN DIGITAL MARKETING INDUSTRY**

As per a report by IAMAI and Boston consulting group, India has one of the largest and fastest growing populations of Internet users in the world-190 million as of June 2017 and growing rapidly.

- According to a report, India will cross 500 million Internet Users Mark in 2020.
- According to Direct Marketing Association, Digital Marketing Industry is worth \$62 billion.
- According to eMarketer, advertising via mobile phones and tablets rose 180 percent, to \$4 billion in 2017.
- According to a report published in The Hindustan Times, New Delhi digital advertising space in India is worth Rs. 6000 crore and video is Rs. 1600 crore of that. In 2016 the digital ad space will grow to Rs. 8100 crore and video will grow faster than search and classified.

- According to a research firm eMarketer ecommerce sales in India are expected to grow from \$14 billion in 2015 to \$55 billion in 2018. India has seen the fastest growth in retail ecommerce among Asia-Pacific countries, surging 133.8% in 2017 and 129.5% in 2015. The combined gross merchandise value, or total value of sales of country's top three ecommerce places i.e. (Flipkart, Amazon and Snapdeal) in 2015 was \$13.8 billion exceeded that of the top 10 offline retailers, which stood at \$12.6 billion for the same period

**REASONS FOR RISE IN DIGITAL MARKETING IN INDIA**

Increase in internet penetration in the country has led to a substantial growth of other digital industries such as e-commerce, digital advertising and so on. Latest trends in digital marketing in India in web usage, mobile and search, social networking, shopping and online video are shaping the Indian digital marketplace and what it holds for the years to come.



**Figure 1.India is now world third largest internet population**

By adding 17.6 million users in 2013 and exhibiting a year-over-year increase of 31%, India becomes to be the world's third largest internet population leaving behind Japan. While in 2012, Mobile Internet grew 111 per cent, during 2013

the growth was 63 per cent. India registered a YoY of 28 per cent in 2012 and a YoY growth of 39 per cent in 2013 as far as the number of internet users is concerned.

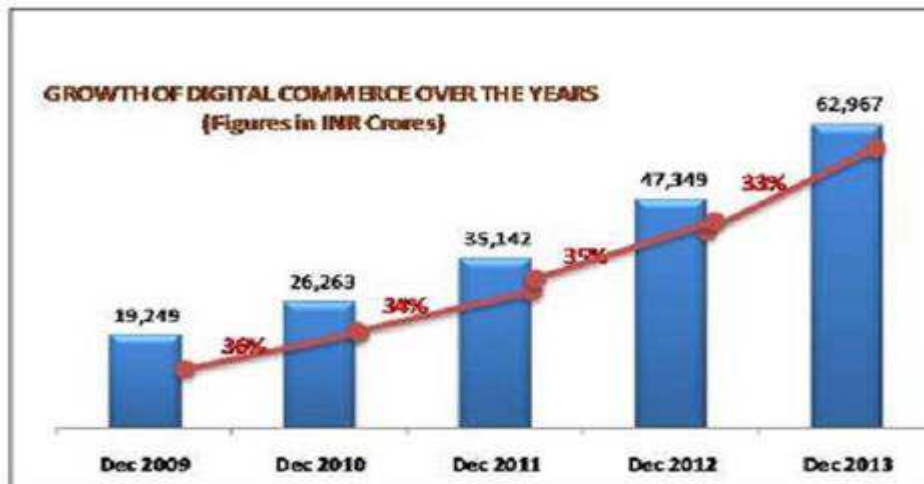


Figure 2. Growth of Digital commerce over years

While in December 2007, the digital commerce market stood at Rs. 8,146 crore, by December 2012 it was worth Rs. 47,349 crore.

By December 2013, digital commerce in India grew to a whopping Rs. 62,967 crore.

The segment witnessed 35 per cent growth between December 2011 and December 2012 while it grew by 33 per cent between December 2012 and December 2013.



Figure 3. Majority of screen time still captured by Social media

86% Indian web users visit a social networking site 214 minutes are spent on Facebook by an average user There is 28% increase in facebook visitors in the last 12 months.

59,642,000 users visited face book on thier Pc's Facebook continues to be the number one social network and LinkedIn as number two while Pinterest and Tumblr are the fastest growing networks.

74% of internet users in India visited an entertainment site.

31.5 million viewers watched videos on YouTube making it the number one destination for videos.

27% increase in the India online video Audience over a year.

54,025,000 people watched an online video on their Pc's.



**Figure 4. Entertainment and online video continues to grow**

### **INDIAN COMPANIES USING DIGITAL MARKETING FOR COMPETITIVE ADVANTAGE**

Nestle's Every Day was facing threat from liquid milk in North-East. It has taken help of Facebook. Its teams created a three-second cinema graph-an image with some moving shots. It targeted women age 21 and above. The result was five percentage point increase in purchase intent and 14 point increase in ad recall.

A research conducted by Adobe and CMO Council has revealed that growing number of marketers in India are leveraging digital marketing to increase their competitive advantage.

According to the study, India leads in the confidence in digital marketing as a driver of competitive advantage. Ninety-six per cent of the Indian marketers have high confidence in the ability of digital marketing to drive competitive advantage. It is among the highest in Asia-Pacific APAC with only Australia leading with 97 per cent, the research said. It is important to note that India scored much higher than the APAC average in 2017.

### **IMPACT OF TECHNOLOGY GROWTH ON TRADITIONAL MARKETING**

Due to technologies advancement at an exponential rate, the marketing paradigm has

shifted to newer more customer and content centric approaches being delivered on the digital platform.

Traditional marketing like advertising, public relations, branding and corporate communications, lead generation etc. broadly relies on television, radio, telephone, and print media and telephone as a delivery medium. Contrary to that modern marketing techniques leverage the power of Internet and social media to reach to a more targeted set of audience.

Modern marketing techniques provide cost effective marketing platform with ability to reach millions of customers in a very short span of time. Businesses which invest heavily on only on digital marketing as their marketing delivery tool, can substantially hurt their overall marketing success. For success of any marketing campaign it should fully harness the capabilities of various marketing techniques available within both the traditional and modern marketing.

Activities like push marketing, lead generation, launch events and trade shows, television and print media can be used to integrate with social computing, customized content and control budget etc. to effectively reach the identified market segments and convert them into paying consumers. With the rise of social media, changing business landscapes, and introduction of more educated customers, the businesses

need to rethink about their marketing strategies and lay out a multi-channel marketing plan that carefully lays out an optimal mix of both the modern and traditional techniques best suited for the business.

## **REASONS FOR FAILURE OF DIGITAL MARKETING IN STARTUPS**

Probable reasons for failure of digital marketing in startups are as follows:

**MEASURING THE COST PER ACQUISITION:** A large percent of business owners fail to define key metrics and don't put relevant structure including using relevant tools to measure the progress of their digital marketing campaigns. Entire focus of measurability is on increasing reach in terms of views and visitors. While reach is necessary but it's not sufficient. Imagine if your website receives more than double the traffic of your competitors but if your website conversions are less than half of your competitors - you would still be having lower returns than your competitors. In addition to pay attention to increasing your website reach, pay attention to the entire customer funnel so as to meet your ultimate objectives is the key to success in leveraging digital media.

**BELIEVE THAT DIGITAL MARKETING BELONGS TO TECHNOLOGY DEPARTMENT:** A large number of startup founders don't believe that digital marketing is a marketing function. But they treat it as a technology piece. Although digital marketing leverages technology for reasons such as measurability or scaling up, it's still a marketing function. Expecting from technical team to create success of digital marketing is an obvious recipe for failure. This problem is not limited to startups even large corporations are also the victims of such treatment of digital marketing.

**THINK THAT OUTSOURCING IS THE SOLUTION:** Assuming that outsourcing will take care of end-

to-end execution is one of the reasons for high failure rate of agency-client relationships. This problem is bigger with the large corporation which are using outsourcing. By educating clients about the appropriate approach to leverage digital helps them restructure their thinking and processes related to digital marketing. Hiring a Digital Marketing professional on your ignorance: Hiring one or more digital marketing professionals without having clarity on overall digital marketing strategy is almost similar to outsourcing digital marketing responsibility to an external agency. Whether startups or marketing professionals they have to realize that they have an important role to play in creating digital marketing strategy, whether they want to work with an external agency or build an in-house team.

**DOING SOCIAL MEDIA BECAUSE EVERYONE ELSE IS DOING:** Like in other business functions, our decisions in digital marketing are largely influenced by what others are doing or what's popular at present.

## **COMMANDMENTS OF DIGITAL MARKETING**

**CONSIDER DIGITAL STRATEGY AS A PART OF BRAND STRATEGY:** Generally for brands, digital strategies are created in a complete vacuum from the overall brand strategy, or worse, no digital strategy is crafted at all. Since digital is the glue that ties the entirety of a marketing plan and tactics together, anything that happens online needs to ladder up to the higher objectives of the brand. An effective digital strategy is typically composed of a group of sub strategies to effectively plan and account for owned, earned, shared, and paid assets.

**INNOVATING THE BRANDS:** Majority of brands have some form of goal around innovation. And that's important because innovations drive the business forward But innovation mean better not new. Your strategy should help you select your

tactics, not the other way around. If you are seeking to use a tool or platform because you think it is innovative, and can't identify how or why it works for your audience, you're worshipping the shiny object and are destined to fail.

**PUT INTEREST OF THE CONSUMER FIRST THAN**

**THEIR OWN:** Too often marketers approach digital from the mindset of their own (or their brand) objectives. Users crave value, utility, and having their needs met. This is especially true online where fractions of a second can make or break a potential engagement. Instead of focusing on your needs, try and determine what your users want and how you can insert your brand or your content into their lives in a way that makes sense.

**DON'T IMITATE YOUR COMPETITORS:** Just because your competitor is doing something doesn't mean you should too.

**ACKNOWLEDGE THE IMPORTANCE OF SMART**

**PHONE AND TABLET:** Usage of mobile phone and tablet has increased extensively. About 85% of HCP's are using a tablet in their practice and 1 in 3 people in the US now own a tablet as well. Increasing use of smart phones means your brand had better be ready to provide mobile optimized content, tools, and resources for your users.

**MAINTAIN HEALTHY RELATIONSHIP WITH**

**STAKEHOLDERS:** Treat your employees, suppliers & distributors etc.

**CONCLUSION**

Digital marketing has increased in last a few years in India. People have different views about it. But the fact is this digital marketing has tremendous potential to increase in sales provided businesses should have knowledge to implement it in right way. Benefits like increased brand recognition

and better brand loyalty can be gained by effective digital media plan. Digital marketing campaign help in reduction in costs, boost in inbound traffic and better ranking in search engines.

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