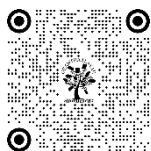


FUTURE OF DIGITAL MARKETING IN INDIA – OPPORTUNITIES AND CHALLENGES

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ABSTRACT

The emergence of digital marketing has become an essential part of marketing for businesses today, leading to a gradual replacement of traditional marketing methods. Maintaining constant communication with customers before, during, and after purchase has become vital, and digital marketing enables marketers to better understand customer tastes, preferences, and choices through the use of messages, notifications, emails, and reminders. Digital marketing has become an essential part of the marketing mix for businesses in India as it offers a cost-effective and efficient way to reach out to potential customers, build brand awareness, and drive sales. With the continuous advancement of technology and the increasing usage of digital platforms, digital marketing is expected to become even more critical for businesses in the future. This paper aims to provide insight into the current state of digital marketing in India, highlighting the opportunities and challenges that businesses face as they shift their focus to digital platforms.

Keywords: Digital Marketing, Digital Marketing Channels, Opportunities, Challenges, Road Ahead

1. INTRODUCTION

Digital marketing refers to all kind of marketing channels and methods adopted by companies to market and promote their brands to connect with customers through various digital platforms such as websites, mobile applications, and social media platforms. Digital marketing provides various benefits to businesses such as cost-effectiveness, better targeting and segmentation, improved customer engagement, higher conversion rates, and measurable results. With the increasing usage of digital technologies and the internet, businesses can use various digital marketing channels and methods to connect with their target audience more effectively and efficiently. Moreover, digital marketing offers businesses the opportunity to create personalized experiences for their customers by leveraging customer data and analytics. By understanding their target audience's behaviour and preferences, businesses can tailor their marketing messages and offers to meet their specific needs and interests.

2. REVIEW OF LITERATURE

Many research papers and articles provide an in-depth analysis and views in internet marketing and also the challenges and opportunities that come along with it. Some of the findings from the literature review are offered below Rebecca Theodore (2019) studied the challenges of Digital Marketing in India. The study concluded that when e-marketing is used

effectively, businesses are able to reach customers quickly and cost efficiently. The study identified convenience, information and fewer hassles as empowering and benefits such as lower costs and relationship building as the opportunities of e- marketing. Email filtering, lack of trust and problem of security were identified as prominent challenges of digital marketing.

Rakesh Pandit and Anshu Chauhan (2020)) examined the impact of digital marketing and current scenario in India. The study identified lack of digital literacy and language problem as important problems associated with rural markets. The study concluded that digital marketing will make its presence seen in rural India and will also be able to create employment opportunities, in that way increasing disposable income of people. This will have positive effect on economic growth of the country.

Bhojaraja and Muniraju (2018), studied the challenges and opportunities in digital marketing. It was concluded that not every digital marketing method may work for every organisation and it is very important to assess the capability and capacity to change before arranging a digital marketing strategy.

Ishaq Ahams and Reena Lakha (2018) conducted a study on the overview of digital marketing in India. The study outlined the advantages and challenges of digital marketing and also a comparison was made between traditional marketing and digital marketing methods. The study suggested that businesses can attract prospective clients to their websites and read about their products and services, rate them, purchase them and also give feedback about them

Rationale of the study

The traditional marketing strategies employed by businesses are no longer as effective as they used to be, and digital marketing has become a game-changer in the industry. Through digital platforms such as websites, mobile apps, and social media, businesses can reach their target audience more efficiently and cost-effectively. With constant communication before, during, and after purchases, businesses can understand customer preferences and create more effective marketing campaigns providing businesses with the ability to track and analyze the success of their marketing efforts. As the number of internet users continues to rise and their online time increases, digital marketing has become the most significant platform for businesses to promote their brands. The information revolution, changes in consumer behavior, and digitalization have led to a paradigm shift in marketing strategies, making it imperative for businesses to embrace digital marketing to stay competitive.

This study aims to examine the various digital marketing methods available and explore the future of brand marketing through digital platforms. With businesses increasingly transitioning to digital media marketing, it is essential to understand the potential benefits and opportunities digital marketing presents. The cost-effective and efficient targeting of audiences is a key advantage of digital marketing, which allows businesses to reach a wider audience in a timely manner.

1.1. OBJECTIVES

- To understand the concept of digital marketing and the various digital marketing methods
- The study aims to bring out the underlying challenges as well as the possible opportunities of marketing of products and services through various digital platforms.

3. METHODOLOGY

The study is descriptive in nature. Secondary sources of data were used in the study. The required and the relevant data were collected from websites, internet and published scholarly research articles.

Digital Marketing Methods- Channels

Digital marketing can be divided into several channels or tactics to reach the target audience through different digital platforms. Each of these channels has its own unique advantages and can be used in combination to achieve a specific marketing goal. Some of the popular channels are Email Marketing, Search Engine Optimization (SEO) , Interactive Consumer Website , Online/Display Advertising Social Network Marketing, Mobile Marketing , Viral Marketing , Online Video Marketing and so on.

i. Email Marketing

Email marketing is a direct marketing method that involves sending commercial messages to a group of people via email. This strategy is popular among marketers as it allows them to promote special offers, new product launches, gated contents like e-books and webinars, and other marketing messages directly to their customers' email inboxes. However, modern email marketing practices prioritize customer consent and personalization. This approach helps build trust, brand awareness, and customer loyalty. Overall, email marketing can offer many benefits to businesses, including increased conversions, improved customer engagement, and enhanced brand recognition.

ii. Search Engine Optimisation (SEO)

Search engine optimization (SEO) is a digital marketing technique that focuses on improving a website's visibility and ranking in search engine results pages (SERPs). SEO aims to make a website more attractive to search engines and users by optimizing its content, structure, and links.

SEO helps businesses and website owners to attract more traffic to their website, improve their online presence, and ultimately increase conversions and sales. Some of the key factors that can influence the success of an SEO campaign include high-quality and relevant content, optimized title tags and meta descriptions, internal and external links, and a good user experience. SEO is an ongoing process, and it requires continuous monitoring, testing, and optimization to achieve and maintain good rankings and visibility in SERPs.

iii. PPC- Pay Per Click

Pay Per Click (PPC) is a digital marketing model where advertisers pay a fee every time a user clicks on their ad. In PPC advertising, advertisers create ads and bid on specific keywords or phrases that they want their ads to appear for in search engine results. When a user searches for one or many of those keywords or phrases, the advertiser's ad will appear among the top results. It allows advertisers to reach potential customers at the exact moment when they are searching for relevant products or services. Moreover, PPC advertising offers a high level of control and flexibility, as advertisers can set their daily budgets, adjust bids, and target specific demographics and locations.

iv. Mobile marketing

As more and more people worldwide are having the privilege to own a smartphone, businesses also use mobile devices to reach their potential consumers. The usage of mobile devices to search for products and services is on the rise. Marketers can keep their target audience constantly informed about their brands, products, offers and sales through SMS, MMS, Apps, websites, social media, and mail that appear on devices like smart phones and tablets.

v. Content Marketing

Content marketing involves creation and distribution of specific, relevant, consistent and valuable content in order to attract and retain target audience and in turn driven towards customer actions leading to profits. It includes marketing through content writing, curating, publishing and distributing content to appeal target audience. Pertinent content can be made visible to the customers viewing in digital platforms at the top in various forms such as infographics, videos, webpages, podcasts, blogs, white papers, e-books, apps, public speaking, and presentations. Content marketing is not only used by the top most companies but also used by startup companies in an effective way.

vi. Social Media Marketing

One cannot imagine a life without social media in today's world. Social media has become a critical component of modern marketing strategies. Its ability to make content viral among users makes it a powerful tool for businesses to promote their brand to a wider audience.

vii. Influencer Marketing

Influencer marketing is a type of digital marketing that focuses on specific individuals, known as influencers, who have a large social media following and are considered experts or leaders in their respective fields. Influencers can be bloggers, YouTubers, social media personalities, or celebrities who have a significant impact on their followers' opinions, behaviours, and purchasing decisions. Brands and businesses collaborate with influencers to promote their products or services to their followers in a more authentic and relatable way.

viii. Video marketing

Video marketing is the practice of using video content to promote a brand, product, or service. It involves creating and sharing videos that showcase the benefits, features, and unique selling points of a product or service. Video marketing can be done through a variety of channels, including social media platforms, websites, email marketing, and video sharing sites such as YouTube and Vimeo. Some common types of video marketing include explainer videos, product demos, customer testimonials, how-to videos, and brand videos. Successful video marketing campaigns often involve a combination of these different types of videos, tailored to the specific needs and interests of the target audience.

Future of Digital Marketing -Opportunities and Challenges

India's rapidly growing internet user base makes it a very promising market for digital marketing presenting an opportunity for businesses to leverage mobile-based digital marketing strategies. However, it is important for businesses to understand the challenges and nuances of the Indian market in order to succeed in their digital marketing efforts.

Opportunities of Marketing through Digital Platforms

Internet marketing is enhancing the effectiveness of online business and commerce. Unlike traditional marketing methods using the print media, radio, television and the like, businesses can reach their customers quickly and effectively. Businesses can take advantage of various methods in digital marketing to capitalize on the opportunities it provides.

i. Widespread advertisement and easy reach

Digital marketing has made it easier for businesses to reach a large number of potential customers across the world through digital platforms. It allows businesses to advertise their brands beyond geographical boundaries and reach international customers. Boutique owners, fashion designers, and service providers like gym trainers have adapted to using digital channels to promote their products and services and reach customers. Small sellers like vegetable vendors, fish and meat sellers are also leveraging messaging apps like WhatsApp to market their products easily and effectively. Digital marketing has opened up new opportunities for businesses of all sizes and types to reach their target audience and promote their brand. By leveraging digital marketing strategies, businesses can reach a wider audience, build customer engagement and loyalty, and increase their sales and revenue.

ii. Cost Effectiveness and competitive advantage

Digital marketing serves as a very cost-effective medium of marketing for businesses. It allows marketers to design their advertising and promotion method to suit the targeted customer segment as per the availability of their budget. Generally, the websites, business profiles, search engines attract huge traffic to their sources for free which enables marketers to use these platforms for promoting their brands in a very cost effective and inexpensive way. A well designed and properly planned internet marketing method which efficiently targets the right segment of customers can be highly cost effective and create huge business than traditional marketing methods.

ii. Round the clock and instant online shopping experience

Digital marketing has revolutionized the shopping experience for customers by providing them with the convenience of shopping online anytime and anywhere. Customers can access their favourite products, offers, sales, and discounts on their mobile devices, accounts, or emails, making it easier for them to browse products and place orders at their convenience. With digital marketing, customers can shop online even when physical stores are closed. In addition, digital marketing has enabled customers to find products that may not be available in physical stores. Storekeepers often direct customers to their website to find the right size or preferred colour of the product, further enhancing the customer experience.

iii. Personalised and direct advertising

Businesses can adopt personalised and direct to customer marketing strategies by adopting to digital marketing methods. Personalized marketing helps businesses build stronger relationships with their customers by providing them with relevant content, offers, and promotions. It also helps businesses increase their conversion rates and customer loyalty by creating a more engaging and memorable customer experience.

iv. Analytics and optimisation

Digital marketing allows real time measuring of strategy results with the help of web analytics which helps them to assess the effectiveness of their digital marketing strategy. This in turn helps them to optimise their future marketing strategies and correct any errors or mistakes immediately.

Challenges of Digital Marketing

Though digital marketing methods have high reachability and are the order of the day for any marketer, they also face restrictions and challenges.

i. Restricted Internet Access, Inadequate Consumer Connection and Conversation

Digital marketing relies on internet availability, which can make it difficult to reach customers in areas without internet access or with poor connections. Government-imposed internet restrictions can also impact the reach of digital marketing. Knowing the preferences, convenience, and mood of customers is crucial to starting conversations regarding brands and services.

ii. Language and Digital literacy among rural customers

The challenge for digital marketers in rural areas of India is the variety of languages spoken and low digital literacy of potential customers. To overcome the language barrier, marketers can work with local language experts and conduct market research to create tailored content. To address the issue of low digital literacy, marketers can focus on creating easily accessible and understandable content, leverage traditional marketing channels, and provide education and training resources to improve digital literacy among rural customers.

iii. Media fatigue

Media fatigue is psychological exhaustion experienced by people due to information overload from any form of media, though it is generally coming from news media and social media. Digital marketing can bring this condition of media fatigue to both consumers as well as business marketers. Surplus material and information regarding the same organization, similar products and repeated content can create monotony and lead to boredom in customers. As a result, consumers may tend to overlook and ignore the emails, posts, or messages personally received by them. This can cause frustration to the businesses and sellers too who put large efforts to the marketing process in order to make their share in digital platforms.

iv. Doppelganger effect

The Doppelganger Brand Image (DBI) is a assembling of offensive or disapproving stories, logos, and images of brands which are spread through social media by anti-brand activists, bloggers, and opinion leaders. A negative review or feedback from the consumers may cause severe damage to the brand image of any organization as a content can get viral within few minutes in the digital world. This is another challenge in digital marketing.

v. Risk of Hacking, Security and privacy

The digital marketing platforms has the risk of hacking as the promotion strategies of a particular company always rests on the digital channels and internet. The hackers or players can track and duplicate the valuable and innovative promotional strategies of a well renowned company and can employ it for their purposes by recreating the ideas. There also exist security and privacy issues for the customers. Consumers use their account usernames and passwords and sometimes may share their bank details at digital platforms, which puts their privacy at risk.

vi. Increased Competition

Increased competition is a significant challenge faced by businesses that market on digital platforms. With so many companies marketing similar products and using similar strategies, it can be challenging to stand out and attract potential customers. Consumers using digital platforms have the luxury of comparing, choosing, and buying products from companies offering better deals and products, which may cause businesses to lose out on potential customers to their competitors, even if they have good marketing strategies. Abundance of options available to customers can lead to

a lack of trust among them. With many advertisements appearing on websites they visit, they may consider some of these brands as deceitful or a scam.

vii. Lack of face-to-face contact and physical feel of the products

Some customers prefer face-to-face interaction and physical shopping experiences, which are not provided by digital shopping. For high-value purchases such as cars or jewellery, personal interaction is often necessary to build trust and close the sale. Customers may use digital tools like virtual try-ons or 360-degree product views to get a better sense of the product before making a purchase or research the product online before visiting a physical store. To stay on top of market trends, businesses need to continuously pursue their customers and provide a seamless cross-channel experience. This means being able to advertise their brand and services in all digital marketing channels. Failing to do so may result in customers switching to competitors.

Inadequate customer support:

Automated mail replies and automated responses to phone calls are some of the no-nos for customers who want to reach out after they bought a product or a service. FAQs and chat options which are automated may not be able to resolve specific customer complaints or queries. Under such circumstances customers may not be able to reach out to the responsible person related to the product or service.

The Road Ahead

Businesses adopting digital marketing methods have introduced and identified some amazing and innovative digital marketing opportunities which are going to make their mark and presence in the field during the years to come. These are going to be the key elements in future of digital marketing in India.

- **Artificial Intelligence (AI)**- Artificial intelligence (AI) allows digital marketers to better analyse user data so they can further modify and personalise the customer requirements. AI also delivers users with a more customised experience, giving them individual personalised assistance at each stage of the buying process. Businesses can achieve this level of client experience by systematizing and automating their ads to targeted audiences using programmatic advertising through AI.

- **Augmented Reality (AR)** – Augmented Reality and Virtual Reality will be continuously used by businesses in their digital marketing strategies in order to achieve customer satisfaction and also to create brand awareness. International cosmetics brands like MAC have virtual try-on tool so that customers can try the products virtually before placing the order. This enables businesses to offer experiences that well ties them to their brands and products,

- **Voice Search Optimization**- Voice search optimization is the process of upgrading and reorganization the material on webpages to appear in voice searches of the customers. It enables customers to use voice and language to search the content or product or to ask specific question

- **Programmatic Advertising**-Programmatic advertising uses computerized expertise and algorithmic tools for media buying for advertising. It is the process of automatically buying and selling of digital advertising space.

- **Chatbots**-A chatbot is software that interacts with customers through human-like conversations by online chat. Its key task is to answer user questions with instant messages by understanding the questions using AI (Artificial Intelligence) and NLP (Natural Language Processing)

- **Personalization**- Personalisation is used by businesses in digital marketing by indulging in an act of adapting in an experience based on the information that the organisation has obtained by learning about the likes and preferences of an individual. It makes the customer need heard and fulfilled by the businesses thereby increasing conversions and retentions.

- **Automated & Personalized E-Mail Marketing**- Through email automation, businesses create the right messages to reach the right customers at the right time. When website analytics are linked with email marketing platform, businesses can easily target their right customer based on their behaviour, preferences and previous orders and in turn use these to personalise each customer's experience to enhance their profit and sales. It helps to personalise customer experience and also increases customer retention rate.

- **Marketing Automation**- Marketing automation helps marketers to identify potential customers through a software that handles all the marketing activities without human involvement. Common marketing automation systems include email marketing, behavioural targeting, lead prioritization, and personalized advertising. It increases conversion rates,

consumes less time, keeps things in order, increases employee productivity, optimizes revenue growth and improves customer retention levels.

- **Micro-Influencers**- Micro influencers are social media users having followers ranging between 1000 to 10000, known for being authentic and having an expertise in their respective fields. They were existing since a long time, but recently brought under the umbrella of micro influencer marketing where brands prefer to collaborate with them to promote their products through them.

- **User Generated Content (UGC)**- User-generated content (also known as UGC or consumer-generated content) is original and brand-specific content created by an unpaid individual customer and are published on social media or other channels. UGC comes in many forms, including images, videos, reviews, a testimonial, or even a podcast.

- **Geofencing**- Geofencing is a type of location based marketing and advertising app or software that uses GPS, FRID, wifi or mobile data to define a virtual geographical boundary and activate a marketing act whenever the device enters or exits that geographical boundary. This boundary is referred to as geofence. It is virtual perimeter for a real world geographical area.

- **Omnichannel Marketing**- It is a marketing method where businesses make their presence seen and experienced by users of multiple channels such as websites, social media and email in addition to retail stores and company events. By adopting to omnichannel marketing businesses try to keep touch with their audience 24x7 so that they can interact with them through stores, apps and mobile devices.

- **Instagram Reels**- These are growing in its impact and popularity where in it allows users to create fun and entertaining videos which has a unique way of grabbing the viewer's attention, which can be used as an effective method to promote brands by businesses.

4. CONCLUSION

Digital marketing offers numerous opportunities, including a profitable career, global business opportunities, and the ability to promote businesses through creative means. The COVID-19 pandemic has accelerated the adoption of digital marketing methods as businesses strive to survive in a challenging economic environment. Despite the challenges associated with digital marketing, it is here to stay and presents significant opportunities for profitable business through digital platforms. In summary, digital marketing offers a cost-effective and efficient way for businesses to promote their brands and reach their target audience. As technology continues to advance, businesses must stay ahead of the curve and adapt their marketing strategies accordingly. This includes creating engaging content, providing personalized experiences, and utilizing data and analytics to optimize campaigns. The present study concludes that, in spite of the underlying challenges of digital marketing methods, it is here to stay and the road ahead constitute in itself enormous opportunities to conduct profitable businesses through digital platforms.

CONFLICT OF INTERESTS

None

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