

# Review Paper on Impact of Digital Marketing in Revolutionalising International Environment

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**Abstract:** *E-revolution is one of the noted & influential trend in business, marketing & IT sector over the recent years. E-marketing also known as online marketing stands for selling goods and services using digital technology. While traditional marketing still continues; online marketing offers a competitive edge to the brands through extra channels & advanced marketing mechanism available on the internet. Since we are in the era of globalization, online marketing is showing its promising colours in the area of international marketing too. The terms e-marketing has gained popularity in certain countries including India. In USA, online marketing is referred to as Web marketing. In the UK and worldwide, however digital marketing has become the most common term, especially after the year 2013. Many businesses in local & international markets are thus procuring positive results with online marketing; its wider reach, ease at doorstep, flexibility and cost-effective nature makes it suitable for all businesses. Recent years have witnessed fastest adoption of Online marketing which allowed local & multinational companies to connect, share & collaborate with their customers like never before. Online marketing defined newer & innovative marketing environment with full of challenges. And with great challenges come great opportunities. This article focuses briefly on overview on online marketing and majorly on challenges posed by online marketing in an evolving international environment. Contemplating the solutions to overcome challenges ahead; conclusion is provided.*

**Keywords:** E-revolution, Online marketing, e-marketing, competitive edge, international environment, challenges & opportunities

## I. INTRODUCTION

Online marketing, e-marketing, web marketing or digital marketing refers to the adoption of marketing principles and techniques via electronic media and more specifically the internet. It encompasses wider series of marketing elements over the traditional marketing practices.

E-revolution or digital revolution created new avenues for marketing worldwide. In USA, online marketing is referred to as Web marketing. In the UK and worldwide, however digital marketing has become the most common term, especially after the year 2013. Many businesses in local & international markets are thus procuring positive results with online marketing; its wider reach, ease at doorstep, flexibility and cost-effective nature makes it suitable for all businesses.

Various companies across nations use the following 5s framework for developing effective online marketing objectives:

- Sell – using internet to sell product & services.
- Serve - using internet to serve customers.
- Speak - using internet to communicate with existing & potential customers.
- Save - using internet to save cost.
- Sizzle - using internet to build brand equity.

Thus, the development of online marketing is one of the noted & influential trend in business, marketing & IT sector over the recent years. It has revolutionalised the manner in which businesses market their products and the advent of social media offers promising potential to how businesses worldwide interact with their clientele & customers.

Worldwide, there are more than 1.13 billion active users per day on Facebook, while 1.57 billion active monthly (Facebook, 2016). On Snapchat 100 million people are active every day, while Snapchat users watch over 10 billion videos per day. There are more than 310 million active users (Twitter, 2016) on Twitter.

In addition to social media, mobile plays an important role in the digital era. Cisco expects 11.6 billion mobile-connected devices by 2020, which increases mobile traffic by 8 times from 2015 to 2020. Hoping that 75% of mobile data traffic in the world will be up to 2020 (Cisco, 2016). This new era of digital and the underlying infrastructure defines a new marketing environment. And the massive expansion in digital media deployed the Internet as one of the most important markets. In the United States, online consumer spending was more than \$ 92.8 billion in the first quarter of 2016 (US Department of Commerce, 2016), and online demand for information items, such as books, magazines and software, is growing at 25% And 50% (quoted in Albuquerque et al., 2012, Leiflang et al. 2014).

Online marketing thus offers new opportunities for developing new international markets without the existence of representatives, sales offices agents or even without any other physical infrastructure. In the era of globalization, online marketing has facilitated International marketing practices by almost disabling the distance barriers and bringing companies & their customers virtually closer.

## II. REVIEW OF LITERATURE

A comprehensive literature review is carried out on concepts and principles related to e-marketing. Many industry experts, researchers and businessmen expressed their views on e-marketing as a powerful strategy to attract customers. Following is the opinion of various experts - The internet is no longer a special technique, as far as socio-economic class is concerned - it is more powerful than the mass media because it is a completely integral part of modern life and it is interactive. Nearly any aspect of life is not untouched by online media.

As our life becomes busy and disorganized, when it comes to researching and buying products, it is not surprising that consumer explores on internet facility, (NS Muthukumaran, director, online research, The Nyson Company, India). J Suresh Reddy has published articles in the Indian Journal of Marketing. The title of the article is -Impact of ecommerce on marketing.

Marketing is one of the most dramatic business operations by emerging information technologies. Internet companies are providing new channels of communication and connectivity. It can create a more cost effective relationship with customers in sales, marketing and customer support. Companies can use the web to provide ongoing information, services and support to manage their international customers.

It also creates positive conversations with them who can work as a foundation for long-term relationships and can encourage buying again and again.

Even with cyber shopping, customers can sit comfortably in their homes and buy their belongings breaking the distance barriers. You can buy any kind of product or service from any part of the world.

VikasBondar has published his article on sales and marketing strategies stating that Internet is a very good thing. The internet gives more information to people as much as we need. This is the best way to compare those products that we need. If we are interested in buying, then it is best for us to check web sites and enter virtual stores.

Apart from this, if we want to create our own web page, then we can do so, without paying a lot of money. Where do we set all this information? The answer is from the ad, which we see everywhere: on TV, on the internet, in the newspapers and much more. Over the years, we get more and more new, interesting information and in the future the use of the internet will go further.

IAMAI President Dr. Subho Ray said, consumer is a major driver of e-commerce economy and we are happy that it has achieved a very good shape in India.

This is probably the only area that has, sometimes, hostile and at all other times worked under a neutral policy environment. Online shoppers stick to shopping sites they are familiar with. Achieving online shoppers and making them a positive shopping experience will prove beneficial for the long time in the market, muthukumaran said.

### **Benefits of Online marketing in International operations:**

The primary gain of e-marketing is to reduce costs and increase access. The cost of e-marketing platforms is generally lower than other marketing platforms, as face-to-face people or intermediaries / distributors (Watson et al., 2002). In

addition to this, e-marketing firms allow to reach customers who are not accessible especially across the borders. Temporary and local boundaries of existing distribution channels are cut down. E-marketing platforms increase access and reduce costs. The marketing firm can provide unlimited information to customers. Without human intervention, this is an advantage over other forms of contact because the amount of information that can be provided is very high. More importantly, information can be provided in a form that customers can easily process and understand. Second, you can make conversations by optimizing information for the e-marketing firm.

Individual customers who allow customers to design products and services; their special needs; it are a crucial consideration when the customers belong to varied culture & nationality. Finally, the e-marketing platform can allow transactions between customers and firms that generally require human contact.

### **Challenges posed by Online marketing in International business:-**

#### **International commerce**

The internet has made possible products and services available around the world to the customers and to their living room (or wherever their computer is). Excess revenue flows abroad and outside wherever this new channel is allowed and this effect can eventually have a dramatic impact on our domestic economy and International business as well. In terms of culture and traditions we have a lot with people of other countries, but there are some differences which are known as diversity in unity. Understanding this diversity is the key challenge to good international trade as well as building relationships with multi-cultured customers.

#### **Challenge of Marketing integration**

One of the major problems with marketing campaigns is that they use many offline and online promotional media such as presses, brochures, catalogs, TVs, cell phones, e-mails, internet, social media etc. There is a lack of harmonious marketing structure. Each item is used separately and is completed as a separate job, not as a part of the integrated campaign for the purpose of obtaining specific and special purposes. This incongruity can be overcome in a holistic manner, which synchronizes the various traditional and internet era of marketing communications as moments of an integrated organization. Regarding the practical, online component of an integrated marketing "What is worth to note (or reminds) is that, like offline marketing, all aspects of online marketing are unmatched - and in many cases are mutually reliant.

Thus managing Omni-channel reality is challenging in practicing e-marketing in international environment.

### **III. E-CRM**

Companies doing international business have to make customers understand that there is a kind of match between the received services and their needs. To do so, the company can personalize its e-CRM system. It means that the required services of every customer should be presented by creating specialized and comprehensive profiles for each customer while their connection to e-CRM system. In addition, the company has to make effort to identify the ideal e-CRM system from customers' viewpoint and move from improving the present system towards what is more than customers' ideal. To do so, the company can ask some customers about their ideals or can compose a research panel and study their interests, strategies and viewpoints by selecting a sample group from various places where the target group is located in order to upgrade the level of the present e-CRM system.

#### **Privacy concerns & Digital security**

User security needs to be guaranteed by securing that personal information. Common standards should therefore be developed regarding privacy settings and personal data protection. Thus establishing the appropriate standards and looking after the confidentiality of user's personal information becomes challenge for new media. In an effort to understand New Zealand consumers more, Chung W. and Paynter J. (2002), based on their work, drew a conclusion that it was a must for companies to have privacy policy statements under their website to protect consumer privacy information, to make sure that their customers' information cannot be misused. Some solutions were also discussed in this study to protect customers' privacy. For the authors, solutions such as legislation, self-regulation and technical solutions had be combined together to maximize its effectiveness.

**Lack of trust**

In general, identity theft, spam, intrusion advertisements and technical glow have left many marketing distrusted. Closely related with the problem of security and privacy is the issue of lack of trust on the part of customers which has been recognized a great challenge on the way of online marketing growth. And it is the reason why "online trust is growing in importance as a topic of study and its influence on internet marketing strategies is increasing". Today despite the rapid growth of online transactions several people still mistrust electronic methods of paying and still have doubt whether the purchased items will be delivered or not. On the other hand prevalence of online fraud has made customers hold negative or doubtful attitudes towards online transactions, especially outside the countries. Marketers and IT managers are challenged with the task of changing the online climate in order to gain retain online consumers.

**Impersonal service**

Electronic ways to provide customer service are used by businesses that are operating online, such as posting and emailing information on the website to answer potential user questions. Sometimes the customers consider it to be very impersonal or uncontrolled. Companies should develop efficient checkout procedures to sell the goods through the web to solve this problem. Call handling services are also taken into consideration, so that customers can talk to real people, when they should inquire about the problems that require immediate response.

**Unethical practices & Copyright policy**

The Internet has created an unparalleled mass of unethical businesses. Copyright policy is one of the policies coming along with new media: sharing all intellectual and creative goods is one of huge advantages of the Internet. But as well as it is almost impossible to adapt offline copyrights to the online content, there is the need to remunerate intellectual and creative work.

**Meeting consumers' expectations**

Some 15% of digital marketers surveyed said that meeting the expectations of a consumer base that's constantly connected is their number-one challenge. Consumer-generated content can travel faster than ever before, and it's also highly influential in consumer decision-making: 80% of people say they do extensive online research before making a big purchasing decision, while nearly half — 46% — say they rely on social media to do so. It's not just about knowing what consumers want, like, or need right now — it's about anticipating trends and demands across national borders so that you can time your campaign perfectly to create a viral sensation.

**Online metrics**

Measuring Return of Investment (ROI) in online marketing is one of the biggest challenges of digital marketing. (Leeftang, et al., 2014) shows that it is difficult for marketing executives to understand the online metrics and change it into actionable insights, especially when it comes to financial effects.

A key challenge in measuring the real ROI in digital is to identify key performance indicators (KPI). For example, companies and organizations use the last-click method, where sales are finalized based on medium used. That ignores the customer journey and the fact that customers have been exposed to many factors before taking the final click, which leads to a false and fraudulent metrics.

**Talent gap**

The rapid expansion in digital media is creating a digital talent gap. (Manyika, et al., 2011, p. 11) estimate that 440,000–490,000 of analytically trained people will be needed in the USA in 2018 to analyze customer data, create digital advertisements, develop Web sites, and perform statistical analyses, however, the supply is only 300,000 of these talents. Hence there is a 50–60% gap relative to the 2018 supply. Hiring more skilled talent was necessary for organizations to effectively manage their digital marketing, while other organizations prefer outsourcing to media agencies. However, both solutions provide some disadvantages. Hiring in-house skills can be a challenge because most talents have excellent analytical skills but there is a strong knowledge and understanding in marketing, which can lead to some problems between marketing and analysis. On the other hand, completely outsourcing can be a challenge as the

analytics has become a strategic asset for companies. It is even more essential to manage this talent gap while practicing e-marketing in International business as the digital marketers must be skilled enough to avoid cultural bias and consider true the characteristics of target audience while formulating the content & style of e-campaigns.

#### IV. CONCLUSION

This paper deliberated the major challenges in the ever expanding area of e- marketing. Poorly created and executed programs create mistrust amongst clients and marketers. Spam, identity theft, meddling advertising, technical snags, not keeping terms with contract / agreements, gap between ordered products and actual deliveries have created profound mistrust in International e- marketing. We have entered a new era in which digital media and channels are rapidly becoming ubiquitous. Based on our study, ten major challenges of International e-marketing have been identified.

Despite of global reach, speed, and information, which can be derived from e-marketing; there are several important disadvantages for this kind of marketing which businesses should have in mind. The technology driven approach of e-marketing makes some businesses vulnerable and highly dependent on technology. This makes dissatisfied consumers more powerful. There may be huge possibility of poor review before hand, with the ability to destabilize some e-marketing campaign and operations. However, despite these problems, it is advisable to conclude that e-marketing on the whole can result positive development for the businesses and in spite of some hazards, the impact on businesses can be quite positive. Well-drafted online marketing strategies can convert the above mentioned challenges into opportunities and can be proved prolific for the businesses operating in an evolving international environment.

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