



RESEARCH ARTICLE

IMPACT OF REVOLUTION IN DIGITAL MARKETING ON THE PROFITABILITY INDEX OF BUSINESS

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ABSTRACT

Purpose: Marketing activities are an essential part of business practices in improving work efficiency and effectiveness. It attracts customers and retains them with long term relations. The main purpose of this research is to identify the Impact of revolution in digital marketing on the profitability index of business. **Methodology:** The research activity has been conducted with the review of books, articles and journals. It involves the qualitative analysis of ideas so that the purpose of the research is achieved. This methodology supports deriving proper findings and conclusions of the project. **Findings:** The Concept of Digital marketing and applications has revolutionised the world of business management. The various sources of digital marketing such as web, social media and Google ads are used for marketing a product or service so that customer awareness can be ensured. This method is suitable for the growth and expansion of business activities in a new world. **Conclusion:** The research suggests that digital marketing is a modern-day practise of using a network to promote products and services on a wider base. It allows customer awareness to reach a global level and compete with other organizations. The major benefit of digital marketing is seen through a growth in the profitability graph through customer expansion.

INTRODUCTION

Rationale: The process of digital marketing supports in preparing the proper image of the brand and ensures continuous presence. It is of significant importance in the field of managing business customers and regulating the overall sales of the organization. The review focuses on understanding the growth of digital marketing. The topic generates interest about understanding the aspects of digital marketing and its impact on business profitability. Thus, appropriate learning would be developed regarding revolution of marketing in digital form that has changed the traditional form of marketing in business.

Research questions: Concerned questions act as direction through which study has been conducted. This provides idea of what is to be included in the review.

- How revolution in digital market impact on efficiency and business practices.
- What is the underlying importance of digital marketing and its link towards business profitability?
- What is the relationship between digital marketing and changing behaviour of consumers?

Objectives of study

Review's objective defines concisely what the research is trying to achieve.

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Thus, it summarise the accomplishment of the researcher.

- To examine the digital marketing revolution and its association with business efficiency.
- To underline the effectiveness of marketing in digital manner and growth in business profits.
- To explore the changing behaviour of consumers with development of digital marketing?

RESEARCH METHODOLOGY

Different books, reports, studies have been considered to explore and develop understanding regarding growth of digital marketing and its impact on the business. The records and the research approach have been chosen to conduct research on qualitative nature. Books about the digital marketing support progress of the review and create interest to learn about marketing over digital platform. Web sources are also effectively used to conduct research on the topic and it provides reliable and authentic information. Only authentic sources have been chosen to carry out research in adequate manner.

MODERN DIGITAL MARKETING AND SOURCES

Digital marketing: Digital marketing refers to the use of modern technologies such as a computer, internet, and digital gadgets to create awareness about the products and services to the large and extended customer segment.

As per Yasmin et al. Digital marketing is not only the use of the internet, but there are no - internet fields that are used to bring vast revolution in sales and profitability of the business. The digital marketing field has high scope for growth in the current trends (Yasmin, 2015).

MODES AND SOURCES OF DIGITAL MARKETING:

The modes of digital marketing are mainly divided into seven different segments. The use of Search engine optimization (SEO) supports in providing high ranking to the website of the organization through advertisements and pop-ups on Yahoo and Google. Chaffey et al. in their study identified email marketing technique as the cheapest method of messaging the subscribers about the brand. The use of content optimisation supports in managing and improving the quality of the content. Marketing analytics is another tool that allows proper designing of marketing strategies. Mobile marketing is used majorly to communicate with known and registered customers (Chaffey, 2012).

Digital marketing in modern business practices: The application of the internet has bought a shift in the behaviour of the consumers and their satisfaction. The adoption of digital marketing techniques has removed the barrier relating to location and medium of communication (Royle, 2014). As per Royle and Audrey, digital marketing practices provide a cost-effective advantage to organizations. Majority of the organizations have been resorting to practices of digital marketing to bring a change in branding and customer attraction.

change in business strategies (Weber, 2014). Also Weber et al. also identified in their study that the organization does not require investment in advertisement and customer retention. The individual interaction with customers through digital platform supports in managing individual requirements and a positive relationship with the profitability index.

Replacement in Traditional marketing: The concept of traditional marketing was the advertisement band promotion of its offerings. Digital marketing techniques focus on customer attention and brand name development. The term digital marketing is a coordination of all the activities of promotion, sales, customer service, feedback management, and stabilizing the business activities (Baltes, 2015). It encompasses all the activities that were conducted in traditional marketing practices and also catered to the modern needs of customers. Baltes, LoredanaPatrutiu in their study concluded that the digital marketing methods also provide a balance to the supply chain and sustainability of the business. These marketing methods support in analysing the customer’s needs through a continuous observation on the search engine and website so that a balance is derived between production and supply chain.

Effective – Efficiency: The digital marketers aim at minimizing the overall expenditure on marketing activities. This is known as an efficient behaviour as it entails the cost-benefit analysis in managing the operations of the organization (Tiago et al., 2014). Modern marketers achieve effectiveness through managing customer loyalty and directing organizational operations to maximize quality and satisfaction.



Figure 1. Modes of Digital marketing

IMPACT ON BUSINESS PRACTICES AND EFFICIENCY WITH THE APPLICATION OF DIGITAL MARKETING

Customer-centric marketing practices: According to Weber et al., the recent developments and amendments in the use of technology support in reaching a large customer base at global destinations. It allows customization of network and reaches to a larger customer base. The marketing manager is also able to track the pre and post-purchase behaviour to bring necessary

Tiago et al. concluded that use of digital marketing practices by competitors results in evaluation by the organization so that the use of benchmarking allows effectiveness and efficiency.

There is a reduction in the overall cost and improvement in productivity through the use of digital marketing techniques, thereby allowing effectiveness and efficiency to be ensured in the organization.

IMPORTANCE OF DIGITAL MARKETING ON BUSINESS PROFITABILITY IN PRESENT AND FUTURE SCENARIOS

Customer attraction and retention: The customers are prone to online surfing in the technological world. The reason for this addiction is the attractive things that they look on the online platform to meet their daily needs. The attractive images are supported through the digitalization marketing conducted on the products (Stone et al., 2014). The pictures placed on social media help the businesses to convert into potential customers by linking them to their websites. But the retention is a little complication as it is based on the different customers thinking and opinions on the factors such as price, quality etc. Stone et al. also concluded that web-based marketing gives customer attraction and retention that supports in increasing sales and profits for lone time once the trust is generated.

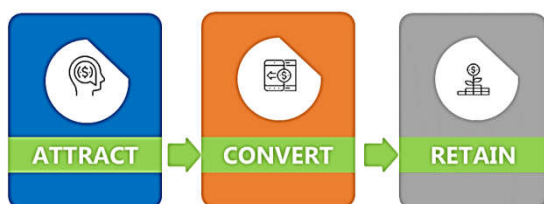


Figure 2. Attract, convert and retain process

High sales and profitability: The digital marketing in the businesses can help the organizations to capture the large customer base. The reason for adopting web-based marketing is that organizations can target the audience that is in high needs of their products directly in the dynamic competitive environment (Burke, 2012). It will be easy for the organizations to solve the queries online of the customers that give satisfaction also to the customers and the employees as well who are handling the queries. According to Burke et al., targeting large customer audience will give more sales to the businesses and will finally contribute to achieving higher profits to the organizations.

Privacy, trust and security: The application of digital marketing includes some trust and privacy issues as well. Wymbs, claimed in their study that organizations using digital marketing should follow the strict guidelines of the respective countries related to the use. The special privacy laws have to be considered while sharing the information and data movement internally or externally to the organization. It keeps the data secure and creates the trust of the customers in the subsequent purchases (Wymbs, 2011). The security can be a concern for the different types of transactions that are important to the business in using digital marketing.

Advantage of tax and cost: According to Pineet al., digital marketing supports the business in getting the cost advantages. The cost benefits will give sustainability to the business, particularly in context with delivery costing. The organizations can even make use of economic models based on marketing that also gives the tax advantages in the present as well in future (Pine, 2013).

Therefore, web-based marketing will ensure in giving higher growth to the businesses as the money saved can be invested by the firm in the more productive areas that increase their profits.

INFLUENCE ON CUSTOMER BEHAVIOUR DUE TO DIGITAL MARKETING PRACTICES

Co-creation: The use of digital marketing in modern-day practices allows communication between marketers and customers to allow a change in organizational operations so that profitability can be increased. The study of Wanget al. supported that digital marketing allows a reasonable change in the process of designing, consumption and production activities that increases customer satisfaction. For instance, digital marketing allows customers to customize products as per their requirement. Co-creation allows customer retention through the satisfaction of their changing and specific needs relating to a product. This improves the brand image of the organization (Wang, 2012).

Universal marketing activities: The digital markets do not have any foundation about a destination, customer type and background. Hanafizadehet al. in their study concluded that marketing uses web-based sources of communication that allows reaching to a vast number of customers that are at a different location from that of the organization. It allows managing customer relationships that are at a distance from the organizational location (Hanafizadeh, 2012). This method solves the problem of competition as the customer is now aware of the products of other organizations and hence resorts to better products. Wertimeet al. supported that Brand awareness is spread globally to multiple locations through the use of specific business websites. There is no restriction in marketing activities in respect to location, medium, customer segment and others until and unless ethical values and moral conduct is adopted (Wertime, 2011).

Flexible search and view option: The digital marketing activities are not restricted to constraints of time and place. The customers have the flexibility of searching for any option of their requirement as per their convenience. Traditionally the time of buying and exchange were fixed to a certain period, but the digital marketing practices provide full flexibility as per the requirement of the customers (Frick, 2013). The customers are provided with online services of 24 hours without any restriction as to access to website and communication regarding details of product with marketers. Hemannet al. argued that the convenience and satisfaction among the customers allow high sales profile and a positive impact on the profitability of the organization (Hemann, 2013).

RESULTS

Present paper has focused on exploring the benefits of the digital marketing to the organisation. The purpose of paper leads to cover all the important aspects of digital marketing that would lead to enhance the profits of business. The Study has identified that digital marketing is an additional benefit to the customers through the use of the web as it provides key space for interaction. The findings are supported by reliable and relevant resources. Digital marketing techniques are directed towards the attraction of customers and ensuring awareness. The advantages to the organizations are finding changes due to digital and replacing the traditional marketing methods. Review concludes finds positive relation between growth of organisation and strong presence of digital

marketing tools and techniques. Paper finds that marketing through digital means adds to growth of organisations and leads to long term profits. The investigation trusted to follow research objectives and the targets are effectively achieved.

CONCLUSION

The research paper had discussed that web-based marketing has been supportive of the business in current as well for future growth. It had saved the cost of the organization that was incurred in traditional marketing. The study had considered that profits and sales of the business has influenced positively by the organizations. Overall, digital marketing had brought efficiency in the modern business practices, and increasing effectiveness had opened the success doors for the small firms as well for the long run.

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