



## **Trend of internet marketing in India**

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### **Abstract**

In the past few years, the internet and e-commerce business activities have become one of the fastest growing technologies that playing a significant role in the daily life of human being. Today, E- marketing is one of the most emerging technology in IT and E-Commerce sector. E-marketing is also referred to as Internet marketing (IM), online marketing or web-marketing, means using the internet to market and sell goods and services. E-Marketing helps to find out the right audience to whom goods and services are to be provided by the business organizations. It consists of all processes and activities with the purposes of attracting, finding, winning and retaining customers. The scope of E- Marketing is deemed to be broad in scope it does not only use to promote marketing over the internet but also helps in marketing as well through e-mail and wireless media. Here we analyzed to find out the opportunities and challenges of Internet marketing in India.

**Keywords:** internet, marketing, online, consumers, digital

### **Introduction**

Digital Marketing is a part of a Digital Economy. India is a fast moving nation towards digital economy and this movement has been accelerated with the demonetization of the Indian Currency in the last quarter of year 2016. With it various government digital payment promotion schemes has been launched. Digital market requires digital promotion and marketing strategies. The telecom sector is also playing an important role in the digitalization movement. Recent launch of reliance telecom JIO with the free & unlimited internet facilities has played a revolutionary roll. The other prominent companies like Airtel, Idea, Vadaphone & BSNL are also offering attractive internet plans. Indian banks are also providing more customer friendly & secure money transaction services. Now Indian consumer is spending more time on social media and internet surfing. Thus the visibility of any product is more through digital medium than traditional marketing techniques. Digital marketing techniques includes Content Marketing, Marketing Automation, Adwords, SEO, Social Media, Email Marketing and Website Design.

Evolution of e - Marketing has been one of the most important and influential trends in the field of business, marketing and information technology over the recent years. E Marketing helps selling of goods and services using digital technologies. These technologies are creating a competitive advantage to the brands and companies while the traditional marketing methods are still followed. The basics of marketing remain the same - creating a strategy to deliver the right information to the right people at the right time. It has revolutionized the process of marketing the goods and services with the advent of social media to reduce gap between the consumers and businesses.

Digital Marketing is the term most frequently used today, so that is the term we focus on. In simple words we define digital marketing is "Achieving marketing objectives through applying digital technologies and media". So, digital

marketing is about utilising digital technology to achieve marketing objectives. There is no essential need for digital marketing to always be separate from the marketing department as a whole, as the objectives of both are the same. However for now it remains a useful term because digital marketing requires a certain skill set to utilise the digital technology effectively. As the recent Developing Digital Skills 2015 report showed, many marketers are now spending > 50% of their time on digital marketing activities and two of the three top job roles in marketing are digital, so clearly digital skills are needed for the marketers & managers.

Due to globalization, not only nations are coming closer to each other but also different sector undergoes into significant changes. And marketing sector is also affected by this and experiencing so many changes continuously. To sell our product through internet or digital media is known as E-marketing. Types and size of business organization affects marketing traditionally but in today's scenario, digital technology is a valuable addition. E- Marketing is also known as web marketing and online marketing. E- Marketing helps to find out the right audience to whom goods and services are to be provided by the business organizations. It consists of all processes and activities with the purposes of attracting, finding, winning and retaining customers. Creative use of internet technology is made by using various multimedia, text, graphics etc. with different languages to create catchy advertisements, forms, e-shop where product can be promoted, viewed and sold.

The scope of emarketing is deemed to be broad in scope it does not only use to promote marketing over the internet but also helps in marketing as well through e-mail and wireless media. E-marketing also joins technical and creative aspects of the Internet, including: development, design, advertisement and sales. Use of websites are made by emarketing in combination with online promotional techniques such as

social medial marketing, search marketing (SEM), interactive online ads, e-mail marketing, online directories, viral marketing, affiliate marketing and so on. E- Marketing also include product display, advertisement consisting of graphics videos and audio with text, 3D product view, product navigation, basket selection, checkout and payments.

As Internet becoming more widely available and used, Electronic commerce and e marketing have become most popular. Well over one third of consumers who have Internet access in their homes report using the Internet to make purchases. E-Mail marketing, as the word itself suggests marketing through electronic mails, is becoming more predominant in recent times for most of the companies as they are using it for their benefit. It is a form of direct marketing for commercial communicating or fund raising messages to audience. The core of e-mail marketing concenter very email sent to potential customers or a targeted client.

E marketing means using digital technologies to help sell you goods or services. Email marketing is a form of direct marketing that allows the brand to connect with a huge database of audiences. It is more effective and inexpensive mode of communication. These email communications could contain everything from promotional information to advertisements, offers, deals, announcements and links.

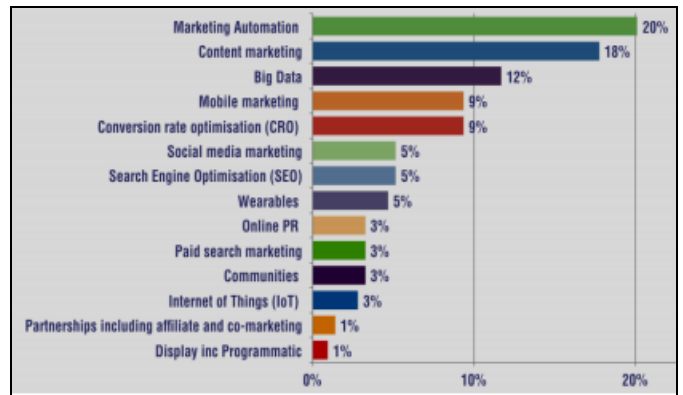
The development of e marketing has been one of the most important and influential trends in the field of business marketing and information Technology offer the past decade. It has revolutionized the manner in which certain businesses market their products and the advent of social media offers the potential to revolutionize the manner in which business and consumers interact in the future. The benefits of using Internet marketing are for different company sizes. It is a new medium for advertising and PR (Public relationship) and a new product distribution channel. In addition to this, Internet marketing offers new opportunities for developing new international markets without the existence of representative or sales offices and agents. The Internet also provides new methods to improve customer services and is considered as the most cost-effective marketing tool as it reduces paper works and number of staff as well as by passes operating offices.

**Changing Trends**

The figure shown below is showing the growth of the mobile and internet users in India. This shows that Internet users are rising rapidly in India. With this rise the scope of digital marketing is also rising.



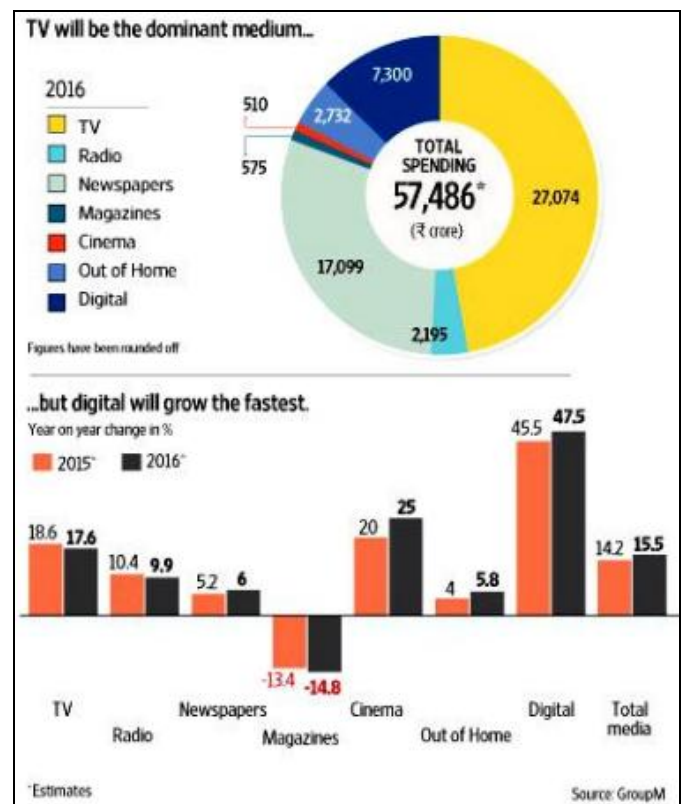
**Fig 1:** Growth of internet user Vs mobile internet in India 2012-2016



**Fig 2:** Digital marketing activities with the greatest commercial impact in 2016?

The above statistics shows that various digital marketing activities with the greatest commercial impact in 2016. The Marketing Automation having the highest impact on the business of the company.

Following is the Statistics of Year 2015 and 2016



**Source:** <http://www.livemint.com/Consumer>

**Fig 3:** Digital Growth in comparison to other factors

The above figure shows the Digital AD Spending to grow the fastest in 2016. Ad spending in India will grow 15.5% in 2016 to Rs 5,486 crore with digital advertising expanding with the fastest pace of 4.5% media agency Group M said in its. 2015 and 2016 report. Digital advertising accounted for 12.7% of all ad spending in 2016, the agency estimated up from 9.9% in 2015. Television and radio will see slower growth that in 2015. Again while all other industries are struggling hard to reach 5% to 10% growth rate digital marketing industry is booming

tall with 40% growth rate, portable handy mobile device contributed more growth in web connectivity than computers that's because of affordability data plans and these initiate growth forecast that over next 5 years: mobile advertising revenues growth rate will tend to increase 27% with an excess of \$27 billion revenue in 2017. With the increasing in digital marketing share – reports predict that it shares will reach to \$185.4 billion by 2017.

Digital marketing main growth comes from social media, people nowadays spend their time on social media and that is a plus point for marketing, there are more than 82 million monthly active users for Facebook and in India it is expected that the nation will have the world's largest Facebook population by 2017.

### **Need of the Study**

India will likely see the golden period of the Internet sector between 2013 to 2018 with incredible growth opportunities and secular growth adoption for E-Commerce, Internet Advertising, Social Media, Search, Online Content, and Services relating to E-Commerce and Internet Advertising. As we all know, India has a long way to go in the world of Digital Marketing as more and more Indians are spending time on the internet as compared to China and US.

### **Importance of Internet Marketing**

Below are some of the reasons why it is absolutely important for any business to invest in online marketing for their brands.

- a. Cost effective IM (internet marketing) is one of the best cost effective ways of advertising because marketing products on the internet is less expensive in comparison to physical marketing due to short chain of middlemen in online marketing as well as less expenses on the physical outlet of the showrooms and the use of marketing articles or social media in establishing an online presence is minimal and you don't have to incur cost of rental property and its maintenance because you will not have to purchase stocks in bulk for display in a store.
- b. Convenient  
Internet marketing enables to provide 24\*7 services without worrying about the opening and closing hours of a physical store. It's also convenient for your customers because they can browse your online store at any time and from any place worldwide and place their orders at their own convenient time.
- c. Increase website traffic  
The use of articles or social media as a marketing strategy will help to increase traffic to a business website. The more people visiting the site the more likelihood to closing with more sells and generating more interests of people in the products.
- d. One-to-one Marketing  
Internet marketing overcomes barriers of distance is overcome by internet marketing because you can sell goods in any parts of the world without setting up a local outlet over there, thus the scope of target market becomes very wide. However if you want to sell the product or services internationally you will have to use localization

services to ensure that your products are suitable for local markets and comply with local business rules and regulations. Localization of services include translation and product modification which reflect the differences in local market.

- e. Improves customer seller relationship  
Better platform to build relationships with customers to increase customer retention level is provided by internet. For example when a customer has purchased a product, first step to begin the relationship by sending a follow up e-mail to confirm the transaction and then thank the customer. You can also invite the potential customers to give product reviews on your website regarding the existing product and this will help to build a sense of community.
- f. Personalization  
By building a profile of their purchasing history and preferences, internet marketing will help a business to personalize offers for customers. You can do this by tracking the product information and web pages that helps to prospect, visit and make targeted offers which reflect their interests.
- g. Increases sales  
Internet marketing will increase your sales because it provides the consumers opportunity to purchase the products online rather than physically going to a place or sending an order form by mail. This will increase the impulse rate of purchasing power resulting in an increase of revenue for business organizations and an excellent return on their investments.
- h. Always available to consumers Using internet marketing techniques businesses can give their consumers a 24 hour outlet for finding the products they want, in physical outlets shopping is done in only normal working hours which impact the work schedule and lifestyle of the customers.
- i. Better conversion rate if you have a website of your business organization, then your customers are only few clicks away from completing a purchase from your website. Unlike other media, e-marketing is seamless, which require people to get up and make a phone call, post a letter or go to a shop.

### **Growth of E Marketing In India**

With more than 198 million Internet users, India was the third-largest online market ranked only behind China and the United States and declaring itself as a market not to be ignored on the global stage. Of the millions of Internet users in India, come from the 25-34 age brackets of those who use the Internet at home or at work what makes the 38 percent usage of internet, a percentage that was higher than any other age group surveyed. Additionally, men dominated internet usage with 61 percent to women's 39 percent. 5.1 hours, it is the average daily online usage in the country amongst internet users. One opinion whereby, as of second quarter 2015, India shares the characteristics of other global Internet users is its passion

for social media, with Facebook being the most popular social networking site with a 53 percent active reach. Other popular networks include Google+, Twitter and LinkedIn. Social media and communication also proved popular with mobile phone users in the country with the number of monthly active users of Whatsapp reaching 70 million. India has been the last 5 years in a great journey reference to online growth. In 2011 till 2014 the online users in India doubled from 120 million to 278 million users. Mobile also showed amazing progress with 900 million mobile connections and 220 million smartphone shipments in India in 2014.

Definitely the Cost-effectiveness and interactivity its the most striking aspect of future digital marketing in India. Also, there is easy accessibility – a benefit considering that traditional Indian marketing had to face the huge obstacle of reaching out to Indian masses in the most resourceeffective way. The additional difficulties, which Indian audiences have is the linguistic differences – something that digital marketing can choose to stay away from. The future of digital marketing in India seems bright and beautiful. Future Media is a Digital Marketing Agency in India that makes simple to reach your target audience with distinctive online marketing strategy. The future of digital marketing will be rooted in how marketers and platforms create ways for new and traditional media to play together.

Now, India's rapidly economic improvement made the country one of the world's fastest growing economies. It's large and growing and can quadruple GDP and catapult India to the unity, of developed economies over the next decade. Internet has been the biggest contributing factor in this growth. With a growth percentage of 30% in the year gone by, it is unarguably the sector with highest growth rate in India. By needing of skilled Internet marketing workforce, jobs continue to be created. We need to recognize new opportunities and prepare the supply side.

### **Future of Digital Marketing in India**

Day by day growing Digital Market in India is an evident that the Digitization is taking place with a high speed. E-commerce website are providing all the goods and services through online portals online today. The increasing number of ecommerce websites. WARC Survey shows that 35% of advertisers would increase their mobile advertising spend by 50% or more by 2020 in India.

According to the Group M report, consumer product makers will remain the most dominant sector in terms of ad spending with a 28% share of the total expenditure. Many advertisers will increase their ad spending to spur demand, helped by the buffer provided by low commodity prices, which have reduced their input costs. Thus, all reports and surveys conducted around the globe are showing that the digital marketing will grow more in coming years. Youth of India is very much technology friendly. By 2017, mobile devices are expected to reach around 3 billion units worldwide. So as more people use smartphones, tablets and other mobile devices, the potential of mobile market continues to grow.

### **Strategies in E-Marketing by Indian Companies**

When entering an Internet marketing zone, a company should identify some important issues such as different target

customers, another way to contact customers, Internet security, new competitors, etc.

According to Chaffey *et al.* (2006, 20), to be successful in Internet marketing, the main strategic approach is needed to manage the risks and deliver the opportunities available from online channels in a wide range of companies, based on their experiences of strategy definition they suggest a process for development and implement Internet marketing with different separated steps: Defining the online opportunity, selecting of the strategic approach and delivery result online.

Segmentation, targeting, differentiation and positioning are all keys to effective digital marketing. In the 21<sup>st</sup> century for most people running a company, Internet marketing strategies are an indispensable part of the business plan. While small businesses such as local shops may require some form of web marketing, any business that wants a broad customer reach should research the potential of a solid Internet marketing strategy. As commerce continues to go global, companies that lack an easy-to-find, accessible website – the cornerstone of web marketing – it will be hard to reach customers that don't live in the same town or have never heard of the company. Companies such as Thumbs up or Life style, businesses that aren't household names of global visibility begins on the Web. Having a sound Internet marketing strategy ensures the best chance of success.

### **Challenges in E-marketing**

#### **Problem of integration**

One of major problems with marketing campaigns is that they take up several offline and online promotional channels such as press, brochure, catalogue, TV, cell phone, e-mail, internet, social media etc, while lack a comprehensive, harmonizing marketing structure. Each item is used separately and accomplished as a different task not as a part of an integrated campaign aiming at the realization of specified and particular objectives. This deficiency can be compensated for by taking a holistic come up to which synchronizes the different traditional and internet age modes of marketing communication as moments of an integrated organization. With respect to the practical, online component of an integrated marketing what is "also worth noting (or reminding) is that like offline marketing, all aspects of online marketing are inextricably connected- and in many cases mutually dependent.

#### **Lack of face-to-face contact**

Internet dealings involve no alive, personal interaction and that is why some customers consider electronic modes of providing customer service impersonal and enjoy the experience of shopping in a bricks and mortar, physical store. They like better to talk to store personnel in a face to face conduct, touch the related product with their hands, and socialize with other customers. Virtual marketplace cannot provide for this function of offline shopping and lacks personal interaction. To be more specific "for the types of products that rely heavily on building personal relationship between buyers and sellers such as the selling of life insurance, and the type of products that requires physical examination, Internet marketing maybe less appropriate.

### **Security and Privacy**

It is clear enough that now a day's customers' data can easily be shared with other companies without asking for their authorization. Moreover their more crucial personal data such as usernames and passwords are not protected from hackers.

### **Lack of trust**

Online trust includes consumer perceptions of how the site would deliver on expectations, how believable the site's information is, and how much confidence the site commands". These days in spite of the rapid growth of online dealings a number of people still suspect electronic methods of paying and still have doubt whether the purchased items will be delivered or not.

On the other hand occurrence of online fraud has made customers hold negative or doubtful attitudes towards online transactions.

### **Conclusion**

E-marketing also offers businesses the opportunity to garner data about their consumer base to an extent that has till now been very difficult to achieve via traditional marketing methods. The development of internet marketing and social media advertising has led to examples of businesses in recent years that appear to little more than categories and filter information relating to products and services on the Internet, taking a small cut from any transaction that may occur as a result. In the next few years, online marketing in India will strengthen even further. However, long-standing sustainability directly depends on factors like changes in the market, innovations and interactivity by market players.

Owing to increased penetration of credit cards and easy access of computing witnessed a promising growth. Moreover, bargain-hunting consumers are latching on this trend as Internet retailers are known to offer products at special discounted prices compared to store-based retailers. Consumers in the country can now truly expect a well streamlined, efficient and world-class shopping experience supported by the best technology.

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