

Impact of Digitalization in E-Marketing

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Abstract

Technology advancement and the increasingly use of mobile, laptop, desktop, tablets and introduction of various software strikes in the marketing sector and it bring new revolution in the business world. Digital literacy brings revolution in the marketing sector. In order to success in this global world, internet is a new way of marketing a product /service globally to the targeted market around the world. The increased usage and demand for network information and connectivity is reflected in the internet penetration rates among the whole world. This penetration has brought fast development for the country due to adaptation of digital resources. Marketers use full colour advertising that appeal similar to both young and old to attract people all over the world. It is fast and flexible means of marketing. The study attempts to focus on relevance of digital literacy and its impact on digital marketing. The study is based on secondary data.

Keywords: Digital Empowerment, Digital Literacy, E- Marketing, Internet, Social Transformation

I. INTRODUCTION

“Digital” comes from the Latin digitalis, digitus, or “digit” in English, making reference by extension to the use of tools for humans. (Definition from Larousse dictionary). Digital has a particular resonance in the marketing sector. Internet marketing has become the new era in E-commerce with petty variable cost per customer, Internet grew in only few years and there are no barriers for time or location. The increased usage and demand for network information and connectivity is reflected in the internet penetration rates among the whole world. Electronic and digital literacy indicate the ability to use electronic and digital technology while electronic and digital marketing means process of marketing accomplished or facilitated through the use of electronic devices, application, tools, technologies, platform, system and management and execution of marketing specifically using digital electronics and channels (e.g. web, email, digital TV, wireless media,, and digital data about user/customer characteristics and behaviour) to reach market in a timely, relevant, personal, interactive, and cost effective manner. Digital literacy brings traditional marketing as gone days in the future. Due to a very fast extension of the digital literacy major portion of traditional marketing will replace by internet marketing. However, the history of traditional marketing is much older. Digital literacy brings revolution in the marketing sector. Media literacy helps in realizing the boundary between real and the world created by the media. Digitalisation changes the behavior of consumer from traditional consumer to digital media. In this new era, to success in this global world internet is a new way of marketing a product/service globally to the targeted market around the world. Marketers use full color advertising that appeal similar to both young and old to attract people all over the world. It is fast and flexible means of marketing. Marketers should also refer to the AIDA model-Attention, Interest, Desire and Action to successfully attract customers by introducing the right advertising on Internet.

The negative impact of the internet marketing cannot be denied, the incident of e-payment frauds and not providing the reasonable and correct commodity as per the specification shown in the advertisement is also continues to rise. Furthermore, it is generally come into light that new fraudulent and sophisticated techniques are being developed by the fraudster. To minimize the fraud in e-payment and commodity transactions, it is necessary to be cautious by the merchants and the consumers and take preventive measure. This digital trend is changing the way of marketing. Internet marketing is a step towards digital empowerment for the society.

II. LITERATURE REVIEW

The KNP Report on the Internet User (1999), published by IM Research showed that user satisfaction with the website is decided by information quantity, design, transmission speed, user-friendliness of search structure, and update pace. It suggests that website characteristics are likely to influence consumer information search through the internet.

Patrick Barwise, Anita Elberse and Kathy Hammond (2002) review the research to-date on how the Internet is impacting marketing. It covers internet adoption and usage; online purchasing behavior; internet advertising; internet economics and pricing; channels and intermediaries and online marketing strategy. As per the paper the Internet does not change the fundamental principles of marketing. Nor has its impact to-date, (e.g. on consumer behavior, advertising, pricing, channels/intermediaries, strategy and globalization) been anything like as dramatic as predicted. However, its impact to increase greatly over the next one to two decade.

Witten and David (2003) define Digitization as, —the process of taking traditional library materials that are in form of books and papers and converting them to the electronic form where they can be stored and manipulated by a computer.

Gurvinder S Shergill and Zhaobin Chen (2005) this research found that website design, website reliability/fulfillment, website customer service and website security/privacy are the four dominant factors which influence consumer perceptions of online purchasing. A structured questionnaire was used for this research, as the data collection method involved a mall intercept survey.

Website reliability/fulfillment had the highest rating score, followed by website customer service. Website design ranked third, and the lowest was website security/privacy.

According to Pearce-Moses (2005), Digitization is the process of transforming analog material into binary electronic (digital) form, especially for storage and use in a computer.

D. K. Gangeshwer (2013) this study deals the conceptual knowledge of search engine marketing or e-commerce, literature review, current and future aspects of e-commerce in Indian context. This paper also discussed about the top motivator factors of shopping online. Online commerce in India is destined to grow both in revenue and geographic reach. Top Motivator Factors for shopping online Cash back guarantee Cash on delivery Fast Delivery Substantial discounts compared to retail Access to branded products advertisers and end-users can effectively use this modern platform to make life easier and faster. In the next 3 to 5 years, India will have 30 to 70 million Internet users which will equal, if not surpass, many of the developed countries. Internet economy will then become more meaningful in India.

Lina Fernandes March (2013) this paper provides an overview on e-payment frauds. It presents statistics on actual payment frauds and revenue loss due to frauds. Several measures for fraud detection and prevention are discussed. The scope of this research is to minimize the fraud in e-payment transaction and also the revenue loss by taking the detective and preventive measures. The study shows fraud detection techniques attempted to maximize accuracy rate and minimize frauds at a low cost level.

You Qinghe; Chen Wenyuan; Liu Kaiming (2014), Online shopping is becoming more popular day by day with the increase in the usage of World Wide Web known as www. The results concluded that the most influencing and attractive factor among four factors is website design/features, following convenience, time saving and security particularly the security concerns are very important while shopping online. Low price, discount, feedback from precious shoppers, and quality of product and information are also considered to be important factors.

Library Services (IMLS) defines digitization as —the process of converting, creating, and maintaining books, art works, historical documents, photos, journal, etc. in electronic representation so they can be viewed via computers and other devices.

III. OBJECTIVE OF THE STUDY

- To study the relevance of digital literacy.
- Identifying the factor influencing digital literacy.
- To identify impact of digital literacy and digitalisation on E-marketing.

IV. RESEARCH METHODOLOGY

The data has been collected from secondary sources from websites, journals, magazines, newspaper, thesis etc.

A. Digital Literacy in India

As ‘Digital Tsunami’ is hitting the world. Indian Government started digital India program aiming to provide internet connectivity to all. In this context 1 Jul, 2015 to 7 Jul, 2015 declared digital India week. In these respect India's top industrialists including Cyrus Mistry chairman of Tata group, Reliance Industries Chairman Mukesh Ambani, Reliance Group Chairman Anil Ambani, Kumar Mangalam Birla, Sunil Bharti Mittal chairman of Bharti Enterprises, Vedanta Resources Chairman Anil Agarwal, All top CEOs in the unveiling of the Digital India Week by Prime Minister Narendra Modi on 1 Jul, 2015. These India's top billionaires pledged around Rs 4.5 lakh crore to projects related to Digital India, for Digital India programme. All the top industrialist contributed to fund transformational initiatives across the cloud, digital and telecom space. Digital India project aimed at broadening digital access for all Indians and making sure that government functions and services are available online to citizens. These will boost to the various marketing sectors and also improve the digital literacy.

Marketing acts a support system to the sales team by propagating the message and information to the target audience. Marketing is communicating the value of a product, service or brand to customers, for the purpose of promoting or selling that product, service, or brand. The marketing is done to increase sales of the product and profits of the company. Internet penetration significantly increased all over the world, connection speed and quality have improved, interactivity and Visual aesthetics of user interfaces have been significantly enhanced and the industry has accumulated tremendous experience and knowhow regarding online consumer behaviour. These developments lead to radical changes not only on location-centric concepts but on the entire context of marketing. Furthermore, the proliferation of mobile technology started to create unprecedented opportunities for marketers to reach existing and potential customers anytime anywhere with a great precision. The impact of the Internet on the traditional time cycles of marketing, segmentation and targeting, and the creation of totally personalized marketing mixes create an entirely new environment for competition.

B. Social Need for Digital Empowerment

Developing countries still face several challenges in order to keep up with this sort of technological progress, they are women and girls, physically disabled person, People living in poor rural and underserved areas, the Ageing Society (above 60 years), unemployed youth and indigenous people. There are over 1.8 billion young people in the world today, 90 per cent of whom live in developing countries, where they tend to make up a large proportion of the population. According to the ILO report, Global Employment Trends for Youth 2012, there are 75 million unemployed worldwide and youth unemployment rates are forecast to rise in all regions in the coming years (e.g. from 9.5% in 2012 to 10.4% in 2017 in East Asia, from 9.6% to 9.8% in South Asia and from 13.1% to 14.2% in South East Asia and the Pacific). Therefore, it is necessary to take youth issues into consideration in the development agenda and policies of each country. In terms of internet usage, ITU estimates that 2/3 of the world's population and 3/4 of people in developing countries are still not using the internet.

Majority of these people are living in poor rural and underserved areas. The Asia-Pacific region (at 32 percent) is at fourth place in terms penetration compared to those of the other regions i.e. America, Arab country Africa, Europe, common wealth of independent states.

Some of the barriers faced by developing countries in improving ICT/internet access and usage particularly in poor rural and underserved areas include the cost of devices and connections, the low speed and quality of internet connections, the limited availability of ICT services outside major urban areas and more generally, inherent development challenges related to poverty and literacy levels.

Baines, Cris fill, and Kelly page describe the structural properties of digital resources in his book marketing; these are internet marketing, internet advertising, search marketing, e-mail marketing, mobile marketing, viral marketing, online retailing adver-gaming and social web marketing.

C. World Bank Assisted- India: e-Delivery of Public Services DPL Project

The Government of India received a loan from the World Bank towards programme management and financial support for the National e-Governance Plan (NeGP), for an amount of US\$ 150 million (about Rs.700 crore) The loan is referred to as "India: e-Delivery of Public Services Development Policy Loan" and is envisaged to support NeGP's countrywide plans of increasing online services for citizens in their locality, to improve the quality of basic governance in areas of concern to the common man. Indicative Target to fulfil National e-Governance Plan consists improving access to services by using the mobile platform while increasing the pace of internet penetration.

- National IT Policy Implementation Support.
- E-Literacy: Pilot projects on different models for e- Literacy; Mandatory Delivery and Affordable Access.
- Urban CSCs – project preparation and implementation support;
- ICT for Education, Health, Rural Development, RD and Financial Services (pilots)

D. The Advantages and Disadvantages of Internet Marketing

1) Advantages of Internet Marketing

- Its available 24X7 i.e. 24 hours a day, 7 days a week.
- It offers more product and choices.
- Cost-effective, in the long run.
- Internet is used a tool of promotion of products.
- It can effectively reach the target customer.
- Faster and less expensive to conduct direct marketing campaigns.
- Internet is used to study internet consumer behaviour.
- It saves money as it saves storage cost, space rental, eliminate huge inventories etc.
- It fuels growth of Consumers in nonmetropolitan areas.
- For customer it provides product of latest trend that are unavailable at local stores.

E. Disadvantages of Internet Marketing

- No face to face communication involved in internet marketing.
- It increased worldwide competition.
- Marketing on internet depend on technology.
- Retail marketing is suffering.
- Threats for new entrepreneurs in the open market.
- Internet marketing is less appropriate for a product that require personal relationship.
- Internet marketing is intangible form of marketing as it not allows prospective buyers to touch, or smell or taste or 'try on' the products.

V. CONCLUSION AND LIMITATIONS

Digitalisation is for social transformation. Digital empowerment is essential for extending the benefits of ICTs to all strata of the society, with special focus on people with special needs, in order that they will be able to fully, if not equally participate in all aspects of life, exercise their duties, contribute to and enjoy the rights and benefits as members of the society. However, majority of the developed economies have become broadband-based information societies and are using the internet not only to connect people, but also things, in what has been called the Internet of Things. The digital economy that is driven by information technology and e-commerce is being developed worldwide. Digitization provides an opportunity to collect information in real time and to collect information more effectively related to the needs of consumers. Business world fully utilise the advantages of digitalisation to successfully grow in this competitive environment.

However, several challenges like keeping up technological progress, among women and girls, physically disabled person, people living in poor rural and underserved areas, the ageing Society (above 60 years), unemployed youth and indigenous people came in way for fully digital literacy. Poorest among the poor not come under digital empowerment. So the further research will helpful to employ method for complete digital empowerment and E-marketing.

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