

ISSN: 2454-132X Impact factor: 4.295 (Volume 5, Issue 4)

Available online at: www.ijariit.com

# E-commerce as a toolkit for digital marketing trends

Dr. V. Srividhya
<u>srividhya0510@gmail.com</u>
Government First Grade College, Bidadi, Ramanagara, Karnataka

## **ABSTRACT**

E-Commerce represents the cutting edge of success in this digital age as a symbol of globalization and in many ways its leading feature. E-Commerce stands for the process of buying and selling products and services on the Internet. The electronic payment and cash on delivery system are available on online seller website. The shift from traditional business to e-business implies a transition in marketing strategies as well. Organizations must adapt their marketing strategies to the new business environment so as to remain competitive in the market. With the emergence of internet e-business has also aroused the concept of e-marketing or digital marketing. Digital marketing is the promotion of products or brands via one or more forms of electronic media. It is a marketing that makes use of electronic devices to engage with stakeholders. It is conducted through various digital marketing tools, the most popular being search engine, comparison websites, email marketing, seller's websites, customer reviews, online advertisement, and mobile advertisement. Each of those tools has a different reach and specific impact on customers according to the way it is used. Therefore, knowing the right combination of tools to be applied to a particular category is a real advantage for organizations. The online retail sector is a growing market that offers many opportunities. Thus, the competition in the sector is very high. In this scenario, online retailers are using different strategies to differentiate themselves from each other. Among the means used, there are digital marketing tools. The study aims at understanding the impact of the digital marketing tools used on the customers' purchase.

**Keywords**— E-Commerce, Digital marketing, Social media, Globalization, Search engine, Comparison websites, Online advertisement, Mobile advertisement

## 1. INTRODUCTION

Digital marketing is the promotion of products or brands via one or more forms of electronic media. It is a marketing that uses electronic devices to engage with stakeholders. It is conducted through various digital marketing tools, the most popular being search engine, comparison websites, email marketing, seller's websites, customer reviews, online advertisement, and mobile advertisement. Each of these tools has a different reach and specific impact on customers according to the way it is used. Therefore, knowing the right combination of tools to be applied to particular product category is a real advantage for organization. Using these tools, the seller has the possibility to know the preference and need of their customers to adopt the product or service regarding the demand. The study of E-Commerce with special reference to digital marketing tools to understand the impact of digital marketing tools on the business and the review of the customer regarding these techniques.

## 2. REVIEW OF LITERATURE EXHIBITING THE RESEARCH GAP

# 2.1 Internet Shopping

- Susan Kleinman: (Comscore report— online customers study, May 2012) highlights the status of online purchase among internet users by giving the following figures, about 75 million people, or one-third of the total internet population, buy goods online to be shipped to them over the course of a quarter. Of those, about one-third make one transaction and half make one to two transactions. About a quarter make three to five purchases, and the other quarter makes six or more.
- The Nielsen Global Consumer Report (Global trends in online shopping –June 2010) shared that the internet has transformed many aspects of life. Even though people like to touch and feel the products they purchase, online shopping is taking the lead on shopping in physical stores due to the efficiency and convenience it offers. Services like booking of travel or buying concert tickets are made much easier.

## 2.2 Marketing Strategies and the digital revolution

• Dr.Dave Chaffey and Danyl Bosomworth (Digital marketing strategy: Planning Template January 2013) also support the same point of view stating that the "the key elements of digital strategy involve revisiting and aligning the main thrust of your marketing strategy in an online context". This means that there should be a shift from offline to online marketing by applying

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the organization's marketing strategies to online activities. Here, the authors compare the online business to any common offline business and the marketing strategies must be adapted to the online activities the same way marketing activities are adapted to the new area's culture and people.

• Kiani (1998) also presents a set of guidelines for advertising on the web; attract users by making it easy to find your site, engage their interests by creating communities or linking to other sites they will find valuable, ensure they return by constantly updating your content and keeping it fresh, learn their preferences by tracking their activity on your site, and relate to them by taking the information gathered to provide customized content. These guidelines are now made easily accessible with the digital revolution. Search engine optimization (SEO) help to solve the "ease to find", issue, social media allows businesses to engage the interest of customers by providing continuous and up to date information. Further, tools like Google analytics' enable tacking of customers interest and customization of content.

## 2.3 Digital marketing and e-business

- Eric Gervet and Matthieu de Chanville (A.T.Kerney Digital marketing: don't miss the forest for the trees 2012) explain that "digital marketing is digital activities in the marketing space. This is different from e-commerce which covers all business conducted electronically". Through this, they pinpoint the necessity for online business to emphasis on digital marketing by showing the difference between both.
- Jim Carroll and Rick Broadhead opine that "one of the most difficult jobs you will have as an e-commerce merchant is figuring out what blend of offline and online marketing techniques to use to promote your Web site." They not only touch on the difference between e-commerce and online marketing activities but also emphasize the huge task that is to find the appropriate combination of tools for an online.

#### 2.4 Research Gap

The review of the above literature has shown that the spread of internet has not only changed the business environment but also gives a boost to online businesses. In today's world, most e-commerce companies are in the process of using digital tools to reach consumers. With the advancement and ease of availability of technology, organizations have tools to directly influence the customers for their needs and desires to be fulfilled. Digital marketing is assisting the other form of marketing to increase the reach to the consumers. With the emergence of the e-commerce in the global environment there is need to understand the effectiveness of digital marketing tools and hence this study would help in fulfilling the gap between various digital marketing techniques used in social media and the response from the respondents who buy the products online with the choice of online stores available in social media.

#### 3. OBJECTIVES OF THE STUDY

- Understand the Indian e-commerce industry.
- Understand the factors influencing the choice of online stores.
- Assess the effectiveness of digital marketing trends on online purchases.

## 4. STATEMENT OF THE PROBLEM

The online retail sector is a growing market that offers many opportunities. Thus the competition in the sector is very high. In this scenario, online retailers are using different strategies to differentiate themselves from each other. Among the means used, there are digital marketing tools. The study aims to understand the impact of digital marketing tools used on the customer's purchase.

## 5. SCOPE OF THE STUDY

The share of e-commerce is quite remarkable. It grew from 15 billion in 2007-08 to cross 500 million in 2016. Therefore, there is a huge market that yet is tapped by e-commerce players in India. Rapid development in mobile technology has given way to Mobile Commerce with many E-Commerce companies shifting to App only model. Having an understanding of how the current market is reacting to digital marketing tools can help the different players to tune their digital marketing strategies in order to catch more customers while minimizing cost. E-commerce creates an opportunity for entrepreneurs.

## 6. METHODOLOGY OF THE STUDY

The study conducted on e-commerce as a toolkit to digital marketing tools is of empirical and descriptive. Its aim is to show the extent to which the digital marketing tools used by online retailer's impact the purchase decision of the buyers. Simple Random Sampling was used to collect data from the respondents. The information gathered for the study is from both primary and secondary.

Primary data information was taken directly from the people through structured questionnaire as research instrument. As the population is geographically dispersed, the tools used to reach them are goggle form, to frame the questionnaire and e-mails, social media (Face book) to share the link to the questionnaire with the participants. This data will be used to understand e-commerce with special reference to digital marketing tools. Secondary data are information collected from existing sources like reports, websites, etc. This data will help to understand the current situation of e-commerce in India.

The technique of Analysis: The data collected for the study are mainly non-variate. They have been grouped so as to identify the mean, which is the number around which most of the factors taken into consideration revolves. The analysis can be divided into two broad parts:

- (a) A general analysis which comprises of demographic data and respondents' opinions about online shopping and their personal experience.
- (b) Focus analysis is the assessment of the effectiveness of digital marketing tools, taking into consideration the point of view of the respondents with respect to those tools.

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#### 7. SUMMARY OF FINDINGS

The study conducted on e-commerce as a toolkit for digital marketing trends permitted is to make the following findings:

- The digital revolution has changed the way business is operated by organizations. With the emergence of the internet, it has become critical for any organization to have an online presence.
- Even though internet and other digital tools have simplified the work of marketers by providing many useful tools like search engines, social media, analytic tools, it has also increased the competition level. Therefore, the new challenge of organizations is to find the appropriate combination of digital tools to attract the attention of customers.
- Another point to note is that there is a scope for improvement in e-commerce as among people in favor of online purchase; there are some who still have high preference for physical shopping. They shop online occasionally or only for specific types of products.
- Among the criteria of selection of an online store, the preference to delivery time, availability of product. This shows that online customers want fast and uninterrupted service. Added to this, the security and privacy issue is among the factors that prevent some users to purchase online. Thus the fast and flexible service must also be secured.

#### 8. LIMITATIONS

- The respondents are geographically distributed and can only be reached through the internet is limited.
- A detailed study cannot be conducted due to the given time restriction.
- As the study is based on a sample, the result might not be applied to the whole population.

#### 9. CONCLUSION

The retail industry has undergone important changes over years. From private owned small shops to huge chain of megastores. The revolution brought by internet has not only transformed the business environment by making traditional business moving online and make their presence known by more people but it also gave birth to standalone business like online stores, tickets booking, etc. In every of the business domain (B2B.B2C and C2C) many companies got formed and are experiencing a huge success. It has now become a trend and even a necessity for companies to have on online presence; therefore the need for digital marketing strategies has aroused and many tools like SEO's social network and even analytics were found handy to make a good differentiation among companies.

However reaching this goal seems quite a difficult task as internet users have high expectations and gaining their attention through digital marketing activities requires huge commitment and strong thought process. Besides this, the same tools are available for all e-business. The study conducted helped to draw light on the tools that are more effective and hence have significant impact on the purchase decision of internet shoppers.

From the analysis of data collected through the survey conducted, it is shown that there is awareness about e-business and online activities. However, there are some people who restrict themselves to adopt this new model as it involves many unsecured factors going from privacy to the uncertainty about the product or services delivered.

Pertaining to the main objective of the study that is to assess the toolkit for digital marketing tools used by online stores, the analysis of data showed that the most effective tools across the products category selected for the study are search engines, seller's website, online advertisement, comparison websites and email marketing. However companies should not neglect social media as people like to take advice from their friends and social media acts as "electronic word of mouth". Thus they can have a significant impact if used properly.

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