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ROLE OF DIGITAL MARKETING IN THE GROWTH OF INDIAN BUSINESS ECONOMY

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ABSTRACT

According to report of Goldman sachs, the digital advertisement valuation of Indian market is expected to be $160 million by 2025 (Kaur, 2023). Indian digital market is one of the fast growing and world largest internet markets. In 2025, total users of internet are 5.35 billion globally and in India, this no. reaches to over 900 million. Approx. 84% of B2B businesses developing their brand awareness with the help of content marketing. Indian market rapidly shifted to digital marketing platforms from traditional marketing strategies. The main aim of this research is to explore trends, of digital marketing, impact of the digital marketing on Indian economy, challenges like Dynamic technology and platforms, Talent Industry gap, Uncertain customer behavior , budget constraints etc. faced by the Indian marketers and strategies to overcome these challenges. For this purpose, descriptive research method has been used and secondary data was taken for getting the relevant information and data. The conclusion shows that Indian digital marketing provide various opportunities to attract and engage wide range of customers.

Keywords: Digital marketing, Challenges, Trends, business marketers, Indian Economy, Email marketing.

INTRODUCTION

Digital marketing makes a revolutionary change in the operation and growth pattern of businesses in the era of 21st century. With the global use of mobile technology and online network, most of business houses have realize the significance of the digital marketing as it provides an avenue to

connect with consumers, enhance profitability and expand market reach. In today's competitive landscape, companies that leverage digital marketing effectively gain a significant advantage over those that rely solely on traditional methods.

Digital marketing refers to the use of digital channels, including social media, search engines, email, websites, and mobile applications, to promote products and services. Unlike traditional marketing, which primarily relies on print media, television, and radio, digital marketing offers businesses a more cost-effective, interactive, and data-driven approach to reaching potential customers. The ability to track, measure, and optimize campaigns in real-time makes digital marketing a preferred strategy for businesses of all sizes.

One of the key advantages of digital marketing is its ability to provide businesses with valuable insights into customer behavior. Through data analytics and tracking tools, companies can assess the effectiveness of their marketing efforts, identify trends, and make informed decisions to optimize their strategies. This level of insight was not possible with traditional marketing techniques, making digital marketing a game-changer for business growth.

Another crucial aspect of digital marketing is its global reach. In conventional marketing, seller was often limited to their local area markets, digital marketing enables the business houses to cover a global customer with minimum effort. With the help of various social media campaigns, online advertisements, businesses can encourage their products and services to targeted customers of various geographical areas. This ability to tap into international markets allows businesses to scale rapidly and achieve exponential growth.

Trends in India's Digital Marketing

- **Email Marketing:** Email marketing includes sending the commercial messages, promotional or informational emails to a targeted audience generally in form of group of people for customer rétention, for newsletters, product and service promotions etc. Personalized email content improves sales, engagement of the customers, increase brand loyalty and conversion rates.

- **Influencer Marketing:** Influencer marketing involves connecting the persons with engaged and large social media influencers to promote products or services. These influences are generally famous personalities who can influence their following easily and able to create trust and increase credibility.

- **Video Marketing:** Video content is a highly engaging digital marketing tool used for brand storytelling, tutorials, testimonials, and product demonstrations. Popular platforms for video marketing include YouTube, Instagram Reels, Tik-Tok and Facebook Watch. Businesses leverage video content to capture audience attention and drive conversions.

- **Mobile Marketing:** Mobile marketing targets users on smartphones and tablets through SMS marketing, in-app advertisements, and mobile-friendly website design. Businesses optimize their websites and emails for mobile responsiveness to enhance the user experience. Push notifications and location-based marketing help brands engage mobile users effectively.

The Impact of Digital Marketing on Business Growth

The pattern of Indian business has been change by computerized marketing. It permits companies to associate with a bigger group of onlookers and sustain connections with their customers. With over 800 million web clients within the nation, having nearness on social media and utilizing SEO methods are pivotal for upgrading brand perceivability. Investigate shows that a critical 78% of buyers turn to the web to accumulate data, about products they proposed to purchase underscoring the significance of keeping up web nearness. Leveraging these stages enables businesses to boost brand acknowledgment and effectively lock in with their craved client base. Some of benefits of digital marketing are:

- **Precision Targeting**: Digital marketing allows the business to focus on particular age groups, taste, behavior and interest to targeted customer to deliver the essential messages.

- **Boosting Business Growth**: The digital marketing have the capability the reach the large group of customer, create brand loyalty, direct conversation with the audience through mail, social media etc.

- **Job Creation and skill development:** Indian economy has got various advantages from the online marketing which results skill development and increase employment. There are numerous digital marketing courses which enhance the skills of a person in the field of data science, programming, web development which further increase productivity.

- **Promoting Startups and e-commerce system:** Digital marketing is most important element for promoting the e commerce system in India. Over the last decade, digital business culture in form of e-commerce, e-tech, e-education, digital banking has been growing very fast and play a important role in the development of Indian economy.

- **Data driven decision making:** In the modern digital era, e- data given the depth and important information which can influence results and policies. There are various data analysis tools are available which help in speed process of analysis and accuracy in results.

Review of Literature

Anbumani et al. (2024) emphasized digital marketing's significant impact on the Indian market, highlighting challenges like ad fatigue and privacy issues. It advocates for adaptive strategies using data analytics and personalized content to navigate the rapidly changing tech landscape effectively.

Ongsiri Kamkankaew et al. (2022) studied underscore the critical role of Digital Marketing Strategy, its influence on consumer behavior, and the connection between digital engagement and electronic loyalty. It also notes the financial benefits of digital methods and the trend towards digital platforms, enriching our understanding of Digital Marketing's diverse effects in today's business world.

Saura (2020) investigated the growing role of Data Sciences in decision-making and data analysis within digital marketing, noting a lack of evidence on best practices. It offers a comprehensive look at Data Mining methods and their implications for improving digital marketing strategies, with suggestions for future research in the field.

Yim et al. (2020) focused on creating practical digital marketing strategies for global SMEs, offering a model and detailed implementation plan to enhance their advertising effectiveness through cost-efficient online tools, addressing the gap in previous research on practical applications.

Peter et al. (2020) investigated digital marketing tools to help Swiss SMEs catch up with larger firms. It found SMEs falling behind due to various barriers and aimed to guide them through a review of nineteen articles, identifying key tools and channels for effective digital marketing and suggesting areas for further research.

Rathore, A.S. & Pant, M. (2017) in their article "Emerging trends in Digital marketing in India" says that the consumers are looking and searching more on internet to find the best products and services from the sellers around India. By different techniques of digital marketing such as search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, e-commerce marketing, campaign marketing, social marketing etc. the shopping speed of the customers have been increased vastly. The usage of social media has created new opportunities for digital marketers to attract the customers through digital platform.

Schwarzl,S. & Grabowska, M. (2015) in their study on the topic "Online marketing strategies: the future is here" said that studying the customers' behavior is important in all the type of marketing activities. Whether it is online or offline customers behave in the same way. ADapt strategy should be used for bringing the attention of customers. No company activities move without internet. So it is important to have at least one online department for the company's web presence. The main goal of company should be to create a clear defined brand which represents the companies values and catch potential buyers and loyal consumers attention offline as well as online.

Research Methodology

The research covers the descriptive research design to analysis the role of digital marketing in the growth of Indian business economy. Secondary data has been collected from various resources like books, journal, reports, research papers etc.

Objectives of the study

1. To identify the recent trends in form of statistics of digital marketing
2. To examine the impact of the digital marketing on the growth of the businesses.
3. To examine the challenges faced by the marketers regarding digital marketing.
4. To study the methods to overcome these challenges.

Current Challenges of Digital Marketing in India

There is bulk opportunities in India's digital marketing but it also have some major issues or challenges which makes hurdles in the growth of the digital marketing of the Indian marketers. As we all knows that India have many languages, cultures, religion and Indian marketer have to provide the same product promotion according to the individual as well as appealing pleasing to each customer. some of the major issues of digital marketing are:

1. **Dynamic technology and platforms:** Modern digital marketing technologies are going to frequently change or updated with new features, tools or its algorithms. With the help of machine learning and AI , these technologies automatically replacing the conventional methods of marketing. There is a big challenge for the marketers itself to update their software as per the latest technologies.
2. **Talent Industry gap: A** big challenge in the growth of the digital marketing is the mismatch between traditional education system and latest industries marketing needs. As these professional courses still provide only theoretical knowledge or limited practical application which is not sufficient to upgrade the skills of the youth to cope with the modern digital marketing technologies. Currently industry employs those persons who are the masters of digital marketing for the promotion of their product.

3. **Cut throat competition with big companies and their brands:** Competition has been increase at national and international level after the continuous growth in the digital marketing. Small and medium size business are not in position to compete with large or well established business houses as they have the huge resources in form of budgets, brand goodwill, advanced technologies, benefits of economics of scale etc. Generally major portion of market share is captured by these big industries which make challenges for the small firms for their survival.

4. **Security and data related challenges:** Modern customers are so much aware about their personal and financial information and they are not easily ready to share these information with any platform while having the doubt of data breaches and leakage of their information. so it become challenging to the digital marketers to get the details of the customers without applying strong protocols regarding safeguard of the customers data otherwise all expenditure made of the digital marketing can go waste.

5. B**udgets Constraints:** In the era of the e-commerce, there are various digital marketing channels like email marketing, influencer marketing, PPC, SEO, video marketing, mobile marketing, social media marketing etc. which makes challenge for the marketers in the efficient allocation of the limited budget in these channels to get the maximum return.

6. **Uncertain customer behavior :** Customer is the king of the market and currently customer behavior cannot be easily predict in the fast changing environment of trends, innovation , global availabilities of products which creates complexities in the selection of marketing mix that are significant to approach with variety of customers.

Overcome strategies to cope up with the challenges of digital marketing

As the marketers at digital platforms facing numerous issues to interact or attract the customers. In the current challenging digital business environment marketers must come with proper strategies or planning to overcome these challenges. Some of them are:

1. **Adopt Dynamic technology and platforms:** Marketers have to make themselves updated with the new technologies and frequently access the new popular platforms for attracting the customers. Also focus on automation tools to streamline their workflows.

2. **Cope up with talent industry gap:** To fill the skill and talent gap, govt. should incorporate practical knowledge in the professional courses so that students can get the skills of required digital marketing as per the recent requirements of the businesses. In this reference, Indian govt. adopt NEP model which makes the future professionals more skillful.
3. **Compete with big brands and companies:** Small firms can face competition with popular brands by using special, personalized and customized content, niche marketing strategies and local search engine optimization technique to increase visibility and building strong and effective consumer relation.
4. **Manage date and security issues effectively**: Business houses should apply detailed digital security agreements like encryption, security firewalls etc. that involves secured transaction system from frauds and hackers and data scrambling.
5. **Efficient budget management:** To handle this obstacle, industries should give priority to the most cost effective, high impacted techniques which can attract loyal customer of the goods and these campaigns should reviewed on regular basics to generate high ROI.

Future of Digital Marketing:

- By the year 2033, the digital marketing market value at global level is estimated around $1.3 trillion.
- In the year 2025, the valuation of universal digital ad market is estimated to approach $843 billion.
- Expenditure on Mobile advertisement will share the 70% of the total advertisement expenditure by the year 2028.
- Approx. 84% of B2B businesses developing their brand awareness with the help of content marketing.
- Short videos with interactive contents are boosting sales of the businesses by up to 80% and worth of it is around $207.5 billion in the year 2025.

- More than 50% of the consumers influenced by famous and reputed influencer recommendations rather focus on the regular advertisement while purchase a product.
- 76% marketers are used the blogs disseminate the content for the increase their product sales.
- The total no. of internet users reaches to 5.35 billion globally which insist the marketers to promote their goods and services through online or digital marketing.
- 32% of companies uses pay per click to calculate direct to consumer sales.
- Revenue from content marketing has push up by more than 10% p.a. since 2018. Content marketing's major funded areas are content quality improvement, community building and consumer reach.

Conclusion

The constant increase in the popularity of different digital marketing techniques like social media marketing, email marketing, content marketing, data driven marketing, SEO, e-commerce etc. reflects that the digital marketing market of Indian economy is estimated to increase at a CAGR of 30.3% between the year 2024- 2032. Digital marketing sector in India is increasing at a fast rate and are expected the most powerful form of ad in India which indicate a bright future for the industries. Currently, digital marketing trends include Chabot's, AI, AR, automated email marketing, shopable content, video marketing, programmatic advertisement, social media, Instagram, Facebook etc. Indian Government also launched many schemes like digital India , swayam portal, startup India to promote the accessibility of digital services for creating new and more business opportunities especially in rural areas.

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