

Chapter 3

Digital Marketing and E-Tailing Technological Innovations

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ABSTRACT

In an age of public mistrust of the most basic institutions, businesses are not exempted. Essentially all e-tailers want to deliver personalized and real-time communications to customers that are tailored to their interests and preferences, and are based on big data mining that customers will value over privacy concerns. This is an era in which e-commerce retailers continue to dominate the marketplace and it is integral that consumers are able to trust the manufacturers, retailers, and the service/product reviews that they read online. Such trust is particularly important if their ultimate purchase decision is a successful one. A survey of middle-level managers was analyzed to identify the basic elements: e-personalization, namely online purchasing behaviors, personalized communications, information-retrieval services, degree of personal web presence, quality assurance of customer service, and the promotion of customization services. These elements were found to be conceptually and statistically related to retailer benefits of increased buying and customer loyalty.

INTRODUCTION

Although the traditional relationship between buyers and sellers has changed little in 200 years, the role of technology in this relationship has changed greatly in the past 10 years, especially in communicating to customers and partners in the overall value

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chain. As suggested by Kim and Hahn (2012, p. 40), “fashion/brand leadership as not only one’s involvement in and knowledge about fashion but also one’s level of influence over peers in regards to selecting fashion products and brands related to being fashionable.” Much of this leadership depends on the ability of management to use appropriate trends in technology to develop and maintain a competitive edge (Keng, Huang, Zheng, & Hsu, 2007; Komulainen, Mainela, Ta’htinen, & Ulkuniemi, 2007; Smith, 2002, 2012a,b).

Many marketing researchers have examined the current strategies of marketing that are being used to target consumers in the current market from the more traditional print marketing (e.g., magazines, newspapers, and billboards) in comparison to the more modern use of digital marketing. Perhaps one of the best ways to reach consumers and create a campaign that create new customers’ demand, as well as maintaining loyal customers, is to find the right combination of both digital and traditional marketing campaigns. Digital marketing, also known as online marketing, Internet marketing, and web marketing, is considered to be the targeted, measurable, and interactive marketing methods used to reach customers through a type of digital technology in order to create and maintain customers for either a good or service (Todor, 2016). Inbound marketing, while similar to digital marketing, is a more embedded marketing tool. Inbound marketing is when a company promotes its products or services through a blog, eBook, video, social media campaign, and podcasts. Digital and inbound marketing have many advantages in terms how and when they reach the consumer.

Digital marketing comes with many advantages as well as some disadvantages. A major advantage to digital marketing is that it is more cost efficient. When digital marketing campaigns are deployed on websites that generate traffic on their own, the cost to market on this website is much lower than it would be to use a marketing strategy that requires the campaign to drive its own traffic. The cost advantage also closely ties into the advantage that web can reach an unlimited number of consumers, whether the campaign be driven worldwide or locally. Another advantage to digital marketing is that the online user is generally in control of their exposure to the ad. This allows the user to turn off the ad if they are not interested, which reduces the chance that the ad will become associated with annoyance rather than a positive opinion. User controlled exposure is also great because it allows the consumer to immediately pursue the product being marketed to them. A huge advantage over traditional marketing that digital marketing has is that it is easily changed. Digital marketing can be adaptable almost immediately and either displayed or taken down with a matter of minutes. This is great for situations such as marketing sports championship apparel. Companies like Dick’s Sporting Goods immediately switched their marketing from saying they had Pittsburgh Penguins Eastern Conference Championship memorabilia to Pittsburgh Penguins Stanley

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