

Chapter 15

Digital Marketing in a New Age Economy

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ABSTRACT

Digital marketing has developed enormously over the past few years. India saw a 100% rise in social media users last year according to IMAI. India's e-commerce market went up to USD 38 billion in 2016. India's e-commerce revenue is expected to jump from \$30 billion in 2016 to \$120 billion in 2020, growing at an annual rate of 51%, the highest in the world. The chapter seeks to understand how firms working in the digital marketing space are using the various tools to help build businesses in a competitive business environment. The chapter looks at the B2B space, focusing on digital marketing firms started between 2007 and 2009 in India. The data has been collated from internet sources, namely <https://www.topseos.com/> and company websites. Results showed that, especially after 2016, all these digital companies are growing in a high phase with acquisition of more clients. They are able to retain them by providing good services at affordable costs which can be seen in the expanding client base. This shows that digitalization can help companies grow.

INTRODUCTION

Digital Marketing is a new wing which has developed enormously over the past few years. According to Internet and Mobile Association of India (IAMAI), it was found that in India the social media users have increased 100 percent in 2017 in comparison to 2016. Nearly 75 percent of the internet users are in the age group of 15-34 years, making India one of the youngest demographics globally. Right from relationship building to sharing knowledge for growth of business and brands, for the many users the virtual world has become very important. Social media's omnipresence is clear and is increasing for any company's branding and marketing campaign.

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India has more than 119 million dynamic social media accounts; more than 100 million users are using internet accounts through smartphones. Out of 243 million active internet consumers, around 200 million users use internet through smartphones. However it is predicted that the total numbers of internet users may increase to 500 million in India by 2018. However the total number of users may increase to 500 Million by 2018. The breakup of various social media shows that India is estimated to have 125 Million Facebook MAUs (media attachment units), out of which mobile MAUs are 114 Million. This figure shows India as the second largest country using Facebook; also In India top active social media platform is Facebook. Worldwide Twitter is used by 316 Million people, 77% of people are outside USA. In India there are totally 40 million Twitter users –64 percent of the people use it to follow brands, 33 percent use it for online shopping and 29 percent people use it for finding out new brands. LinkedIn user have crossed over 30 million in India and showed a growth rate of 50 percent in 2017 when compared to previous two years. India has been ranked second next to US in terms of LinkedIn user base. Over 70 million users are using Pinterest out of which 8.19 million users are from India. The active holders who use Pinterest in India are below 40 years.

Flipkart, established in 2007 was one of the earliest companies to make a dent in terms of digital marketing in India. It majorly used digital means for marketing purposes. Statistics reveal increased growth over the years. Since 2011, the net worth of advertising via the mobile phone and tablets has seen increases of \$1.5 to \$2 billion over each preceding year. Surveys have shown that 34% of the companies already had an integrated digital marketing strategy in 2016. (<https://www.digitalvidya.com/blog/growth-of-digital-marketing-industry-in-india/>).

According to ASSOCHAM- Forrester report, in 2009, India's e-commerce market worth was about USD 3.8 billion and went up to USD 17 billion in 2014 and to USD 38 billion in 2016. It was anticipated that e-Commerce revenue in India would jump from \$30 billion in 2016 to \$120 billion in 2020, at an annual growth rate of 51 percent, which would be the highest in the world. According to the statistical portal Statista, in India alone the number of digital buyers was expected to reach 41 million by 2016, representing 27 percent of the total number of internet users in the country. But what are the tools that businesses use to reach the consumers?

This Chapter seeks to understand how firms working in the digital marketing space are using the various tools to help build businesses in a competitive business environment. It highlights the various rudiments of digital marketing while trying to discuss how the firms can measure the effectiveness of the use of digital marketing on the firm's performance and the benefits accrued to the clients by using digital marketing.

The Chapter is designed as follows: the first section briefly gives the literature survey; the second section describes the various facets of digital marketing; the third section discusses the digital marketing strategies that are followed by organisations through various media; the fourth section gives the methodology used to understand the working of those firms working in the digital marketing space. The fifth section gives the analysis followed by conclusions.

REVIEW OF LITERATURE

Marketing is a vital ingredient of business as organisations want to sell products to customers. It is now more than a quarter century since businesses started to use Internet for marketing. After the Internet revolution, digital marketing has become popular because it utilizes mass media devices and spreads

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