

EFFECTIVE USE OF DIGITAL MARKETING IN GLOBAL BUSINESS

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ABSTRACT

Purpose: The use of online digital media as an effective marketing communications tool and channel. Identification of the user's profile of online digital media. **Design/methodology/approach** Data were derived from extensive literature research and online survey. The quantitative research was conducted by arranging user online survey among digital media user. The deductive logic was used to verify the hypothesis. **Findings** The general user profiles were identified. The hypotheses were proven that most effective tool and channel for online digital marketing in current scenario is social network and web 2.0. **Research limitations/implications** The research was designed to test only the user of online digital media properties. Even though, it gathered the needed data to help marketers in their search for suitable tools when marketing in online digital media environment. **Originality/value** The conducted study added the knowledge to the specified information gap in academic literature regarding the online digital media usage for advertising campaigns from the user perspective. It defined the main online digital media tools and tested the user observations about the probable practices.

Keywords: online digital media, affective marketing communications tool, Web 2.0, online users' profile.

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INTRODUCTION

In this era of rapidly proliferating online business and competing websites, the need for powerful digital marketing methods is of outmost importance. The Internet has emerged as the new marketplace of the 21st century.

We live in this Digital Era. Our communications have become digital, our entertainment has gone digital, and the way we conduct our marketing and business operations has undergone a sea change. The Internet has become globally pervasive, touching virtually every possible aspect of our life. This new digital medium is where all the action is, be it entertainment, or information, or business and commerce. It is no wonder that the need for suitable marketing methods has become unavoidable.

Speaking of suitable marketing methods appropriate for this new digital medium, the choice is clear – digital marketing. Digital marketing seems like the only practical choice when one is faced with the challenge of reaching out on a world-wide scale within the shortest conceivable period and in a cost-effective means. Digital marketing also enables one to have a very clear idea about how his marketing efforts are paying off. Thanks to the availability of a host of excellent and very flexible tools, digital marketing today is more powerful than ever.

Need for the study

Let us look at a common scenario - where you have set up an online business in order to sell a product on the Internet. You need to reach out to the millions of online users out there, market your product, tell them about all its great features and ultimately, convert them into your customers. Rather than using the conventional marketing method (such as placing an advertisement in the paper), you can launch an email drive that would let you reach out to thousands of likely clients in a matter of seconds.

Along with other popular methods such as search engine optimization, social media marketing, blog marketing and so on, digital marketing has truly come of age. Indeed, this is what 'impact marketing' is all about!

Overall, this research will undergo all of the different methods available today and make ensure the effective usage of each method in order to get best from each. Besides these, this research will also undergo for an online survey in order to get information about the effectiveness of Digital Marketing.

PROBLEM STATEMENT

Effective use of digital marketing in global business

OBJECTIVES

To evaluate the online digital media effectiveness as marketing communication tool and channel:

- To verify if the communications through digital marketing tools could result in favourable results for the company.
- To verify if different digital marketing tools have to be used for different communication purposes.
- To verify if communications through specific digital marketing tool triggers the favourable word of mouth.
- To verify the level of involvement needed by the company in order maintain favourable correlation with user.

In order to achieve the objectives several hypotheses must be tested:

Hypothesis 1 - The communications through digital advertising applications generate different results for the company.

H0: There is substantial correlation between digital advertising tool used and the actions taken after the communication.

H1: There is no substantial correlation between digital advertising tool used and the actions taken after the communication.

Hypothesis 2 - Different digital advertising applications can serve different advertising communication goals.

H0: There is a substantial correlation between the digital advertising tool used and communications required by the user.

H1: There is no substantial correlation between the digital advertising tool used and communications required by the user.

Hypothesis 3 - The initiatives to communicate through exact digital advertising tool activates the optimistic word of mouth.

H0: There is a substantial correlation between the originators of communication with the formation of optimistic word of mouth about the business.

H1: There is no substantial correlation between the originators of communication with the formation of optimistic word of mouth about the business.

Hypothesis 4 – The user wants the corporation to start the conversation if he/she likes digital advertising platforms as a marketing standard

H0: There is a substantial correlation between the originators of communication and media channel selected by the user.

H1: There is no substantial correlation between the originators of communication and media channel selected by the user.

Hypothesis 5 - There is a substantial correlation between techno graphics of the user and the digital media network which he/she utilizes.

H0: There is a substantial correlation between the techno graphics of the user and the preferred digital media network selected.

H1: There is no substantial correlation between the techno graphics of the user and the preferred digital media network selected.

RESEARCH METHODOLOGY

Research approach: A quantitative research approach.

Research design: A non-experimental exploratory research design.

Research setting: Online survey.

Variables:

Independent variable: Digital media.

Dependent variable: Global Business.

Extraneous variables: Age (in years), gender, media, time spent, user profiles.

Target population: Digital media user.

Sample and Sampling Technique: Probability simple random sampling was used.

Criteria for Sample Selection

Inclusion criteria

The study will include users:

- Digital media user profile.
- Between the age group of 15-34 years.

Exclusion criteria

The study will exclude users:

- who were not interested to participate?
- who were unable to understand the questionnaire?
- who were unable to understand English language?

Development of tool: self-structured questionnaire.

The steps are selected for preparing the tool:

- Review of related literature
- Preparation of blue print
- Consultation with guide
- Preparation of final draft

Findings

In order to answer the objective of the research and to evaluate the influence of Web 2.0 applications 5 hypothesis were tested. The “Hypothesis 1” was intended to demonstrate that the communications through Web 2.0 applications generate favourable results for the company. The usage of Online Digital media Properties was compared with the user actions after the communication with the company.

H0: There is substantial correlation between digital marketing tool used and the actions taken after the communication.

H1: There is no substantial correlation between digital marketing tool used and the actions taken after the communication

Table 1. Online digital media tools used vs. The actions after the interaction (company-consumer)

Anova: Two-Factor Without Replication

SUMMARY	Count	Sum	Average	Variance
Blogs	5	47	9.4	14.8
Micro Blogs	5	30	6	48
Social Networks	5	56	11.2	18.2
Content communities	5	77	15.4	68.3
Forums / bulleting boards	5	8	1.6	1.8
Content aggregators	5	27	5.4	1.3
interact more with the company	6	65	10.83333	66.56667
buy more products from the company	6	40	6.666667	19.46667
recommend the company to your friends	6	68	11.33333	44.66667
trust the company more	6	56	9.333333	43.46667
be encouraged to interact with other companies through Web 2.0	6	16	2.666667	5.066667

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Rows	592.5667	5	118.5133	7.807202	0.000325	2.71089
Columns	306	4	76.5	5.039526	0.005651	2.866081
Error	303.6	20	15.18			
Total	1202.167	29				

Table 2. The most selected answers.

	Interact more with the company	Buy more products from the company	Recommend the company to your friends	Trust the company more	Be encouraged to interact with other companies through Web 2.0
Blogs	13	9	11	11	3
Micro Blogs	4	4	18	4	0
Social Networks	13	9	16	13	5
Content communities	25	13	16	20	3
Forums / bulleting boards	3	1	1	3	0
Content aggregators	7	4	6	5	5

The single factor ANOVA analysis results showed (Table 1) that there is a substantial correlation between the answers (even though quite small as p value is close to 0,05). As a result, the second (H1) hypothesis was abstracted and the assumption was made that there is an association between different digital marketing tools used and the favourable results after communication, but it is quite small. Even though, as $F > F_{crit}$ ($7.807 > 2.710$), there is a very strong correlation between the number of answers selected, in example respondents using content communities are most likely to interact more with the company and people using micro blogs are most likely to recommend it to their friends (Table 2). In order to demonstrate that different Web 2.0 applications serve different marketing communication goals, "Hypothesis 2" was tested:

H0: There is a substantial correlation between the digital marketing tool used and communications wanted by the user.

H1: There is no substantial correlation between the digital marketing tool used and communications wanted by the user.

Table 3. The relationship between online digital media tools used vs. Wanted communications from the company.

Anova: Two-Factor Without Replication

SUMMARY	Count	Sum	Average	Variance
Blogs	8	134	16.75	12.78571
Micro Blogs	8	38	4.75	0.785714
Social Networks	8	134	16.75	16.21429
Content communities	8	168	21	24.85714
Forums / bulleting boards	8	26	3.25	1.071429
Content aggregators	8	64	8	5.142857
Advertising & PR	6	72	12	82.4
Branding	6	67	11.16667	60.16667
Selling	6	39	6.5	16.3
Customer service	6	81	13.5	63.5
Product or Service co-creation	6	67	11.16667	45.36667
Market research	6	73	12.16667	63.36667
Creating and maintaining relationship	6	79	13.16667	55.76667
Generating feedback (reviews, recommendations)	6	86	14.33333	83.46667

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Rows	2167	5	433.4	82.1426	2.5E-18	2.485143
Columns	241.3333	7	34.47619	6.534296	5.81E-05	2.285235
Error	184.6667	35	5.27619			
Total	2593	47				

Table 4. The most selected answers.

	Advertising & PR	Branding	Selling	Customer service	Maintaining relationship	Generating feedback
Blogs	17	15	9	17	18	21
Micro Blogs	4	4	4	6	5	6
Social Networks	13	16	9	21	19	20
Content communities	27	22	12	23	22	26
Opinion networks	3	2	2	4	5	4
Content aggregators	8	8	3	10	10	9

The two factor ANOVA analysis results showed that there is a very strong correlation between the data, as p value is much smaller than 0.05 (Table 3). Therefore, the hypothesis (H1) was abstracted and the assumptions was made that different digital marketing tool should be considered for different communication goals, more precisely - content communities, blogs and social networks should be considered for Advertising and PR purpose. Surprisingly, content communities could be considered for "selling" as well (Table 4). In order to verify if there is a correlation between the influence on the user arrogances and Web 2.0 applications, the Hypothesis was tested:

H0: There is a substantial correlation between the digital marketing tool and arrogances changed by the company and by the user.

H1: There is no substantial correlation between the digital marketing tool and arrogances changed by the company and by the user.

In order to verify if online digital media is an appropriate channel to create and spread word of mouth "Hypothesis 3" was tested.

H0: There is a substantial correlation between the initiators of communication with the formation of favourable word of mouth about the firm.

H1: There is no substantial correlation between the initiators of communication with the formation of favourable word of mouth about the firm.

Table 5. The relationship between the influence on the consumer attitudes and Web 2.0 applications

F-Test Two-Sample for Variances

	Social Media	<i>The messages received through social media from - the users - are very likely to adjust my attitudes towards products or services</i>
Mean	3.28	3.55
Variance	2.425858586	0.835858586
Observations	100	100
Df	99	99
F	2.90223565	
P(F<=f) one-tail	1.17054E-07	
F Critical one-tail	1.394061258	

	Social Media	<i>The messages received through social media from - the company - are very likely to adjust my attitudes towards products or services</i>
Mean	3.28	3.11
Variance	2.425858586	0.866565657
Observations	100	100
df	99	99
F	2.799393869	
P(F<=f) one-tail	2.83604E-07	
F Critical one-tail	1.394061258	

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Rows	125.22	99	1.264848	2.890582	1.29347E-07	1.394061
Columns	9.68	1	9.68	22.12188	8.30132E-06	3.937117
Error	43.32	99	0.437576			
Total	178.22	199				

Table 6. The initiatives to communicate through online digital media tools triggers the positive word of mouth.

Anova: Single Factor

SUMMARY

Groups	Count	Sum	Average	Variance
2	100	214	2.14	0.747879
3	100	365	3.65	1.118687

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	114.005	1	114.005	122.1548	1.99E-22	3.888853
Within Groups	184.79	198	0.933283			
Total	298.795	199				

The two groups (users and friends) of initiators of conversation through Web 2.0 applications were correlated with respondents who “agree” or “strongly agree” that messages received through online digital media triggers the favourable word of mouth. Not surprisingly, there is a very strong correlation ($p=0,00000000019<0,05$) between correlated data (Table 6). As a result, the hypothesis (H1) was abstracted and the assumption was made that respondents who approach company on digital marketing tool by themselves or especially by friend’s recommendations are very likely to spread word of mouth about the company. The “Hypothesis 4” was designed to verify if there is a difference for the user who makes a first step in terms of media channel.

H0: There is a substantial correlation between the initiators of communication and media channel chosen by the user.

H1: There is no substantial correlation between the initiators of communication and media channel chosen by the user.

Table 7. The initiator of conversation and media channel preferred by the consumer analysis

Anova: Two-Factor Without Replication

SUMMARY	Count	Sum	Average	Variance
16	6	58	9.666667	22.26667
32	6	82	13.66667	42.26667
12	2	29	14.5	12.5
4	2	9	4.5	4.5
3	2	28	14	2
16	2	29	14.5	40.5
6	2	11	5.5	0.5
19	2	34	17	32

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Rows	48	1	48	5.454545	0.066753	6.607891
Columns	278.6667	5	55.73333	6.333333	0.032	5.050329
Error	44	5	8.8			
Total	370.6667	11				

According to ANOVA analysis results (Table 7), there is no substantial correlation ($p=0.066753>0,05$) between the initiator of conversation and media channel preferred by the user. As a result, the (H0) was abstracted and assumption was made that there is no difference for the user who makes a first step and it does not affect his choice of the mediums he wants to interact in. In order to test “Hypothesis 5” and to find out if there is a correlation between techno graphics (“Creator”, “Joiner” and etc.) of the user and the digital media channel which he/she consumes, the data from techno graphics and media channel preferred was correlated:

H0: There is a substantial correlation between the techno graphics of the user and the preferred digital media channel chosen.

H1: There is a substantial correlation between the techno graphics of the user and the preferred digital media channel chosen.

Table 8. The technographics of the consumer and the preferred media channel analysis.

Anova: Two-Factor Without Replication

SUMMARY	Count	Sum	Average	Variance
Creator	7	44	6.285714	15.2381
Critic	7	29	4.142857	7.809524
Collector	7	21	3	2.666667
Joiner	7	109	15.57143	71.95238
Spectator	7	64	9.142857	30.80952
TV	5	70	14	106
Press	5	41	8.2	23.7
Radio	5	12	2.4	4.3
Internet	5	30	6	21
Internet SM	5	45	9	38.5
Outdoors Advertisements	5	18	3.6	8.3
WOM	5	51	10.2	47.7

ANOVA

Source of Variation	SS	df	MS	F	P-value	F crit
Rows	705.3143	4	176.3286	14.45881	3.84E-06	2.776289
Columns	478.1714	6	79.69524	6.534947	0.000345	2.508189
Error	292.6857	24	12.19524			
Total	1476.171	34				

Table 9 The most selected answers.

	TV	Press	Radio	Internet	Internet SM	Outdoors Advertisements	WOM
Creator	10	5	2	6	11	1	9
Critic	8	5	1	1	6	2	6
Collector	4	4	0	3	5	2	3
Joiner	30	13	5	13	19	8	21
Spectator	18	14	4	7	4	5	12

A solid association ($p=0,00000038<0,05$) was found between associated figures (Table 8). As a result, the hypothesis (H1) was abstracted and the assumption was made that there is a strong correlation between the type of the user (i.e. "Creator") and digital media channel chosen. Surprisingly, the "Spectators" has a various distribution amongst the channels and chooses Radio as one of the favourite channels for marketing to them (Table 9).

In order to evaluate the influence of online digital media as a medium for marketing communication campaigns 5 Hypothesis were tested. According to the results, the main findings can be summarized. The gathered data suggests that there is a correlation between online digital media tools used and the favourable results after communication. Therefore, it could be concluded that communications through online digital media could result in favourable results for the company. The communication through Social networks, Content communities and Blogs are most likely to cause grater correlations with the company and build trust. Moreover, the result suggest that different online digital media tools have to be used in order to achieve different marketing communication goals, with a common trend that Content communities, Blogs and Social Networks can be considered for Advertising and PR purpose. Surpassingly, according to gathered data, irrespectively from the communication provider users agree that the communications sent through digital media are likely to change their arrogances towards company or its products. As a result, it can be concluded that online digital media could be a valuable channel in changing user's arrogances towards the company. Moreover, it is important for them to approach the company by themselves or recommendations in order to

spread favourable word of mouth about the company. In any case, the assumption can be made that communications through online digital media triggers the favourable word of mouth. In terms of media channels, marketers have to consider that Web 2.0 citizens differ amongst themselves. In order to integrate digital media in to the whole marketing communication campaign successfully they have to consider what other media channels are liked most by what type of group of users. Due to this, it can be stated that different types of users use different type of mediums. Finally, according to the results from the user's perspective there is no difference who initiates the communication. Therefore, it can be concluded that the company can start the conversation with the user on online digital media without fear to annoy him/her.

IMPLICATIONS

Digital Marketing Education: The findings of the present research can be used in seminars, workshops; conferences organised in marketing institutions to improve knowledge of students.

Digital Marketing practice: The study helps to obtain necessary information about important risk factors and to develop the required competencies, skills for accurate administration.

Digital Marketing research: The information contained in the present study can be valuable source of data for future researchers. It can help them in conducting research with large sample sizes in respect of other different media available.

LIMITATION

It is possible to obtain different results in similar studies if language barriers are ignored for respondents. Moreover, restrictions of time, money and other resources can't be avoided in such descriptive studies, which held true for the present study as well. The present study collected the data revealing important aspects of user behaviour. However, it is really difficult to accurately predict the user behaviour based on this data as it keeps on changing according to the time and moods of the users.

RECOMMENDATIONS

- A similar study may be replicated on a large sample to validate and generalize the findings.
- A similar study with structured interview method can be conducted for data collection rather than self-reporting method.
- A similar study can be conducted by administering video assisted module to user for better understanding.

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