

## DIGITAL MARKETING AND GLOBAL ECONOMY: IMPORTANCE AND CHALLENGES

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### ABSTRACT

*Digital Marketing means a platform of buying and selling of goods and services using internet media. The Global Economy has phenomenal change as a result of resolutions in Digital Marketing. Internet users are increasing day by day in Global Scenario. Digital marketing has grown unprecedentedly over the past 5 years in the world. The scope of digital marketing is very broad that it promotes the products and services as well as help in marketing them through wireless and electronic mail media. Digital Marketing is cost effective and time savvy technique. This research paper tells the impact of digital marketing on global economy. This study explains the importance and challenges of digital marketing. It is estimated that more than 288 million people are using internet for conducting business.*

**KEYWORDS:** *Digital Marketing, Global Economy, E-commerce, Economic Growth & Online Promotion.*

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### Introduction

In recent years, the process of marketing is phenomenally changed as a result of revolution in two areas: customer satisfaction of digital marketing and impact on global economy of digital marketing. The current trends of digital marketing are email marketing, mobile friendly etc. The importance of digital marketing is growing day by day. Digital marketing is time savvy technique of purchasing goods and services. Digital marketing is interest based marketing which helps to achieve marketing objectives. Digital marketing is revolutionizing the various industries like travel and tourism industry. The economy of various countries is affected with the growth of internet based digital marketing. Today, digital marketing has become one of the important areas for business all over the world. Digital marketing is tool of cost efficiency. In this marketing, customization becomes very easy and affordable along with low rates. In India, the boom of digital marketing has been seen by 2015 to 2020. The growth of different fields is occurred like e-commerce, e-advertisement, social media, search engine etc. Developed countries have mostly high literacy rate. According to WEF 2016 report, 33% of our country's population is functionally illiterate ranked 95. The thirty three percent of young population of India don't attend secondary education (ranked-103).

Digital marketing revolution includes training people. It opens the doors for jobs of information technology sectors. Indians are spending their time more than other countries like China and US, So researcher wants to study the importance and challenges of Digital Marketing and world economy. The electronic marketing helps to promote the sales of agriculture products, electronic products, garments, home appliances etc. Digital marketing has quality parameters, prices and time saving features etc. Country can boost export with the application of internet based marketing. The digital marketing is helpful to purchase the computer software. Digital marketing promotes the emerging technologies.

### Objectives

- To find out the impact of digital marketing on world economy.
- To examine the importance and challenges of digital marketing.

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### Impact of Digital Marketing on Global Economy

Digital Marketing works through 'many-to-many' digital market places. It involves large number of buyers and sellers. In this many buyers and sellers can come together in one trading community and gets idea of whether to buy or sell. 'Many-to-many' digital markets will be supported by complementary business functions. If the buyers and sellers decided to do business through online then they require producing complete information for making the transaction and systems must be in place to arrange binding contracts and payment.

Presently, Digital marketing has become one of the most important parts in small, local businesses. The director of a business, to find potential customers, as well as for your business growth, it can make use of various techniques and practices. The overall goal is to find out the relationship between digital marketing, the internationalization of small and medium sized businesses. The results indicate that the use of the Internet for various activities in the export market could be led to results such as export growth, export profitability, enter new markets, improved market share, exports, and create a positive mindset in external customers, and name brand products and services company. To confirm the hypothesis, that is why the relation between different aspects of marketing, and descriptive statistics, the dimensions of digital marketing. Model Perasad, explained that the use of Internet or e -related activities with the buyers, the companies have the greatest impact on the internationalization of them, and this is consistent with research Hosseini (2006), entitled " Effects of the use of electronic marketing on the export performance of exporters, for example, in industry, in the years 2000-2005 ". According to the results of research, marketing can be, and its activities in the field of customer-related marketing, which includes promotion and advertising (activities such as online catalogs, electronic newsletters, email, banner ads, web forums site), and responding to customer inquiries (accountability and commitment to product information and purchase) and the ability to order online and order situation awareness, using the model Perasad, and the two dimensions of e-marketing. And distribution channels, which include online access to information (information on customers, products updates, promotions, prices, competitors) Online Support. Can also be achieved positive results in economic, financial and strategic aspects, in small businesses, which will lead to growth, exports and profitability, and to enter larger markets, entry into globalization, and image creation clearer in the minds of foreign customers, goods/services and brand name of the company.

### Importance of Digital Marketing

The following importances are given below:

- **24 hours Availability:** Digital marketing provides a platform to different buyers and sellers where the customer can purchase so many products and services for 24 X 7. Similarly if they wish to buy it from physical shops or outlets then they can only purchase them in normal timings and this will also affect the working as well as personal lifestyle of customers.
- **Growth in Rate of Impulsive Purchasing:** Digital marketing creates the demand of products and services in mind of customers that will ultimately increase the growth rate of impulsive purchasing. Nowadays customers are willing to purchase online rather than going physically to the shops/market.
- **Personalize Offers for Customers:** Digital marketing collects the information of a customer and prepare a portfolio of purchasing history as per the preferences of the customer and this will help the seller to offer their products and services accordingly.
- **One to One Marketing:** Digital marketing allows their customers to buy or sell product and services worldwide without opening the physical outlet. It provides a platform by which buyers and sellers connect themselves worldwide.
- **Build Relationship with Customers for Increasing the Customer Retention Level:** Digital marketing provides the best way for developing relationship with customers for increasing the customers' satisfaction level. It can be better understood with the help of an example: when a customer purchases some goods online firstly to build a relationship with buyer, seller provides the confirmation mail for successful transaction along with a reference number. Then it will be followed up with a thanking mail from seller for purchasing the product. Lastly for some frequent customers they also provide the product feedback form for maintaining a sense of community.

- **Cheaper Promotional Methods:** Digital marketing is one of the cheapest ways of marketing where all the products are available on Internet No involvement of the middlemen and no physical outlet is needed for digital marketing. It is one of the most cost effective method uses for promotion of products and services.



**Challenges of Digital Marketing**

- Intellectual Property
- Uncaring Service
- Privacy & Security
- More innovative in Promotion & Advertising
- Mistrust among digital customers
- Necessity of continues upgradation
- Ethical Practices



### Conclusion

Digital Marketing had a great effect on the development of global economy in developing countries. Small firms are gaining more profits by using digital platforms for making transactions with the clients. By utilizing information and communication technologies facilities to maximum, we can reduce the transaction costs to minimum. This reduction will encourage the firms to extend the number of transactions they conduct across both organizational and geographical boundaries. Many developing countries are not able to utilize the efficiencies and potentialities of internet marketing. By using the internet in the developing countries only very little business had been takes place with new customers/suppliers. Many industries in the developing countries are notable to utilize the B2B digital marketing effectively. Trust is very important in the development of digital market otherwise everyone will lose trust and it will become more complex rather than utilizing its benefits. Banking and financial services companies in the developing countries will need to adopt online payment systems and practices that will meet their customer's new needs arising from a shift to digital marketing. In the development of the digital marketing the government should also play a key role by becoming Internet and business friendly and set Internet access and use as a priority.

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