

Digital Marketing and Civic Society: A Case Study

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ABSTRACT

Today in era of Information technology every business wants to deliver their products and services through various electronic channels. Digital marketing is of great use as far as the growth of the Indian Economy is concerned. Customers are satisfied through purchasing digital marketing. Digital marketing is modern practice that gives a chance to the business by changing to client-centered marketing strategies and thus provides an opportunity to grow business rapidly. Thus, Digital marketing is touching the urban India in lot many aspects and still holds tremendous potential which can multiply the opportunities for business enterprises in rural areas too. With the use of technology, there had been an increase in penetrating the productivity and efficiency. Banks have changed their approach from “Conventional Banking to Convenience Banking” and “Mass Banking to Class Banking”. The present study is exploratory in nature and is an attempt to examine the importance of digital marketing in today’s scenario and its impact on the civic society. The geographical scope of the study includes Jammu city of J&K region among the customers who were purchasing products and using services through digital marketing. The study is based on both primary and secondary data. A structured questionnaire with a sample size of 302 is used to collect the Primary data.

Keywords: Digital marketing; Digital banking; Customers; Internet technology; Indian economy.

1.0 Introduction

The present era is the digital era and digital marketing is the creation of Digital Revolution. By the use of internet, it is expected that digital economy will revolutionize the society and is gaining momentum day by day. Digital revolution has changed the way consumers perceive business strategies. Digital marketing today has become an indispensable part of business.

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The strategies of marketing have been redesigned for the customers that are connected with brands. Digital Marketing is changing the economics of marketing and making out of date most of the traditional strategies and structures (Edelman, 2010). With the innovation of new technology the concept of digital marketing was extended during the period of 2000 and 2010. This led to a shift from an advertising oriented practice for users to an idea of creating a practice that engages with them (Brosnan, 2012). For the survival in the market digital marketing is an important tool to reach the potential consumers as market is unintentionally absorbed into the digital era (Kannan, 2017). The business world has witnessed the popularity in the present times of online shopping industry and has also seen the emergence of e-commerce in relevant areas, which has ultimately given rise to Digital marketing. Thus, Digital marketing is touching the urban India in lot many aspects and still holds tremendous potential which can multiply the opportunities for business enterprises in rural areas too.

Besides above, the study also highlights the advantages of Digital marketing so far as the growth of Indian Economy is concerned. The banking sector is an essential part of the economy. Marketing is a crucial connection between banks and customers, no bank can expect to succeed without putting substantial investments in its marketing efforts. It is an admitted fact that after LPG (Liberalization, Privatization and Globalization) era, IT system has also changed the operating environment in financial sector, which have enabled the Banking industry to introduce innovative products for the customers. India's Banking system has also seen major financial innovations after the opening of Indian Economy during 1990's which lead to tremendous growth in banking services and operations. A few to mention are RTGS, NEFT, ATM, Debit and Credit Cards, Online banking etc. In addition to above, demonetization has also lead to the boosting of digital transactions. With the use of technology, there had been an increase in penetrating the productivity and efficiency. Banks have changed their approach from "Conventional Banking to Convenience Banking" and "Mass Banking to Class Banking". In brief, the study reveals that with the help of Digitalization there has been economic, social, financial and environmental impact on the society. With the use of technology organizations maximize their profit by launching multiple campaigns that leads to effective customer reach (Tarkka, 2002). However, nothing more can be said at the present moment and only time can stand as a witness.

2.0 Literature Review

Latest developments in digital technology have resulted in increased competition from innovative firms and changes in consumer preferences and demands which have

customized the relationship between the consumers and the retail bankers (Accenture, 2015a). As a result, consumers presently prefer to conduct their banking transactions through digital platforms (Accenture, 2015a;). Digital revolution has changed the technology and its usage which has affected the businesses and consumers. The Internet which was the medium of information has now become a place where people meet to share their stories and experiences, a platform for discussion and debate, a source of entertainment, etc. Furthermore, the Web has also some significant marketing aspects which enable the companies to enhance their performance such as 24 hours online; multimedia compatible; globally available; interactive; micromarketing compatible integration ready (Rowley, 2004). Thus for meeting the needs of the customers and making the business successful they have to combine online methods with the traditional methods (Parsons, Zeisser, Waitman 1996). Introduction of new technologies has created new business openings for marketers to run their websites and attain their business objectives (Kiani, 1998). With the availability of various alternatives for customers, it is challenging for marketers to create brands and increase traffic for their products and services. Online advertising is a major marketing tool for building brands and increasing traffic for companies to achieve success (Song, 2001). Digital Marketing is cost effective for calculating ROI, measuring success and producing results for advertisement (Pepelnjak, 2008).

Digital Marketing is the outcome of marketing techniques and monotonous advertising that can help the economy and to create great opportunities for governments to function in a more efficient manner (Munshi, 2012). Digital marketing is the interaction among customers and various digital technologies (Smith, 2007). It is the technology that helps in marketing activities to improve the customer knowledge according to their requirements (Chaffey, 2013). These technologies also allow the customers to be in touch with the company information (Gangeshwer, 2013). Further it provides 24 hours of service to the customers for purchasing with transparent price (Yuliharsi, 2011). Digital marketing is also used for the promotion of various products and services by using various mediums like desktops, tablets, mobile, smart phones and gaming consoles etc. to fulfill the expectations of the consumers (Tarkka, 2002). Thus, Digital marketing is not limited to the addition of online channels to the media mix but also about integrating the various fields of marketing digitally. The main aim of the organization is to develop the relationship between customer and the organization that can benefit both of them and also plays an important role in the society (Kates & Matthew, 2013). Customers are the heart of Digital marketing because they are the main resource for generating revenue for a company. Customer base is the group of customers who purchase the goods or services of a business and in which the behaviors of the

customers are studied with the help of market research or through previous experiences (Morgan and Hunt, 1994). Thus to conclude digital marketing is the future of marketing (Ryan & Jones, 2009).

While the traditional methods used for advertising and promotion can still be successful in this day and age, the fact is that the world of banking sector is more connected online than ever before. This is leading to an increase in digital strategies, which could one day completely replace the more traditional approaches. As more consumers begin to adapt to technological devices, they will likely expect banks to do the same. A study by (Carter, et al 2007) indicated that the rapid growth of digital channels in the last ten years has been one of the strongest and most significant trends in the banking industry in reaching a bigger customer base. Subsequently digital marketing is revolutionizing how retail financial services companies operate. Thus, Digital marketing is more of a challenge for established banks operating in a more regulated environment. Most of the banks are still at initial stages in terms of digital marketing capability both offline or online. This includes among other things having a real time single view of the customer, advanced use of analytics like predictive analysis, and the ability to deliver offers to customers in real time in multiple channels (Welch, & Worthington, 2010). In this context, Mathangi and Latasri (2017) examined service quality improvement through digital banking. There was a shift in technology through digital banking. The main motive behind digitalization is to push Indians towards cashless economy. It identifies challenges and opportunities at the initial stage of digitalization. Further, Kamesam (2001) identified the changes in the Indian banking industry that highlighted the technological advancements and profitability in banks. It has further helped in centralizing the data storage with decentralized processing that has led to the reduction of costs and NPAs. There is an increase in the level of profitability and productivity of banks various services like electronic data interchange (EDI), usage of smart cards, RTGS, e-commerce etc. have been emerged. Further, the author stated that in order to reduce crimes an audit should be done regularly that will help to improve the customer service, increase systematic efficiency.

A study by Irungu (2013) indicated that banking industry is growing rapidly and is changing the layout which is putting pressure on the significance and future profitability of the traditional banking system. Thus, financial institutions are also the part of this significant transformation. The information technology is the key for this transformation that led the global change curve of digital marketing and internet banking (Armstrong & Kotler, 2005). Further Rajashekara K. S. (2004) has experienced tremendous changes with the passage of time in IT and banking sector. Thus, to conclude an effort has been made to prove that technology had a definitive role in

facilitating transactions in the banking sector and the impact of technology which have resulted into the innovation of new products and services by various banks in India. The author discussed various initiatives taken by the banks to manage transformation and these initiatives had brought the convenience for customers by providing anywhere, anytime banking facilities. The researcher further stated that technology was a facilitator for the innovation in the banking business and not an end in itself (Berger, 2003). Furthermore, (Raghwan 2006) stated that the information technology, telecommunication and electronic data processing are the major source of transformation in the banking sector and it has been predicted that by 2020 in India the impact of internet banking, ATMs and EFTs are the major initiatives taken in liberalization, privatization and globalization for the growth of the economy. Due to tangible and proven benefits, automation of manual processes; online and internet banking was slated to increase manifold. Thus, internet banking, online banking and electronic banking are the major areas of digital banking in India by 2020.

3.0 Objectives and Scope of the Study

The proposed study is exploratory in nature and is an attempt to examine the importance of digital marketing in today's scenario and its impact on the civic society. The geographical scope of the study includes Jammu city of J&K state.

The main objectives of the study are:-

- (i) To study the usefulness of Digital Marketing.
- (ii) To examine the latest trends in Digital Marketing.
- (iii) To analyse the impact of Digital Marketing on consumers.

4.0 Methodology

The present study is a descriptive research conducted in Jammu region among the customers who purchase products by using digital marketing. The study is based on both primary and secondary data. A structured questionnaire is used to collect the Primary data. Secondary data is collected through Internet, magazines and mutual fund companies' online reports. The reliability of the questionnaire was checked with the discussions with experts, academicians and industry professionals. The reliability of the questionnaire was checked with the help of Cronbach's Alpha method that is a measure of internal consistency. The population of interest in this study was the customers who were purchasing products through digital marketing.

The questionnaire has been used to collect the information for respondents. For measurement, we quantified the respondent's response with the help of Likert 5 point scale. Ranging from (1=strongly disagree, 5=strongly agree. From a total of 500 questionnaires distributed, 400 questionnaires were returned back and finally 302 questionnaires were found to be complete and valid.

5.0 Analysis and Results

Table 1 shows the .769 Cronbach's Alpha, which is more than the required standard reliability of .60 that means the instrument of this research is quite reliable. Table 2 shows the demographic profile of the respondents who were purchasing products with the help of Digital Marketing.

Table 1: Reliability Statistics

Reliability Statistics	
Cronbach's Alpha	No of Items
.769	28

Table 2: Demographic Profile of the Respondents

Factor	Description	Percent
Gender	Male	74.5
	Female	25.5
Monthly Income	10,000-20,000	11.4
	20,000-30,000	29.3
	30,000-40,000	32.8
	40,000-50,000	23
	50,000 & Above	3.5
Educational Qualification	Xth	13.7
	Plus Two	39
	Graduate	21.9
	Post Graduate	12.1
	Others	13.3

Table 3 depicts the relevant and important information about the Mean and Standard Deviation of the respondents who were purchasing products by Digital Marketing. The table states that service quality of digital marketing has less mean of 1.9512 which means people are not satisfied with the digital marketing.

Table 3: Descriptive Statistics of the Respondents

	N	Mean	Standard Deviation
Service Quality	302	1.9512	1.82839
Awareness	302	3.5841	0.71918
Perceived Risk	302	3.6265	0.38419
Knowledge of Internet	302	3.128	0.554
Information of Online Banking	302	3.9305	0.57378
Digital Marketing	302	3.9296	0.5568

Table 4 demonstrate that dependent variable ‘Digital Marketing’ has valuable relationship of .699 with ‘Information of online banking’ variable. It states that ‘Information on online banking’ has the highest impact on the Digital marketing that is 0.699 followed by ‘Perceived risk’ has correlation of 0.236, then ‘Awareness’ has the correlation of .176 which is further followed by ‘service quality’ of 0.092.

Table 4: Bivariate Analysis of Digital Marketing

Correlations	Service Quality	Awareness	Perceived Risk	Knowledge of Internet	Information of Online Banking	Digital Marketing
Service Quality	302	.155	0.083	0.041	0.095	0.092
Awareness		1	0.103	0.1	.166	.176
Perceived Risk			1	0.002	.303	.236
Knowledge of Internet				1	.118	0.085
Information of Online Banking					1	.699
Digital Marketing						1

Table 5 shows the significance impact of independent variables on dependent variable as the R^2 is .484 which is less than .6 which is the benchmark. The R value in the table shows the correlation value among the dependent variable (Digital Marketing) and independent variables (Information of Online Banking, Customer Satisfaction, Knowledge of Internet, Awareness, Perceived Risk).

Table 5: Regression of Model Summary

Model	R	R^2	Adjusted R^2	Std. Error of the Estimate
1	.702	0.493	0.484	0.39995

6.0 Conclusion of the Study

Today in era of Information technology every business wants to deliver their products and service via various electronic channels. This research is carried out to find out the influence of Service Quality, Information on online banking, Perceived Risk, Prior internet Knowledge, Security Perception (Independent variables) upon Digital Marketing (Dependant Variable). On the basis of result we came to the conclusion that digital marketing is of great use so far as the growth of Indian Economy is concerned and have a great future in the present Indian market. Customers are satisfied through purchasing digital marketing as they find it safe mode of online purchase. Consumer expectations are growing. With the increase in the education of the consumers, they are now demanding more and more value added services and are ready to pay premium for it. Online shopping is also a challenge for digital marketers as there is increased security risk. When more and more information is shared online, there is more incentive for hackers to find ways to get through your security.

Due to the increased use of technological bases, the operational efficiency of the Indian banks has increased. As mobile banking is the need for the day, it has become the blessing for the consumers who don't have the time to visit the bank personally. The major advantage of mobile banking is to reduce the cost of providing service to the customers. On the other hand, lack of knowledge and awareness about mobile banking is a reason for distrust among the customers. Another biggest challenge for mobile banking is its security and privacy in which the password or the pin is used and that may be hacked by the hacker for unauthorized access. Hence there is a need to improve our security and authentication system for secure services and make trust in customers to use various digital marketing products.

7.0 Future Research

In this research we had taken the five variables those are Service Quality, Information on online banking, Perceived Risk, Prior internet Knowledge, Security Perception (Independent variables) upon Digital Marketing (Dependant Variable). On the basis of model summary result we are recommending that in future research should take into account different variables which we had not taken into account in this research.

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