

Digitalization and Marketing; Bangladesh Perspective

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Abstract

Marketers are faced with new challenges and opportunities within this digital age. Digital marketing is the utilization of electronic media by the marketers to promote the products or services into the market. The main objective of digital marketing is attracting customers and allowing them to interact with the brand through digital media. This article focuses on the importance of digital marketing for both marketers and consumers. The researcher examines the effect of digital marketing on the firms' sales. Additionally, the differences between traditional marketing and digital are also presented in this paper. This study has described various forms of digital marketing, effectiveness of it and the impact it has on firm's sales. The examined sample consists of many firms and many executives which have been randomly selected to prove the effectiveness of digital marketing. Collected data has been analyzed with the help of various statistical tools and techniques.

Keywords: Marketing, Digital marketing, social media.

1. INTRODUCTION

Digital marketing is one type of marketing being widely used to promote products or services and to reach consumers using digital channels. Digital marketing extends beyond internet marketing including channels that do not require the use of Internet. It includes mobile phones (both SMS and MMS), social media marketing, display advertising, search engine marketing and many other forms of digital media. Through digital media, consumers can access information any time and any place where they want. With the presence of digital media, consumers do not just rely on what the company says about their brand but also, they can follow what the media, friends, associations, peers, etc., are saying as well. Digital marketing is a broad term that refers to various promotional techniques deployed to reach customers via digital technologies. Business uses email newsletters to keep in touch with customers and hence tries to strengthen customer brand loyalty [1]. Magazine publishers can activate and drive their customers into Internet with e-mails and SMS messages to improve re-subscription rate [1]. According to Chaffey, social media marketing involves “encouraging customer communications on company’s own website or through its social presence” [2]. Social media marketing is one important technique in digital marketing as companies can use social media form to distribute their messages to their target audience without paying for the publishers or distributor that is characteristic for traditional marketing. Digital marketing, electronic marketing, e-marketing and Internet marketing are all similar terms which, simply put, refer to “marketing online whether via websites, online ads, opt-in emails, interactive kiosks, interactive TV or mobiles”[2]. All types of social media provide an opportunity to present company itself or its products to dynamic communities and individuals that may show interest [3]. According to Gurau, online marketing environment raises a series of opportunities and also challenges for social media marketing practitioners [4].

2. THEORITICAL BACKGROUND

2.1: *Meaning of Marketing:*

Marketing is that discipline of business studies which involves in creating gap products' demand and finding the best possible way to fulfill that demand. The objective of marketing is creating demand for products of and services of an organization among the customers so that they can purchase products and services of that particular organization. This creation of demand can be created in different ways by marketing. Currently, some mostly used marketing are advertising on television, newspaper and internet; social marketing, telemarketing, product promotion through discount, sponsorship etc. [5]. Nature and types of marketing varies on the basis of products' type, price of the product, target customers, size of the organization etc.

2.2: *Digital marketing:*

Digital marketing is the marketing of goods and services using digital technologies. In other words, it's a process of creating customer value by delivering goods and services by using technologies, mainly the internet but also including mobile phones, display advertising and any other digital medium.(6)Digital marketing started since 1990s and 2000s. It has changed the way brands and businesses use technology for marketing, (7)

2.2: *Tools used for Digital marketing*

Digital marketing is nothing but managing customer relationship for promotional porous. It is a form of marketing that happens digitally over the web. This new form of marketing is grabbing people's attention day by day. Digital advertising started its journey on the year 1990. Since the invention of Digital marketing it is becoming one of the popular forms of marketing day by day. This kind of marketing is capable of capturing the market with this short span of time and promote the brand globally. Various tools used for digital marketing. These are given as follows...

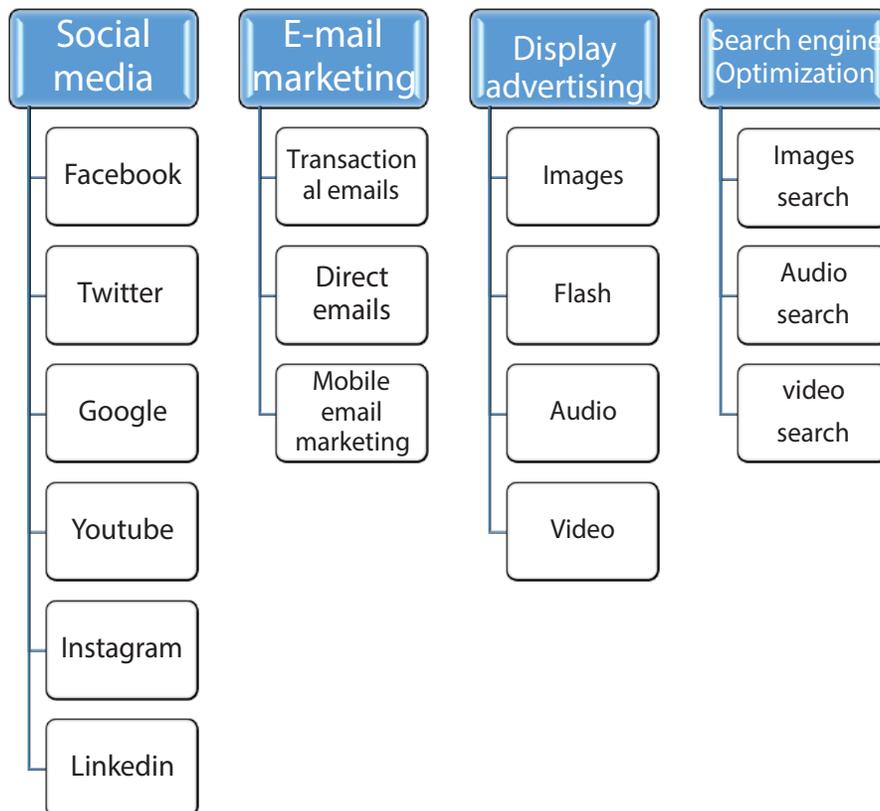


Figure 1: Tools used for digital marketing

Source: compiled by Authors'

3. OBJECTIVE OF THE STUDY

- To present an overview of Digital Marketing in Bangladesh.
- To present the practical problem that general people are facing day-by-day.
- To find out the specific prospect of Digital Marketing in Bangladesh.
- To highlight the Digital Marketing scenario of the country.
- To show the various elements of digital marketing.
- To focus on the basic comparison between traditional and digital marketing.
- To discuss the effects of various forms of digital marketing on the firm's sales and other activities.
- To show the various advantages of digital marketing to the customers.

4. METHODOLOGY OF THE STUDY

Methodology comes from systematic and theoretical analysis of the methods to evaluate suitability of one specific method to apply to a field of study. It typically encompasses concepts such as paradigm, theoretical model, phases and quantitative or qualitative techniques. This study is conducted based on both primary and secondary data sources.

4.1 Primary sources:

Primary source is a source from where we collect first-hand information or original data on a topic. Primary source is the source where the researcher collects data directly from the participants or the focused group based whom the research is conducted. This process needs a long period of time as the researcher has to communicate with every person [8].

4.2 Secondary sources:

Secondary source does not need the direct involvement of the researcher and the participants or respondents. Here the researcher collects data from previous working and studies conducted by other researchers. Secondary data can also be collected from television, internet, newspaper, journals, radio, articles, and different publications [9].

5. APPLICATION OF DIFFERENT TOOLS AS DIGITAL MARKETING

5.1 Social media:

Social media tools of digital marketing are Facebook, Twitter, YouTube, Instagram and LinkedIn. Usages of these tools are used as marketing tool in recent times. The usage ratio of different social media tools is shown with graphical presentation.

Frequency	Daily	Weekly	Fortnightly	Monthly	Quarterly
Usage ratio	46%	28%	14%	9%	3%

Table 1: Social media usage ratio

Graphical Presentation:

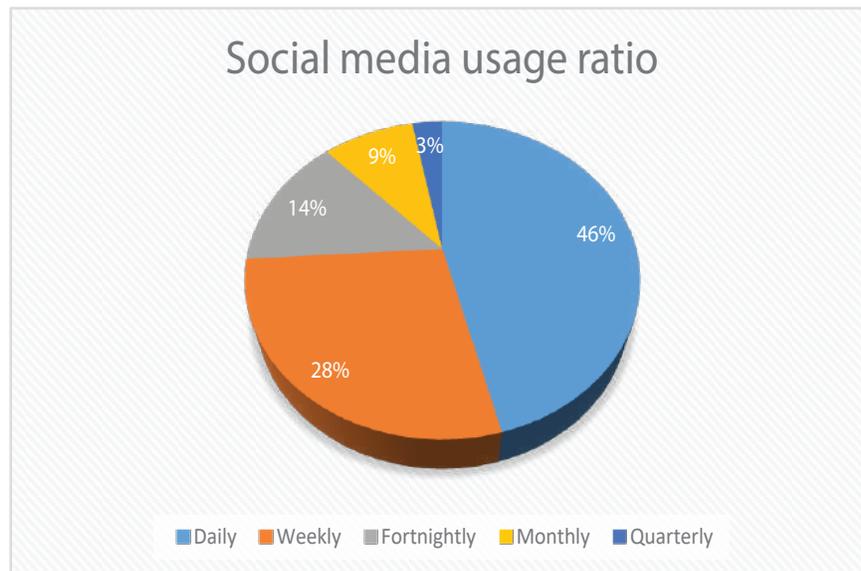


Figure2: Social media usage ratio

Interpretation:

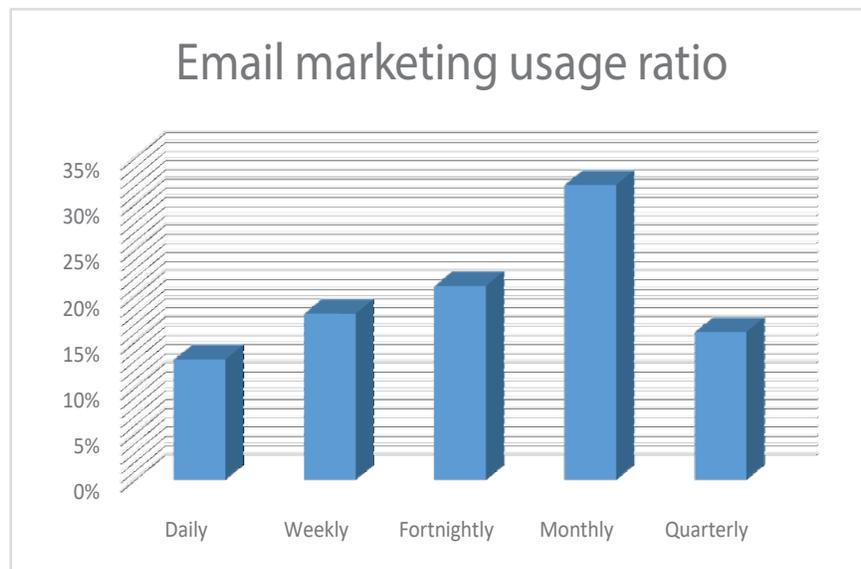
It seems that, 46% user usage social media daily as a means of digital marketing and another 28% uses it weakly basis. The trend of social media usage will increase in future because of low internet cost.

5.2 E-mail marketing:

Frequency	Daily	weekly	Fortnightly	Monthly	Quarterly
Usage ratio	13%	18%	21%	32%	16%

Table 2: E-mail marketing usage ratio

Graphical Presentation:



Interpretation:

32% of user usage e-mail marketing monthly. In recent times, marketers believe that, e-mail is an effective media of communication in digital era. E-mail marketing is a form of personalizing marketing and its usage it increasing day by day.

5.3 Display advertising:

Frequency	Daily	Weekly	Fortnightly	Monthly	Quarterly
Usage ratio	55%	36%	9%	0%	0%

Table 3:Display advertising usage ratio

Graphical presentation:

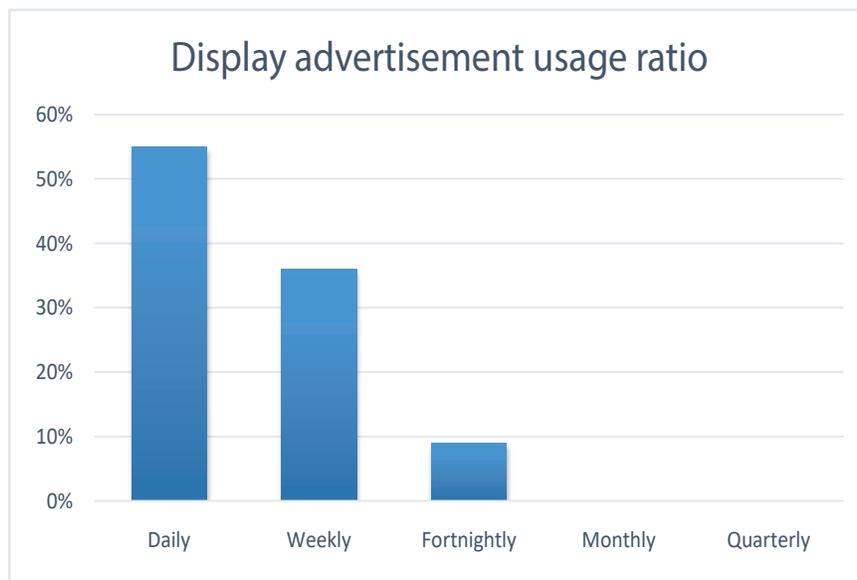


Figure 4: Display advertising ratio

Interpretation:

In recent times, a very common communication mode of digital advertising is display advertising. It seems that, usage ratio of daily and weekly is too high. 55% uses it daily and 36% uses it weekly.

5.4 Search engine optimization marketing:

Frequency	Daily	Weekly	Fortnightly	Monthly	Quarterly
Usage ratio	10%	19%	31%	26%	14%

Table 4:Search engine optimization ratio

Graphical presentation:

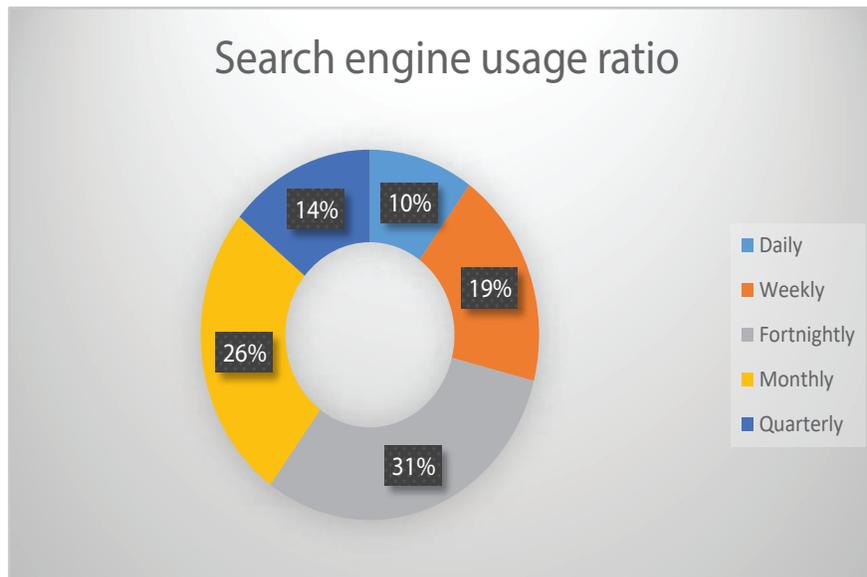


Figure 5: Search engine optimization ratio

Interpretation:

26% use search engine optimization monthly and weekly user of SEO is 19% but it seems that the uses of SEO fortnightly are 31%.

5.5 Government’s step towards digitalization :

Bangladesh’s Government aims to make Bangladesh as Digital Bangladesh by 2020. So, the government has taken every step to make the country digitally sound. From public sector to private sector, every official work has been started digitally. Similarly, the government is encouraging more to develop the economy of the country with digital help. The growing number of e-marketing proves the sound growth of the marketing digitally all over the country. In recent years, the users of internet are increasing rapidly. The usage ratios of internet in recent times are given as follow:

Internet user’s ratio:

Years	2000	2005	2010	2015	2016
Usage ratio	3%	9%	22%	35%	40%

Table 5: Internet user’s ratio in Bangladesh

Graphical presentation:

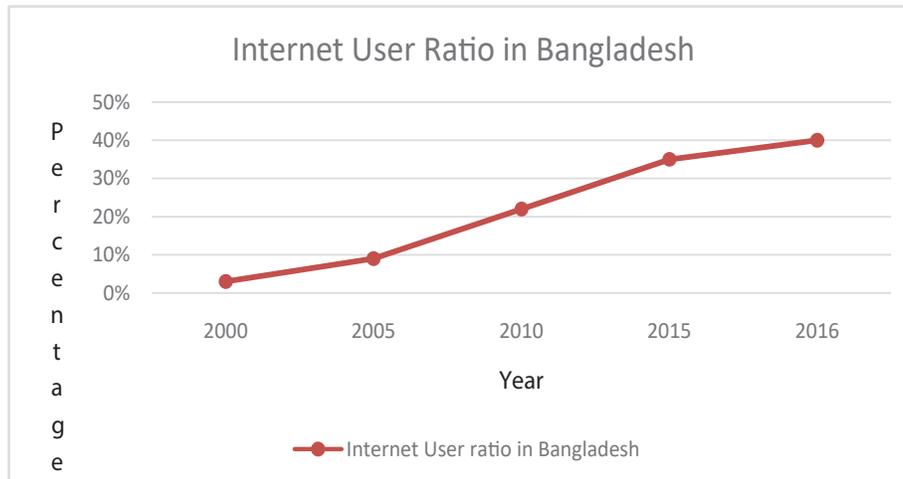


Figure:Internet user’s ratio in Bangladesh

Interpretation:

The trend of internet user ratio in Bangladesh is increasing day by day. It has a positive trend from 2000 to 2016. It shows an upward trend of internet user. In this year 2016, 40% people use internet and hopefully it will increase in near future.

6. PROBLEMS AND PROSPECTS OF DIGITAL MARKETING

6.1 Problems of Digital marketing:

There are so many problems in the sector of Digital Marketing in Bangladesh. Those are as follows:

- The cost of digital marketing is too high.
- Poor network frequency of mobile operators in Bangladesh.
- Internet charges are too high in Bangladesh.
- Technological dependencies to other countries
- Changes of government policy
- Limited Bandwidth

6.2 Prospects of Digital marketing:

Though there are so many problems in the sector of Digital Marketing in Bangladesh, there are some prospects also in this sector. Those are as follow:

- Increasing number of internet user
- Increasing value added customers
- Potential sources of government revenue
- Future probability for adopting high level technology
- Government’s patronization towards digitalization.

7. CONCLUSION

Despite being a poor country, a selected segment of the Bangladeshi business community has embedded technology with reasonable success. The facsimile in the 1980’s and mobile telephones in the 1990’s popularized modern technology in the digital market. Personal computers and the Internet are also emerging as day-to-day business tools. These positive indicators are favoring the prospects of Digital marketing in Bangladesh. Synergy between telecommunications and information technology has the proven capability of monitoring and administering the real-time transaction. Therefore, liberalizing the

telecom and IT sectors as well as reforming the country's financial and commercial procedures is the precondition of successfully implementing Digital marketing in Bangladesh. In the case of marketing, simply having a website in the vast sea of the Internet is not sufficient. Uniformity is an important factor in the commencing of contracts through the internet. The overview of the legal and regulatory statutes suggests that Bangladesh has made significant progress in facing the challenge of globalization and concurrently, embracing digital marketing in due course. Technological and infrastructural constraints to digital marketing can be overcome if existing laws and regulations are implemented. A better understanding of the potential benefits of digital marketing by the policy makers and bureaucrats is essential for speedy implementation and further reforms.

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