

# Growth and Trends of Digital Marketing in India

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## ABSTRACT

Digital marketing is the part of marketing that uses digital-based technology, i.e., desktop, mobile phone, mobile apps and other digital media. Digital marketing is also known as online marketing and internet marketing. Digital marketing platforms promote products and services. Digital marketing effectively started in 1990 when the Archie search engine was established. In the 1990s, the term digital marketing was introduced. With the development of server/client architecture and the popularity of personal computers, Customer Relationship Management (CRM) applications became a significant factor in marketing technology. Digital marketing is expanding in India at a rapid pace. Several Indian companies are using digital marketing for a competitive lead. Most of the part is that a decisive role is played by the internet in digital marketing. Widespread incorporation of the internet for both business and private use has generated many new channels for advertising and marketing activities. India is undergoing a transformation with digital marketing emerging as a key player in the economy. Using strategies across social media, search engines and emails, companies can effectively engage with vast audiences. India is poised to become the world's second-biggest online market with over 900 million active internet users by 2025, as per a report published in Business Standard. This growth not only impacts commercial development but also drives economic development and societal changes. Forecasts predict that India's e-commerce market will reach US\$ 200 billion by 2027 due to this shift towards digitisation. According to an article by the Financial Express, digital media now represents 44% of total advertising spending. The current trend not only mirrors the changing behaviours of consumers but also highlights how digital marketing is reshaping economic growth and fostering better connections, across different sectors of Indian society. Digital marketing in India goes beyond a short-term trend; it signals a significant change that is reshaping the way businesses and communities interact. This article mainly focuses on the growth and trends of digital marketing in India.

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## INTRODUCTION

The development of digital marketing is inseparable from technology development. One of the first key events happened in 1971, when Ray Tomlinson sent the first email, and his technology set the platform to allow people to send and receive files through different machines. However, the more recognisable period as being the start of digital marketing is 1990, as this was where the Archie search engine was created as an index for FTP sites. In the 1980s, the storage capacity of computers was already big enough to store huge volumes of customer information. Companies started choosing online techniques, such as database marketing, rather than limited list brokers. These kinds of databases allowed companies to track customers' information more effectively, thus transforming the relationship between buyer and seller. However, the manual process was not as efficient.

Today's time of the Internet has opened the gateway of tremendous digital marketing opportunities for businesses. By utilising different channels of digital marketing, businesses cannot just share their products and services online; additionally, they can gain clients for their business, entice them and convert them to boost their business profits. The speed and straightforwardness with which the digital media transmits data and supports a business are astonishing. The world is super-connected nowadays, and all things considered, marketing and advertising are no more the same as they once were. This is particularly valid because of the ascent of online networking, which has changed how organisations speak with potential and existing customers. Essentially, it is an aggregate term, which is utilised where advertising and marketing meet web innovation and different types of online media platforms.

### Scope of Digital Marketing

Marketing strategies have changed along with the methods that customers obtain information. TV advertising followed radio advertising, and as the internet grew, TV advertising changed to digital marketing. In addition to these normal market trends, the COVID-19 pandemic is expanding the reach of digital marketing on the internet. Even while many firms still find TV to be their most effective advertising medium, digital marketing enables enterprises to reach a worldwide audience

online. The number of employments in digital marketing is inevitably growing as activities in the industry continue to expand at a rapid rate. Social media news feeds are how over half of customers find businesses. Businesses may engage with almost 1 million customers on Instagram alone, while over 9 million companies utilise Face book to reach customers. Businesses use social media platforms in their digital marketing strategies for both business-to-business (B2B) and business-to-consumer (B2C) interactions. B2B: B2B marketers use social media sites like LinkedIn and Twitter to create leads. Additionally, they frequently depend on PPC advertising to reach their target markets at a reasonable cost.

B2C: Using social media sites like Face book, Instagram, Pinterest, and Twitter, B2C marketers concentrate on raising brand awareness and drawing people to their websites and products. While sharing material and advertisements on Face book and other well-known platforms is still a useful method.

It is the 21st century, and communication among humans has become super easy. But this was not the case a couple of decades ago. Earlier, humans used to write letters and receive information about the happenings in the world through newspapers. Then came the telegraph, the telephone, television, and eventually – the Internet, which made communication way easier than before. Businesses worldwide have made use of all of these modes of communication to interact with their target audience, advertise their products and services and create awareness about their brand. Businesses still make use of most of these tools, some more than the others. After the internet was designed and more and more people started accessing different websites, businesses started marketing their products and services through the online channel. This was how digital marketing started.

## **REVIEW OF LITERATURE**

Sharad Madhukar Dashaputre (2011), in his thesis “A study of the growth of internet marketing in the Indian scenario”, came to a conclusion that an increase in the use of the internet and mobile has resulted in the increase in the growth of internet marketing. Based on their study, all the respondents agree that the internet is mandatory for the growth of online marketing, and hence, people should be given awareness of the internet. Most of them strongly agree that traditional marketing will be replaced by online marketing in the near future.

Susanne Schwarzl and Monika Grabowska (2015), in their study on the topic “Online marketing strategies: the future is here”, said that studying the customers' behaviour is important in all the types of marketing activities. Whether it is online or offline, customers behave in the same way. An apt strategy should be used for bringing the attention of customers. No company activities move without internet. So it is important to have at least one online department for the company's web presence. The main goal of the company should be to create a clearly defined brand which represents the company's values and catches potential buyers and loyal consumers attention offline as well as online.

Niharika Satinder (2015), in their journal “A study on internet marketing in India: Challenges and Opportunities”, says that online marketing develops a greater opportunity to get information relating to customers as compared to traditional methods of marketing. In the next few years, online marketing will strengthen more and make the shopping habits of the people more efficient and world-class. Because of the use of credit cards, online shopping became easier. Vladislav Yurovsky, in his study “Pros and Cons of Internet Marketing”, came to a conclusion that there are advantages as well as disadvantages to internet marketing. Some of the advantages are the empowering effect, elimination of geographic barriers, target reaching, immediate results, cost-effectiveness, reaching a wider or international audience, measurable results, personalisation, relationship building, and 24-hour/7-day availability. Internet marketing also has some disadvantages, such as copying; too many ad cutters; unserious perceptions; unconformity to the product; too much competition; damage by negative feedback; technological dependence; not being embraced by all people; and lack of trust.

Dr Amit Singh Rathore, Mr Mohit Pant, and Mr Chetan Sharma (2017), in their article “Emerging trends in digital marketing in India”, say that the consumers are looking and searching more on the internet to find the best products and services from the sellers around India. By different techniques of digital marketing, such as search engine optimisation (SEO), search engine marketing (SEM), content marketing, influencer marketing, e-commerce marketing, campaign marketing, social marketing, etc., the shopping speed of the customers has been increased vastly. The usage of social media has created new opportunities for digital marketers to attract the customers through digital platforms.

### **Objectives of the Study**

- To explain the evolution of digital marketing
- To explore the growth of digital marketing in India
- To study the role of importance and digital marketing in India.

- To identify the trends of digital marketing.
- To evaluate the opportunities and challenges of digital marketing.

### **RESEARCH METHODOLOGY**

The nature of this study is descriptive, and the data obtained is both quantitative and qualitative. Exploratory research is that type of research which includes detailed study of the subject matter. This research paper is based on secondary data. This data is collected from articles published in different journals and from business news websites that list the top companies in the digital marketing field.

#### **Evolution of Digital Marketing:**

Digital marketing is the promotion of products over the internet or any form of electronic media. In this world, where we have 4.1 billion internet users and 3.5 billion social media users, it has become essential for businesses to increase their efforts in marketing their products and services digitally. As of 2020, India has more than 480 million internet users. Ever since the introduction of smart phones, the world is bound to online activity.

- 1969: The first digital message transmitted over the network, on 29 October 1969, travelled from a Sigma 7 computer at the University of California, Los Angeles (UCLA), to an SDS 940 Host computer at the Stanford Research Institute (SRI), in Menlo Park, California. The system crashed mid-message, but the internet was born that day.
- 1970: The first-ever email was sent by Ray Tomlinson (a programmer). This was just the beginning of a revolution.
- 1975: Birth of Microsoft Corporation
- 1990: The term digital marketing was first used after the launch of the world's first search engine, known as Archie. This search engine allowed people to find specific files. • 1994: Yahoo was launched.
- 1998: Yahoo launched Yahoo Web search Google was launched, followed by the introduction of search engine marketing.
- 2000: Pay per click (PPC) advertising was launched. Google launched Google AdWords (which is based on a PPC model).
- 2003: Word Press was released – with Word Press, anybody can create any type of website – personal website, government website, blogs, etc. LinkedIn was launched, which changed the professional networking landscape. MySpace was launched – which went on to become the largest social networking site in the world (from 2005 to 2008) before Face book started dominating the scene.
- 2004: Face book – The biggest social media platform – was launched. Face book was a revolution in itself. Yelp was founded in 2004. The Yelp website and mobile application enable people to publish reviews about businesses online and also access and read reviews posted by other people. In the current scenario, posting reviews and getting paid for it has become a form of affiliate marketing (a subtype of digital marketing).
- 2005: YouTube was launched, which is currently the biggest video streaming platform in the world. It has made advertising very easy, and both the advertiser and the video producer earn money through it. SEO – Search Engine Optimisation came into the picture. SEO is basically the use of certain keywords in a strategic manner to improve “organic” results (unpaid results). Google Analytics is a service offered by Google which helps business owners to track and analyse the website traffic, measure advertising ROI and track social networking sites and different apps.
- 2006: Microblogging and social networking service – Twitter was launched. Twitter advertising includes promotion of posts and accounts and also promoting trends using hashtags, which can make a trend go viral.
- 2007: Microblogging and social networking site Tumblr was launched. It allows users to create blogs (which can also act as advertising platforms). The first iPhone was launched, which took the mobile industry by storm, and Apple had sold over a million iPhones in less than 3 months. Facebook Ads was introduced, which was a system that helped business owners connect with their users, and they could choose a very specific audience to advertise their products to. In India, Flipkart was launched, which took the e-commerce sector of India by storm and changed the face of the e-commerce industry in India.
- 2008: Spotify was launched. The internet overtakes newspapers as an outlet for news.
- 2009: WhatsApp was launched, which is currently used worldwide by most people to connect with their friends and family. Businesses can advertise their services through this platform, but more importantly, it can be used to communicate with their clients and prospects. WhatsApp also has an option to create a business account.
- 2010: Instagram was launched. In the current scenario, Instagram is usually the go-to for new businesses to create brand awareness by creating a business account and posting content related to their niche and also – advertising their products and services online. Internet ads surpassed newspaper ads.

- 2011: An online networking site Google+ was launched by Google, which is now not in use and has been shut down. Snap chat was launched. Businesses don't often use Snap chat as an advertising option unless they tie up with influencers to do so, but still Instagram is preferred as a better platform to connect with influencers for advertising. But Snap chat is of good importance to influencers who can increase their followers across different social media.
- 2012: The use of visual content marketing and info graphics increased.
- 2013: Face book acquires Whats App
- 2014: Mobile users surpass desktop users. • 2015: Rise of wearable technology (like fitness bands)
- 2017: Face book reaches a milestone with 2 billion users. After getting to know about the evolution of digital marketing, one must explore the difference between traditional marketing vs digital marketing and then the various types of digital marketing and the different tools required to carry out the strategic digital marketing plans.

### Importance of Digital Marketing

Digital marketing refers to the promotion of goods & services by the means of the internet, tools & technology with its potential clients. Digital marketing communicates a specific desired message to its target audience to build the business brand and shows what type of services are offered to its target audience. Here, the internet is a medium for businesses to reach their potential clients, & thus it is also said to be internet marketing. The importance of digital marketing is here below.

The importance of digital marketing has increased a lot of times compared to the past due to covid. As each and everything is physically closed, the trading is to be carried out for our earnings and livelihood. Digital marketing helps in generating a business in these tough covid times. As it helps in marketing your products & services with social distancing maintained, you can sell & advertise your products online through digital marketing. As I think the covid pandemic times are a boon for each & every small, medium, and large business, especially the small businesses. Digital marketing has advanced us through digitalisation, i.e., the use of tools & technologies at their very best.

Digital marketing has given us a small hope of running the business online for a livelihood. In many fields of digital marketing, it is a boom where there are earnings. Digital marketing has ensured that many people are in the digital marketing field and making huge amounts of rupees online. As online e-commerce facilities, i.e., Amazon, Flip kart, Urban Clap, Zomato, and Swiggy, are running well & they have raised many employment opportunities for the needy ones in these tough times through digital marketing. People are getting connected through social media platforms, such as Face book, Twitter, Instagram, Whats App, LinkedIn, etc. The current pandemic situation has forced us towards technologies, which further leads to our technologies automation, upgrading, etc.

Digital marketing has taught us a modern way to do business. With the help of the internet, it is like an open book to students. The Internet is used by each & everyone in our country who can afford it. Generating a sale is a mountain-climbing task for businesses. With the help of the internet, we can reach our businesses to a worldwide audience and customise our audience for better targeting. As we tend to spend most parts of our lives on the internet. With the help of marketing, businesses can get leads, and customers can generate sales on the internet. Not only social media & Google, but there are many ways to market your products. You can email your audience or customers to generate sales, get promoted to each person & get a personal touch. You can run campaigns on social media and build a website to promote your goods & services there too.

Digital marketing is a real-time data analysis process where you can see the results of your campaigns and post on social media. It enables you with these insights, basically, stats carrying all about customers, with the help of Google Search Console and Google Analytics. Here you can know everything about your clients & audience. What age group do these belong to, from where they got engaged to you, where they belong, and what are their preferences? Here you can get an idea about your performance, & you can know where to improve.

Digital marketing is all about content. To be successful in the field of digital marketing, your content should be liked by your audience. Your content should be an influence to many minds of the customers and readers. Those who can influence their audience can make millions. Thus, content plays a key role in the field of digital marketing. Content includes keywords, ad paragraphs, taglines, and hashtags – basically all about your services & products.

Youths of our country are knocking on the doors of digital marketing; many have stepped into the field of digital marketing & make millions of money. The main reason that digital marketing needs a low investment to pursue the course compared to an MBA. With a desired skills set, experienced people make millions. Many have become influencers through social media and freelancing. It is an opportunity to grab where you can work on your own, from anywhere.

Digital marketing is important from the point of view of sellers. Digital marketing is time-saving because with the use of technology without a geographical barrier, you can promote your business from anywhere in the world. Digital marketing is less costly & expensive compared to traditional marketing, where you have not to publish banners on highways and roads with a lower rate of conversions. Digital marketing gives a wide range of exposure in the sense of customisation because it uses the internet and provides a large number of consumers all around the globe. Anyone who uses the internet & is interested in your product & services can reach you & become a potential customer.

### **Growth of Digital Marketing in India**

India has an internet user base of about 450 million as of July 2018, 40% of the population. The industry consensus is that growth is at an inflation point. In India, cash on delivery is the most preferred payment method, accumulating 75% of the e-retail activities. In a country with a rapid growth economy, it is expected to have a very high significant growth in digital marketing careers. The growth in online marketing trends is making a very substantial impact on marketing and advertisement. The use of communication tools has greatly changed in the year past. Several factors have been found to contribute to the growth of digital marketing in India. Before now, internet usage was only meant for the wealthy. There is now a great change in the lifestyle of the middle class. The vast majority now have access to the internet in India. Internet and 3G penetration revolutionised the marketing scenario for both consumers and the marketers. The following survey from people indicates the size of the digital marketing industry in India: 34% of the companies already had an integrated digital marketing strategy in 2018. 72% of marketers believe that the traditional model of marketing is no longer sufficient, and this will make the company revenue increase by 30% by the end of 2019. In 2019, 80% of businesses will increase their digital marketing budget, which may surpass the IT budget. Only the illiterates could not access the potentials of digital marketing because of the accessibility to computing devices and computer education. Many of the people in this category still don't trust the method of online payment, and they lack training in the English language and other foreign languages to market online in global markets.

## **TOOLS IN DIGITAL MARKETING**

**Social media platforms:** Common part of any integrated marketing strategy, social media platforms like Face book, Instagram and Snapchat are a great way for marketers to engage with their audiences and generate buzz around their brand. In addition to the standard features these platforms offer, there are also some features that are designed specifically for marketing.

**Design tools:** Part of digital marketing is design, and this is especially common when it comes to creating ads and content like social media posts and blog posts. Because digital marketing is such a design-heavy field, doing it effectively wouldn't be possible without design.

**Analytics tools:** Another set of helpful tools for digital marketers are analytics tools. These include everything from Google Analytics to social media analytics tools like Face book Insights and Twitter Analytics, which provide metrics related to engagement and help marketers optimise their campaigns.

### **Trends of Digital Marketing**

Statistics indicate that Indian marketing traffic is expected to grow 291 times bigger than it was in 2005. Talking about its channels, 22% of the world's population is on Facebook. And, 51% of Instagram users are on it every day. The digital trends have been given below.

### **Artificial Intelligence**

AI latecomers will find serious competition within the next few years. Artificial Intelligence (AI) is actually considered as cutting-edge technology and has numerous potential applications in marketing. It is deployed for content marketing, advertising, and customer service.

### **Chatbots**

This AI-based technology uses instant messaging to chat in real-time with your website visitors or customers. This will help businesses save over \$8 billion per annum in advertising and marketing. Many people across the globe prefer using chatbots as their responsive platform for 24/7 support. Most often chatbots are used to answer simple questions or help a user accomplish a simple task.

### **Video Marketing**

Video marketing is one of the most famous and important digital marketing trends today and is likely to continue for the next 5-10 years. And also, a notable fact is that 70% of the consumers say that they have known a brand by watching their



brand promotional video on different marketing channels. Also, in addition to this, 52% of consumers say that watching product videos makes them more confident in online purchase decisions. Other than YouTube, there are plenty of ways to drive higher engagement in terms of video marketing. Large companies have been using this trend to market their products on social media handles.

### **Augmented and Virtual Reality Marketing**

Augmented reality advertisements rank among the top applications used by marketers. Companies like Lenskart are using this to bring static or artificial environments, something that would integrate the offer with the reality of the buyer. According to Statista, the augmented reality and virtual reality worldwide market size is expected to reach \$209.2 billion in only 4 years.

### **Voice Search**

Alexa, Siri, Google Assistant, etc., keep making our lives easier. Talking about the stats, 111.8 million people in the US will use voice assistants in a week. And, around 31% of smartphone users across the world will be using voice-activated search like Siri, Alexa, and so on. Businesses must always focus on their marketing outreach efforts for using voice engine optimisation. This helps in letting you know about your target audience who might use your keywords in their voice queries. Also, do focus on long-tail keywords. This is because the searchers are likely to be more specific when asking a question.

### **Reasons to Learn Digital Marketing**

#### **1. The growth rates of digital markets are increasing.**

It is a rapidly evolving technology, and statistics also reveal that this field will experience a rapid increase in job opportunities. The rate of growth in India alone was approximately 12% in 2016, 14% in 2017–18, and about 24%-37% is expected to grow by 2020–2021. The Govt of India also offers a digital marketing course to grow your business successfully.

#### **2. Has a Wide Variety of Career Opportunities**

It gives you a huge scope and a multitude of job options right in front of you. A recent report also states that there are over 75,000 job listings on the very famous job portal indeed.com. This field is in high demand, as many digital marketers start with a salary starting from \$45,000. Unlike other fields, it has a lot of opportunities, like manager, web developer & web designer, social media executive and social media manager, SEO executive/expert, PPC/SEM expert, content marketer, etc. Not only in terms of jobs, but also, one can earn as a freelancer digital marketer and make an awesome amount of money. Digital marketing is evolving and hence creating a lot of opportunities for freshers and experienced professionals.

#### **3. Easy To Start A New Creative Business Project**

You can easily create your own project by making use of the very commonly used platforms such as YouTube, blog creation, and affiliate marketing. Once you understand how this works, you'll know what campaign to present to reach your target audience. In addition to this, you'll also have enough knowledge about optimising your blog and using the marketing channel of your choice. This will help your audience to find you easily. Digital marketing is playing an important role in every industry.

#### **4. Easy To Generate Leads From The Digital Sales Funnel Using SEO Concepts**

Social media platforms like Facebook, Instagram, LinkedIn, and so many more are responsible for increasing viewers on your website. These applications even help in advertising your product. When a user lands on your website, many tend to browse more than the web page you land them on. Once they click out of the page you land them on, you probably lost this potential customer lead that you could have followed up on.

#### **5. Easy To Drive Traffic To Your Website From Digital Markets**

Digital marketing helps to catch the attention of a buyer in a much more effective way than traditional methods. It helps in grasping attention and keeping the consumer hooked on your website. The reason being, having a website and letting the audience know about your product/service is a tedious task, and with it, this is made easy! It plays a vital role in generating good traffic to your site.

#### **6. To Lessen The Digital Skills Gap**

There is an enormous demand for people with digital skills in today's market. So, sticking with ongoing scope in this area, even if you're not a complete techie, you'll have a look at the foreseeable future of digital marketing. The skills gap actually refers to the difference between the skills required for a job and the skills a person actually possesses. The skills

gap is responsible for not being able to perform a complete job. So, by using it, you can upskill your knowledge about trending technologies.

### **7. Versatility**

Once you master the top skills for the role of digital marketer, like SEO, SMM, SEM, email marketing, data analysis, etc., you'll have a lot of exposure to a broad set of skills. This makes it easy to change your focus later if you decide to switch to a different specialisation like SEM SEO. The actual fact is, if you choose a career path or specialisation in the same field and decide to pivot later, you're likely to need a little training in order to make the switch.

You could work under any specific domain of it. This can keep your skills sharp and your work interesting. In this sense, you can upgrade existing skills while still learning new ones but still stay in the same field. In this field, there are plenty of choices and ongoing learning opportunities where different skills fit together in different ways.

### **8. Digital Marketing is Evolving**

It is one such field where you'll find something new to learn and follow. You'll find it interesting and it gives you the freedom to be more creative in terms of creating a marketing plan. It is going to help whether you're taking the lead on these initiatives or not. It is a field that keeps growing and changing. From the earlier days of traditional marketing, like print, broadcast, newspapers, etc., we have come a long way to this era of digital marketing, social media marketing, video marketing, AR/VR marketing, etc. Since there are a variety of specialists working in a given agency, you'll likely be working alongside professionals with a variety of backgrounds and new strategies.

### **9. Helps You Stay Ahead Of Your Competitors**

Adapting it to your organisation is a must. By doing this, it lets you know your own company and also your prospect's interest. Even though you make good content and beautifully design your website, you might still end up not getting enough leads. To get over this problem, you need to stay up to date with the current market trends.

Unless you are up to date with the current market trends and try to adapt them to your company, you'll have a rough time planning your strategy. So, it is one such way through which you can always be one step ahead of your competitors.

### **10. Certifications**

Having a digital marketing career programme with a certificate is definitely going to help you get better job opportunities in this domain. Many professionals feel that online certifications have helped them a lot in mastering this amazing skill set.

Digital marketing, as a subject or as a career line, can be moulded into your desired shape to give you the required direction to achieve measurable success for your business or brand. The importance of it is far more than just a realisation. Today, people have adapted to digital means for almost everything. While brands were earlier competing with each other's marketing strategies, now the focus has shifted to a fight against the entire internet. This is the time when brands will have to use different modes and ways to actually delve and make an impact on the customers. With a certification in it, you can have a promising start to a career in digital marketing, irrespective of the industry or field you step into.

### **Current landscape of Digital Marketing in India**

The world of digital marketing in India is quickly evolving, presenting a mix of statistics and new trends that mirror the country's increasing digital footprint. While exploring this landscape of digital marketing in India, it's crucial to emphasize important data points that highlight this shift as well as the changing trends, in advertising expenditure.

## **CRITICAL TRENDS IN INDIA'S DIGITAL MARKETING LANDSCAPE**

### **Influencer Marketing**

In the age of social media, influencer marketing has emerged as a game-changer. Businesses are leveraging individuals with a significant social media following to advertise their products and services. According to a report by EY, the influencer marketing industry is set to grow to approximately US\$ 400 million in 2026. In India, this trend is on a meteoric rise with influencers playing a key role in shaping consumer behavior.

### **Omni Channel Marketing**

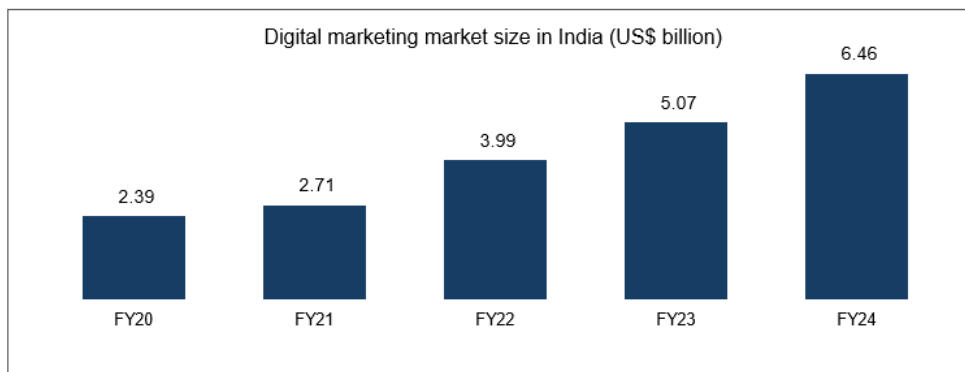
Omni channel marketing is ensuring a seamless and consistent interaction between customers and businesses across channels. A Harvard Business Review survey revealed that 73% of shoppers use multiple channels during their shopping journey. This strategy is crucial in the Indian market where consumers are spread across various digital platforms.

### Artificial Intelligence (AI)

The advent of AI in digital marketing is revolutionizing the way businesses understand and cater to their customers' needs. AI and Machine Learning (ML) are helping businesses automate processes and gain a competitive edge. According to a PWC report, 77% of Indian businesses recorded tangible improvements in customer satisfaction after implementing AI.

### Video Marketing

Video marketing is a powerful digital marketing strategy, especially when businesses aim to expand their consumer base on video-led platforms like YouTube and TikTok. As per a CISCO study, video is projected to surpass all other content forms in terms of consumption. In India, with the increasing internet penetration and data usage, video content is gaining unprecedented traction.

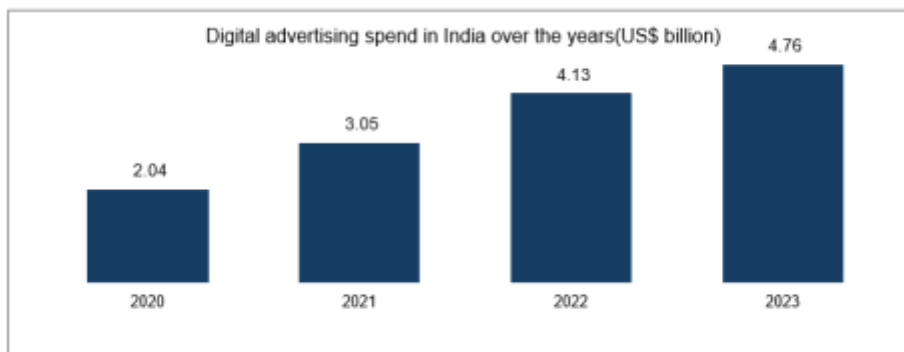


Source: Statista

The growth of digital marketing in India has been marvellous. This is driven by the increase in internet users and the wide-spread usage of smartphones. On this basis, the digital marketing industry grew from US\$ 2.39 billion in FY20 to US\$ 6.46 billion in FY24 at a CAGR of approximately 28.5%. This rapid expansion underlines how much consumer behaviour has changed over the years and emphasizes the importance of online channels for businesses.

### Key Statistics and Trends

India's digital advertising industry has demonstrated resilience and flexibility despite a slowdown in growth rates. As per a report from Pitch Madison, the digital advertising expenditure increased by 15% in 2023 totalling Rs. 39,714 crores (US\$ 4.76 billion). Looking ahead to 2024, this growth rate is tipped to level out at 17%. A change of pace, influenced by increased scrutiny around data privacy and a knock-on effect from Google's plans for a cookie-less future. Despite these challenges, the portion of digital advertising in total advertising is predicted to increase from 40% in 2023 to 42% in 2024. Already, this uptrend exemplifies the gauge for social media platforms in reaching and engaging consumers.



Source: Pitch Madison

### Growth Of Internet Users And Mobile Penetration

A major factor driving digital marketing in India is the increase, in internet users and mobile usage. It is estimated that by 2025, the active count of internet users will exceed 900 million, making India one of the largest markets across the globe. The digital revolution is coupled with growth in smartphone adoption; it is estimated that by the same year, there will be 1.1 billion smartphone users, according to Inc42. The more Indians join the online community, the more businesses are capitalizing on the opportunity to reach out to customers with tailored marketing tactics. Social media, e-commerce, and



video content have created an environment where brands can engage with their target audiences with the help of various approaches.

### **Shift in advertising budgets**

Digital marketing is significantly advancing in the allocation of advertising budgets. The traditional stronghold of print and TV ads is slowly being taken over by digital platforms. Notably, while print ads are expected to remain stable for the first time in 13 years, digital media has now taken the lead claiming a sizeable portion of ad budgets. In 2024, spending on print ads is predicted to increase 7% surpassing COVID levels and reaching Rs. 20,000 crore (US\$ 2.40 billion) mainly due to political campaigns leading up to the parliamentary elections. Digital advertising spending is expected to grow at around 17% in 2024 reflecting a change in how businesses prioritize their marketing efforts. Television, which still commands a market share is projected to see single digit growth at 8% signalling a shift in consumer focus, towards content. With the ever-changing and evolving landscape, companies are adjusting their allocations to leverage the most of their marketing capabilities. This shift, in strategy emphasizes the rising importance of social-media platforms.

### **Impact of Digital Marketing on Businesses**

The landscape of business, in India has been transformed by digital marketing. It allows companies to connect with a larger audience and nurture relationships with their clientele. With over 800 million internet users in the country, having a presence on social media and utilizing SEO techniques are crucial for enhancing brand visibility. Research indicates that a significant 78% of consumers turn to the internet to gather information, about products they intend to buy underscoring the importance of maintaining an online presence. Leveraging these platforms empowers businesses to boost brand recognition and actively engage with their desired customer base.

Other advantages that come with digital marketing are targeted advertisement and cost-effectiveness. Companies can always tune their campaigns to groups, ensuring that the information they convey goes to targeted human beings. For example, companies that use customized ads experience a tenfold conversion rate compared to those using traditional methods. Also, digital marketing could be less expensive, as it is reported that 61% of marketers claimed a better ROI through digital marketing compared to traditional marketing activities.

### **Opportunities of Digital Marketing in India**

The way marketing is becoming cost-effective while reaching a larger audience, many businesses, big and small, are adopting digital marketing. This creates new opportunities for digital marketing professionals, allowing them to put their marketing skills to better use. Opportunities in digital marketing are endless, and as a digital marketer, you need to be aware of these new ways to reach the audience.

#### **1. Customer Needs**

Addressing customer needs via email or chatbots is a great way to save time and effort. Automated emails and replies to customer queries will also make them feel heard and appreciated.

#### **2. Make Use of Online Tools**

Making use of online digital marketing tools will make your life much simpler. Tools such as Hootsuite and Buffer have an in-built dashboard with which you can easily carry out online reputation management and also schedule posts easily.

#### **3. Keep updated with trends**

Keeping an eye out for updates and trends is very important. Leveraging these trends in digital marketing and updates on various platforms will surely get you ahead. Weighing the pros and cons of an update is also good. Trending hashtags are also a great way to get discovered on social media and are great for SEO purposes.

#### **4. Media Planning**

Proper budget allocation is integral. A challenge for digital marketers is budget restraints. For a stellar campaign, media planning is required. A data-driven report and analysis on ROI presented to the client can really help. It is important to include analytics in the report.

#### **5. Efficient Delegation**

Keeping the website updated, making sure it is SEO-rich, and also ensuring it has been optimised for speed is quite a challenge. It can be difficult juggling all of these, but the key here is hiring a talented and dedicated team and efficiently delegating and supervising their work.

#### 6. Find Your Niche

Finding your niche will solve all of your problems. Finding a niche will help you in building a content strategy, choosing the right target audience and also planning your budget accordingly.

#### 7. Omni channel

If you are just starting out, then focus on one channel of online marketing, such as YouTube, Instagram, Google, etc. Once you build a great hold on the audience there, multichannel marketing becomes easy for your brand.

#### 8. Flexible Marketing Strategy

Keeping up with all the digital marketing trends that are dynamic in nature is a challenge, but you can counter it with a flexible marketing strategy. Don't overplan your content and paid marketing strategy to an extent that there is no room for improvement.

#### 9. Research Competitive Content

Marketers argue that digital marketing is both an advantage, as all kinds of brands and businesses are uniformly marketing on the same channel, and also a challenge because small businesses might not be able to keep up with big brands. Hence, the solution is to research the content of your competitors and draw inspiration from them.

#### 10. Upskill

Upskilling is very important. Many corporations have started investing in upskilling their employees so that they have a wider knowledge base, and it also leads to more productivity. It can also help employees to understand digital marketing holistically rather than just one particular area of the field.

#### Challenges of Digital Marketing

- Customers are more savvy or informative than marketers.
- Customers are increasingly demanding better quality and reliability in the products
- Customer wants, needs and expectations are changing more rapidly.
- Marketers operate in a market where all customers want mostly the same thing.
- New products and services are coming to market more quickly than in the past.
- Competitors have introduced multiple brands for their products, and competition for sales is
- Media are becoming more fragmented and expensive for advertising the products.
- Competition is now global
- Competition is well established and entrenched
- Information technology is having a significant impact on business practices.
- The accountability of the marketers has been increasing rapidly towards their customers.

#### Future of Digital Marketing in India

This is the era of digital marketing. With the rise of online shopping, every store requires an online marketing strategy to reach its audience and customers. From big organisations to small businesses and stores, everybody is venturing into the digital space to grow their business and reap the benefits of the online world in optimising their reach, sales, and conversions. And with digitalisation becoming more and more mainstream, the future of digital marketing in India is promising for brands and companies. In a country as densely populated as India and with millions of mobile phones and social media users, digital marketing is booming in the country. Everybody who wishes to scale their business and market their products and services far and wide needs to embrace digital marketing through the internet, as this medium has no geographical barriers. The future of digital marketing in India is bright and promising. Digital marketing, as compared to traditional marketing, offers some key benefits that make it an effective and affordable strategy for marketing the brand.

#### CONCLUSION

Digital marketing has a bright future for long-term sustainability of the products or services in the current technological market with all its pros and cons. Compared to Internet marketing, digital marketing deserves a closer examination. Digital marketing can also be found in software and gadgets that are used by users to trade data, not just on the Internet. As a result, because a man can communicate via TV as well as a mobile network, digital marketing combines digital and network technologies. Widespread reach makes it possible for the issue to operate on numerous digital platforms. Individuals are investing more in online content, and companies that find it hard to digest this fact in their advertising strategy need to adjust quickly. The more time individuals spend on the internet every year, the more digital platforms they use, playing an ever-developing function in their lives. The main aim of Digital India is to promote digital mediums. Because people can

use digital platforms any time, anywhere in the world, companies need to change their marketing strategy from traditional to digital.

In today's world, where the internet is entwined with everything we do, the importance of digital marketing has become very clear. It has also become an integral part of what business means to its customers. Put simply, digital marketing is telling people why you have what they need and listening to what they care about using a digital medium like social media. There has been a tremendous change in the digital landscape of India. Consumers now prefer searching for good deals and different types of content over digital media. Engaging with the consumers and creating original content has become a necessity for businesses if they want to survive in this era. Being creative and posting quality content is the best way to gain followers, many of whom become customers, eventually leading to higher sales and a brand gaining loyal customers. It is that content which builds relationships which are built on trust, and in turn, this trust drives revenue. In this study, we acknowledged the various digital marketing types and tools, such as social media marketing, search engine optimisation (SEO), search engine marketing (SEM), influencer marketing, affiliate marketing, content marketing and e-mail marketing, that benefit businesses. Digital marketing is also very cost-effective and gets the job done very easily with the option for automation where repetitive tasks are involved. It is perfect for small businesses who want to reach their target audience and don't have enough funds for traditional marketing. We also studied the role that digital marketing plays in India and how the campaign Digital India has helped in changing the face of India in the global digital arena. Indeed, digitalisation has made the world a smaller place, and digital marketing has made it easier for small businesses to compete with larger businesses. An effective digital marketing campaign leads to an increase in brand recognition, higher brand awareness and better brand loyalty.

The outlook on digital marketing for India seems exceptional and filled with potential. The industry's rapid expansion, fuelled by the growing adoption of cutting-edge technologies, such as AI and ML, sets the stage for businesses to revolutionize their marketing tactics. An active internet user base of 800 million, plus the quickly growing e-commerce industry, which is likely to reach US\$ 200 billion by 2027. Ample opportunities are lying ahead for digital marketers. Noteworthy trends that stand out in this space are personalization, voice search optimization, omni channel marketing, and data-driven decision-making. As more and more people and businesses adopt digital technology, the door for exciting new marketing strategies is widely open. Such innovations will not only help businesses realize their goals but also give consumers more choices and information to make better decisions.

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