

Challenges and Opportunities in Online Marketing

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Abstract: *Online Marketing business is facing lot of challenges due to the consumers' buying habits. Earlier they will go through online marketing site and choose their requirement with the best of their knowledge. Whereas now a day consumer goes through all online sites to compare price and social network to know the reviews about performance. Buyers are getting information about product from various sources and they are more knowledgeable than earlier days buyers. Hence, the marketers to provide necessary information about their products to choose. Online marketing is the right solution to improve the buyers base in no time.*

Keywords: *Challenges, Consumers, Opportunities, Online Marketing.*

1. Introduction:

India has more than 50% of its population ie more than 600 million are youngsters with age group of less than 25 years. Most of the youngsters able to earn reasonable earnings to spend independently. All were always busy with their day to day activities and have no leisure time to buy their needs. More over the traffic in cities are more, to travel from one place to other, to search for their needed products to buy from the brick and mortar stores. After the entry of JIO network, the cost of one GB of internet was reduced to Rs 15/- from Rs 150/- and unlimited internet usage packages were also introduced to ease the internet usage. Today's consumers are empowered, they need to know, like and trust an organization before they connect. In the meantime, major online marketers developed their own mobile app to view their site information and their product in very less time and utilize very less space in the mobile. Majority of the youngsters owned smart phone with internet connections to view online marketing sites. They are always in online searching for various information and go through various social media. Hence, online marketing is the right choice for youngsters to fulfill their buying needs. Due to cut throat competitions and the culture of buying enormous product during Amazon's Great Indian Festival and Flipkart's Big Billion Days sales have started with huge discounts, offers, and cashbacks on various products such as consumer electronics, home appliances, devices, apparels, cosmetics, and so on. The prices were brought down to the possible lowest one to attract the customers to buy. Due to this, the traditional marketers' sales were lowered to the extent up to 40% of their estimated sales during this period. In earlier years, the majority of online consumers were from Tier I Cities, but today more than 60% sales are done in Tier II and Tier III cities, which increase the consumer base from metro to normal cities. If this trend continues, the e-commerce growth will reach 200 Billion US\$ by 2026 from 38.5 Billion US\$ as of 2017 with the growth of 25% on CAGR (Cumulative Annual Growth Rate). There is a place for everybody in the online marketing business since lot of opportunities to perform well. The communication will reach a wider range of population by single click through Online Marketing when compared Traditional Marketing. There are variety of ways to communicate like SEM, ad

words, banner advertising, pay per click advertisement, Social Media Network, email marketing etc., to attract the buyers through Online Marketing.

2. Online marketing and its vast Opportunities:

There is a place for everyone to prosper in the online marketing sector. The internet users rose to 560 million (40.9% of penetration) as of July 2019 as per Internetworldstats.com November 2019 report. Statistics shows about 70.7% of internet users buy products through online. The smartphone usage is raising @ 16% year over year growth, which surpassed the US mobile market during the last year. Reliance JIO enabled this rise with 4G adoption accelerating the content consumption across the country. When the internet penetration increases, digital / online marketing landscape will also grow at par. Further, Govt of India have invested heavily for rolling out the fiber network for 5G that boost internet penetration in the near future. Moreover by 2022, middle class population in India will be the largest segment. Since their income will also fairly high, their purchasing power will also improve. There were 50 million existing online customers and their average age is around 25 years with 70% male & 30% female from urban and who were comfortable with English. Whereas the future 100 million customers that is estimated to add during next few years to these existing customers with average age around 28 years with 50% male & 50% female form Tier II / Tier III cities and they are comfortable in their local languages only. To meet this requirement, marketers has to made necessary modification to view their content through local languages. Now a days, Artificial Intelligence (AI) are working background in many social media that helps in image recognition with auto recommendation of products to the perspective customers to improve business. Most of the new internet users are more comfortable consuming content on video than text, hence all brands that recognize this will improve their turnover. Social media influencer campaigns have proved positive, since online celebrities are trusted and respected in the public. Many startups have utilized this communication method to increase brand awareness in a different and memorable manner. Few studies indicate that 61% of customers trust e-commerce solution providers who created personalized and tailored content, hence this trend to engage with customers are adopted by the online marketers. It is estimated that online business will grow at 25% CAGR at reach the turnover to 200 Billion US\$ by 2026 from 38.5 Billion US\$ as of 2017. During May 2018, one of world leading business firm Walmart acquired the Indian e business player Flipkart for 16 billion US\$. From this acquisition, we can able to understand scope of e business opportunities in India. There are more than one million players are existing as a niche market in online. From the above we can able to guess the availability of vast opportunity in online marketing.

3. Change in Consumers' habit:

As on day seeing an individual without mobile is rare a phenomenon and most of them using smartphone with internet on regular basis because of easy affordability. The average usage of internet per month is 9.8 GB data per phone as of June 2019 and this will increase to 24 GB in the year 2024. Similarly, the average monthly mobile data traffic will grow at a CAGR of 23% from 4.6 exabytes in 2018 to 16 exabytes in 2024. Globally, the average time spent on social media is 2.5 hrs per day and Indian users spent 2.4 hrs per day in social media. The internet users in India as of July 2019 was 560 million (40.9% of population). Content will play a huge role in brand and product promotion but because the proliferation of ads on social channels has already saturated the medium, content will be used for product discoverability in a more subtle manner. While surfing, they came to know various information about the products and its performance with price detail. This will induce the surfer to own the product. As per marketing term AIDA (Attract, Interest, Desire and Action), the first two steps are successfully done by surfing through internet and social media. If the product is a needed one for the surfer, the next two steps will be performed automatically. By this way today's consumers are attracted to buy the products through online. The earning capacity is also increased and always busy on their day to day activity and have no time to spend for meet out their daily wants and needs. They have no time to search for the product availability and to know its performance with price.

Generally, the online marketing price is always much competitive than the traditional marketing price, since the showroom operation cost is not involved in online marketing. More over the city traffic and make the movement a time-consuming activity. So, online shopping is of great joy and easy for the consumer to buy the product at any time with a few clicks from their place. The product will reach their doorstep without any effort. When these number of viewers are increased, the sales will also increase proportionally.

4. Online Marketing Challenges:

Today most of the consumers view their product requirement through online sites. Hence number of consumers viewing the site at a time is increasing. Similarly, the number of items added to the sites are also in ever increasing trend. To meet these requirements, system has to be updated to handle such a number of visitors viewing various items at a time. Further due to continuous improvements in the products, improved versions/models are launched. Consumers are to be properly communicated about these from time to time. Due to festive session / on special occasions competitive prices or discounts are offered for a fixed time. After that period, the prices will change to normal prices. System has to be developed to handle all these types of market requirement. The number of packages sent by the online marketing site is about 5 lakhs per day by Flipkart and about 4.5 lakhs per day for Amazon India. To handle such a massive dispatching without any flaw, only automation is possible. GST tax rate will also vary from item to item and this has to be accounted properly. The payment for the above items shall be collected through online payment system and to be accounted properly. After the ordering process, other related process like acknowledging the order, billing process, packaging process, delivering process, transshipment details and order tracking process until the product reaches the consumers' hand shall be automated.

Consumers are more knowledgeable and they know where to get the information with regards to the product. Now, Search become Faster, Smarter, Crisper and Google will give answers rather than results including all Why's, How's and Where's will be answered in Google search, without a click of a button. Brands and Content websites will need to adapt to give answers directly to stay relevant on SEO. Google's Search Artificial Intelligence (AI) will evolve to predict subsequent queries & answers with greater accuracy. . A large portion of new internet users is more comfortable consuming content on video than text. Video will continue to dominate social channels, Live Video - Facebook, Instagram, and YouTube Live, in particular. Brands that recognize this will increase their share of Digital Marketing spend on Videos. Visual Search technology will improve search experiences for users making a search as easy as taking a picture. Pinterest has tested this with their Lens feature which allows users to take a picture of an article and subsequently find out where to purchase it. Many social media channels already have AI working in their background and these features will help in image recognition and make auto recommendations of product. Amazon's role as a marketing channel is to grow significantly because it has rich customer data and it is the starting point for product searches. Amazon's growing position as a product discovery platform will make Google put a great deal of effort to service & increase the share of products visible in search results. Amazon India introduces a new facility to buy the international products in Indian money. India's largest online grocer, BigBasket sales crossed Rs 3,200 crore by growing over 60% during the year ended March 2019 with 12 million customers. Partnership with the Chinese ecommerce giant Alibaba to improve delivery and logistics. Earlier, they used to deliver independently with van delivery and with bike delivery. Now they have integrated the two to optimize delivery. The retailer, which has shifted from dark stores to large warehousing format, has also implemented Alibaba's bulk storage mechanism to optimize space. Experts feel logistics and distribution is the key differentiating factor for online grocery business. Indian business giant Reliance is planning to enter into the field of online in due course. Then market strategy will change to attract the new consumers in this field.

5. Role of Social Media:

According to We Are Social's Global Digital Report for 2019, mobile subscriptions in India is around 1.190 billion, that accounts for 87% of the population. Mobile data plans in the country become more affordable and pervasive, the populace's access to the internet is expected to become more widespread in the coming years. Furthermore, there are over 310 million active social media users in India. The biggest social network in the country is Facebook with around 300 million users in 2018. Instagram follows this with about 75 million users. LinkedIn has 54 million users; Snapchat has 11.15 million users and Twitter has 7.65 million active users. Today product users are ready to share their experience with respect to the products in the social media. The negative comments given in the social media is spread faster than the positive comments and affect the new prospective buyers to rethink and stop buying. Whereas the positive comments will constantly increase the sales volume in the long run. In the social media, consumers are ready to buy the product based on the recommendation given by the unknown users. That is the power of social media.

6. Conclusion:

The growing rate of online business is around 25% CAGR (Cumulative Annual Growth Rate) and reach the turnover of 200 Billion USD by 2026 from 38.5 Billion USD as of 2017. Due to vast change in the buying habits of youngsters who are the major contribution in online business the growth will be much more than the estimated value. Online business is more convenient for these youngsters to select their day to day needs. The competition in the field is a healthy and benefits to the consumers. The fast technology changes taken place in this online business will attract more population to involve.

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