

A Comparative Analysis of Digital Marketing and Traditional Marketing

Venkata Naga Manjula P

Sr. Asst. Professor,

NewHorizoncollege Marathahalli, Bangalore

Abstract: *This paper focuses on the Changes in the past two decades have created a new avenue to how people communicate. The success of marketing is now concealed and the marketers are now working on absolutely different landscape from the encountered 10 years ago. with companies spending more time and resources than ever before on marketing, Identifying the right channel of advertisement becomes crucial in the success of a marketing campaign. Companies follow technology can easily communicate with the customers interactively while providing products or services. The purpose of this research is to understand how effective communication mediums are and to find the most effective way of reaching out to the target customers. Hence the Paper is 'A Comparative Analysis of Digital Marketing and Traditional Marketing.' is being conducted.*

Key words: Advertising, Customer, digital Marketing, technology, traditional marketing

Introduction

Marketing

Marketing is defined by the American Marketing Association as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."

The Marketing Mix 7Ps:

1. Product - The Product should fit the task consumers want it for, it should work and it should be what the consumers are expecting to get.
2. Place – The product should be available from where your target consumer finds it easiest to shop. This may be High Street, Mail Order or the more current option via e-commerce or an online shop.
3. Price – The Product should always be seen as representing good value for money. This does not necessarily mean it should be the cheapest available; one of the main tenets of the marketing concept is that customers are usually happy to pay a little more for something that works really well for them.
4. Promotion – Advertising, PR, Sales Promotion, Personal Selling and, in more recent times, Social Media are all key communication tools for an organisation. These tools should be used to put across the organisation's message to the correct audiences in the manner they would most like to hear, whether it be informative or appealing to their emotions.
5. People – All companies are reliant on the people who run them from front line Sales staff to the Managing Director. Having the right people is essential because they are as much a part of your business offering as the products/services you are offering.
6. Processes –The delivery of your service is usually done with the customer present so how the service is delivered is once again part of what the consumer is paying for.
7. Physical Evidence – Almost all services include some physical elements even if the bulk of what the consumer is paying for is intangible. For example a hair salon would provide their client with a completed hairdo and an insurance company would give their customers some form of printed material. Even if the material is not physically printed (in the case of PDFs) they are still receiving a "physical product" by this definition. Though in place since the 1980's the 7 Ps are still widely taught due to their fundamental logic being sound in the marketing environment and marketers abilities to adapt the Marketing Mix to include changes in communications such as social media, updates in the places which you can sell a product/service or customer expectations in a constantly changing commercial environment.

Traditional Marketing

Traditional advertising is what most people think of when talking about advertising or marketing. This includes the "usual" venues for media placement, such as newspaper, radio, broadcast television, cable television, or outdoor billboards. Typical collateral materials needed for your business – like stationery, business cards, or brochures – would also fall under traditional advertising. These are the products that people normally expect from an established business, and are useful for building your business' brand, identity, and image.

Radio Advertisement: Just like advertisers pay for the commercials you see on television during your favourite show, some advertisers also choose to focus their marketing dollars on radio advertising. That is, buying commercials, frequently called spots in the radio industry, to promote their products or services.

Types of Radio Advertising Depending on your brand and the type of message you're trying to convey, you'll likely lean toward one of these popular radio advertising choices.

1. Live read

The ESPN Radio show Mike & Mike is a good example of a format where you can hear commercials read in real-time online by a radio announcer, a type of commercial also known as a live read. This type of advertisement is more effective with a really popular on-air host because advertisers hope that the host's voice will carry extra weight with the show's audience.

2. Sponsorship

Many radio stations implement sponsorships for certain types of radio segments, such as traffic, weather, or sports scores during halftime of the big game. It will generally sound something like this: 'This hour's weather update brought to you by Beach Rentals. Call Beach Rentals for all of your vacation needs.'

3. Produced spot

A produced spot can either be a straight read of your advertising message or a read that incorporates multiple voices, sound effects or a jingle. A jingle is a short, catchy song about your company. These typically tell listeners where to find your business or your products and can be funny, serious, or informative.

Outdoor Advertisements

Out-of-home media advertising is an advertising that reaches the consumers while they are outside their homes. Out-of-home media advertising is focused on marketing to consumers when they are "on the go" in public places, in transit, waiting (such as in a medical office), and/or in specific commercial locations (such as in a retail venue).

OOH advertising formats fall into six main categories: billboards, street, roads, highways, transit, and alternative. Billboard advertising is a traditional OOH advertising format, but there has been significant growth in digital OOH (digital billboards and place-based networks) in recent years; for example, about 4,900 digital billboard displays have been installed in China and the United States.

Traditional roadside billboards remain the predominant form of OOH advertising in the US with 66 percent of total annual revenue. Today, billboard revenue is 73 percent local ads, 18 percent national ads, and 9 percent public service ads. Transit advertising is typically advertising placed on anything which moves, such as buses, subway advertising, truck side, food trucks, and taxis, but also includes fixed static and electronic advertising at train and bus stations and platforms.

Airport advertising, which helps businesses address an audience while traveling, is also included in this category. Municipalities often accept this form of advertising, as it provides revenue to city and port authorities.

Digital Marketing is an umbrella term for all online marketing efforts. Businesses leverage digital channels such as Google search, social media, email, and their websites to connect with their current and prospective customers. The reality is, people spend twice as much time online as they used to 12 years ago. And while we say it a lot, the way people shop and buy really has changed, meaning offline marketing isn't as effective as it used to be.

From a website itself to the online branding assets -- digital advertising, email marketing, online brochures, and beyond -- there's a huge spectrum of tactics and assets that fall under the umbrella of digital marketing. And the best digital marketers have a clear picture of how each asset or tactic supports their overarching goals.

Here's a quick rundown of some of the most common assets and tactics:

Assets

- Your website
- Blog posts
- Ebooks and whitepapers
- Infographics
- Interactive tools
- Social media channels (Facebook, LinkedIn, Twitter, Instagram, etc.)
- Earned online coverage (PR, social media, and reviews)
- Online brochures and lookbooks
- Branding assets (logos, fonts, etc.)
- Search Engine Optimization (SEO)

The process of optimizing your website to 'rank' higher in search engine results pages, therefore increasing the amount of organic (or free) traffic that your website receives.

- **Content Marketing** The creation and promotion of content assets for the purpose of generating brand awareness, traffic growth, lead generation, or customers.
- **Inbound Marketing** Inbound marketing refers to the 'full-funnel' approach to attracting, converting, closing, and delighting customers using online content.
- **Social Media Marketing** The practice of promoting your brand and your content on social media channels to increase brand awareness, drive traffic, and generate leads for your business.
- **Pay-Per-Click (PPC)** A method of driving traffic to your website by paying a publisher every time your ad is clicked. One of the most common types of PPC is Google AdWords.
- **Affiliate Marketing** A type of performance-based advertising where you receive commission for promoting someone else's products or services on your website.
- **Native Advertising** Native advertising refers to advertisements that are primarily content-led and featured on a platform alongside other, non-paid content. BuzzFeed sponsored posts are a good example, but many people also consider social media advertising to be 'native' -for example, Facebook advertising and Instagram advertising.
- **Marketing Automation** Marketing automation refers to the software that exists with the goal of automating marketing actions. Many marketing departments have to automate repetitive tasks such as emails, social media, and other website actions.
- **Email Marketing** Companies use email marketing as a way of communicating with their audiences. Email is often used to promote content, discounts and events, as well as to direct people towards the business' website.

Online PR

Online PR is the practice of securing earned online coverage with digital publications, blogs, and other content-based websites. It's much like traditional PR, but in the online space. Attribution Modeling An effective digital marketing strategy combined with the right tools and technologies allows you to trace all of your sales back to a customer's first digital touchpoint with your business. We call this attribution

modelling, and it allows you to identify trends in the way people research and buy your product, helping you to make more informed decisions about what parts of your marketing strategy deserve more attention, and what parts of your sales cycle need refining. Here are some options we'd recommend using at each stage of the buyer's journey:

Awareness Stage

- Blog posts.** Great for increasing your organic traffic when paired with a strong SEO and keyword strategy.
- Infographics.** Very shareable, meaning they increase your chances of being found via social media when others share your content. (Check out these free infographic templates to get you started.)
- Short videos.** Again, these are very shareable and can help your brand get found by new audiences by hosting them on platforms like YouTube.

Consideration Stage

- E-books.** Great for lead generation as they're generally more comprehensive than a blog post or infographic, meaning someone is more likely to exchange their contact information to receive it.
- Research reports.** Again, this is a high value content piece which is great for lead generation. Research reports and new data for your industry can also work for the awareness stage though, as they're often picked-up by the media or industry press.
- Webinars.** As they're a more detailed, interactive form of video content, webinars are an effective consideration stage content format as they offer more comprehensive content than a blog post or short video. For B2C brands, think of testimonials a little more loosely.

Return on Investments With digital marketing, it can often feel like you're able to see results much faster than you might with offline marketing due to the fact it's easier to measure ROI. However, it ultimately depends entirely on the scale and effectiveness of your digital marketing strategy.

Mobile Marketing Another key component of digital marketing is mobile marketing. In fact, mobile usage as a whole account for 60% of time spent consuming digital media, while desktop-based

digital media consumption makes up the remaining 40%. This means that it's essential to optimize your digital ads, web pages, social media images, and other digital assets for mobile devices. If your company has a mobile app that enables users to engage with your brand or shop your products, your app falls under the digital marketing umbrella, too. Those engaging with your company online via mobile devices need to have the same positive experience as they would on desktop. This means implementing a mobile-friendly or responsive website design to make browsing user-friendly for those on mobile devices. Digital marketing's development since the 1990s and 2000s has changed the way brands and businesses use technology for marketing.

Review of literature

Dr. Philip Kotler defines marketing as "the science and art of exploring, creating, and delivering value to satisfy the needs of a target market at a profit. Marketing identifies unfulfilled needs and desires. It defines, measures and quantifies the size of the identified market and the profit potential. It pinpoints which segments the company is capable of serving best and it designs and promotes the appropriate products and services." "Marketing is an ongoing communications exchange with customers in a way that educates, informs and builds a relationship over time.

Malgorzata Karpinska-Krakowiak in his paper - "Marketing events in a digital era – A comparative analysis of new and traditional events in terms of branding effectiveness" In contemporary marketing it is increasingly difficult to draw vivid boundaries between new and existing promotional instruments or to capture them as totally separate entities. Consequently, as the newer forms of events evolve, they share some characteristics with their traditional counterparts and, simultaneously, they introduce some innovative qualities to the industry.

Leeflang, Peter S.H. in his article "Challenges and solutions for marketing in a digital era" he mentioned about Internet usage continues to explode across the world with digital becoming an increasingly important source of competitive advantage in both B2C and B2B marketing. A great deal of attention has been focused on the tremendous opportunities digital marketing presents, with little attention on the real challenges companies are facing going digital. In this study, we present these challenges based on results of a survey among a convenience sample of 777 marketing executives around the globe. The results reveal that filling "talent gaps", adjusting the "organizational design", and implementing "actionable metrics" are the biggest improvement opportunities for companies across sectors.

Research Methodology

OBJECTIVES:

1. To study the different elements of Digital marketing.
2. To study the effectiveness of various social media websites.
3. To identify the changes in trends of Media consumption and media usage pattern of people.
4. To identify the reading habits of individuals and their main source of News.
5. To identify a positive or negative impact of online advertisements.

SCOPE OF THE STUDY : The scope of the study includes random set of people from all demographics, who are using laptops

SAMPLING METHOD :

Simple random sampling - A randomly selected sample from a larger sample or population, giving all the individuals in the sample an equal chance to be chosen. In a simple random sample, individuals are chosen at random and not more than once to prevent a bias that would negatively affect the validity of the result of the experiment.

Sample size : 186

Sample unit - General Public with exposure to all forms of Media and internet.

Some of the important questions projected bellow from the questionnaire

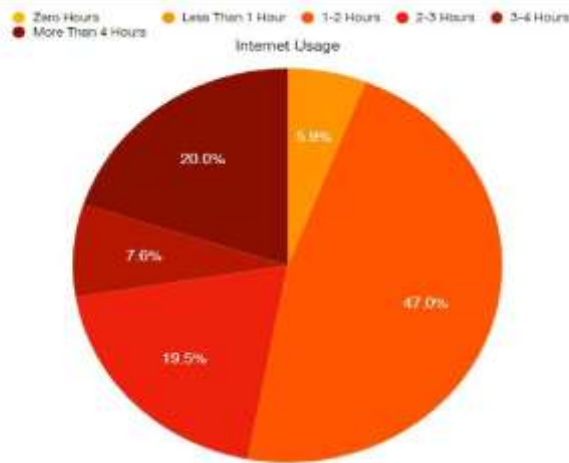
1 Table showing the average hours respondents spent browsing the internet

SI No.	Time Spent	No. Of Respondent	Percentage
1	Zero Hours	0	0%
2	Less Than 1 hour	11	5.91%
3	1-2 Hours	87	46.77%
4	2-3 Hours	36	19.35%
5	3-4 Hours	14	7.52%

6	More than 4 Hours	37	19.89%
---	-------------------	----	--------

ANALYSIS :

From the above table we can infer that all respondents use the internet, 5.91% of the respondents use the internet for less than an hour a day, 46.77% of respondents use the internet for 1-2 hours a day, 19.35% of respondents use the internet for 2-3 hours a day, 7.52% of respondents use the internet for 3-4 hours a day and 19.89% of respondents use the internet for more than 4 hours a day.

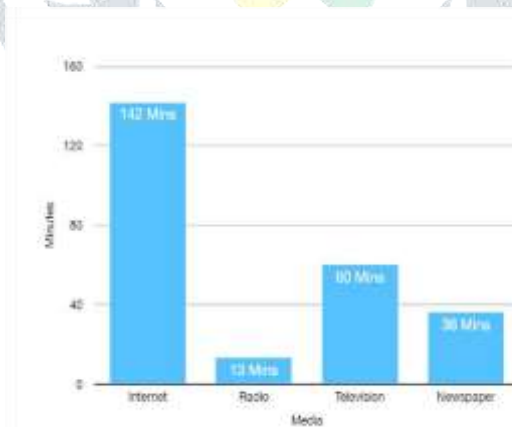


2. Table showing the average usage of the various mediums.

SI No.	Communication Channels	Average time
1	Internet	142 Minutes
2	Radio	13 Minutes
3	Television	60 Minutes
4	Newspaper	36 Minutes

ANALYSIS :

From the above table we can infer the average usage time of various mediums of communications. The average time spent on the Internet is 142 minutes , the average time spent listening to the radio is 13 minutes , the average time spent watching the television is 60 minutes and the average time spent on reading the newspaper is 36 minutes.

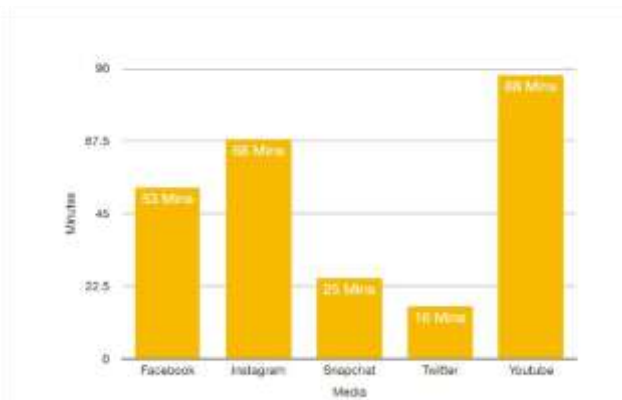


3. Table showing the average time spent on Social Media.

SI No.	Social Media	Average time
1	Facebook	53 minutes
2	Instagram	68 Minutes
3	Youtube	88 Minutes
4	Snapchat	25 Minutes
5	Twitter	16 Minutes

ANALYSIS:

From the above table we can infer the average time spent by the respondents on various social media platforms. People spent an average of 53 minutes on a daily basis , 68 minutes in Instagram, 88 minutes in YouTube , 25 minutes on snapchat and 16 minutes on Twitter.



4. Table showing the number of respondents who do not use the Communication Channels (Internet, Radio, Television ,Newspaper)

SI No.	Communication Channels	Respondents/ 186	Percentage
1	Internet	0	100%
2	Radio	129	69.35%
3	Television	50	26.88%
4	Newspaper	57	30.64%

ANALYSIS :

From the above table we can infer that all the respondents use the internet, 69.35% of the people do not listen to the radio, 26.88% of the people do not watch television and 30.64% of the people do not read the newspaper.

5. Table Showing the Main source of News :

SI No.	Source	No. Of Respondents	Percentage
1	Social Media	80	43%
2	Newspaper	33	17.7%
3	News App	42	22.6%
4	News Websites	28	15.1%
5	Not Applicable	3	1.6%

ANALYSIS :

From the above table we can infer that 43% of the respondent's main source of news is Social Media, 17.7% of the respondent's main source of news is Newspaper , 15.1% of the respondent's main source of news is News Website , meanwhile the the rest 1.6% feel it's not applicable to them.

From the above chart we can summarise that Internet advertisement lead to discovery of new products, which can be converted into sales.

6. Table showing if or not Online advertisements are Intrusive in nature

SI No.	Answers	No. Of Respondents	Percentage
1	Yes	125	67.2%
2	No	61	32.8%

ANALYSIS :

From the above table we can infer that 67.2% of the respondents feel that online advertisements are Intrusive in nature. However, 32.8% of the respondents do not feel that online advertisements are Intrusive in nature .

7. Which one of the following do you think is the most effective form of advertising?

Sl No.	Answers	No. of Respondent	Percentage
1	Tv Advertisement	44	23.66
2	Newspaper And Magazine	18	9.68
3	Outdoor Advertisements	16	8.60
4	Online Advertisements	29	15.59
5	Youtube Advertisements	8	4.30
6	Social Media ads	70	37.63

ANALYSIS :

From the above table we can infer that 23.66% of the respondents feel that the most effective form of advertising is Tv Advertisement , 9.68% of the respondents feel that the most effective form of advertising is Newspaper and Magazines, 8.60% of the respondents feel that the most effective form of advertising is Outdoor Advertising , 15.59% of the respondents feel that the most effective form of advertising is Online Advertising. Whereas only 4.30% of the respondents feel that the most effective form of advertising is YouTube. The majority of the respondents feel that the most effective form of advertising is Social Media Advertisements.

Findings & Analysis

- The majority of the respondents watch television for less than an hour. It also shows that more than a quarter of the respondents do not watch TV at all. On an average people watch 60 minutes of Television.
- The majority of the respondents do not listen to Radio at all. And among those who do listen to the radio, the majority of the respondents spent less than an hour on it. On an average people listen to 13 minutes of Radio.
- The majority of the respondents use the Internet for more than an hour per day. All the respondents use the Internet on a daily basis. On an average people spend 142 minutes on the Internet.
- The majority of the respondents spend only less than an hour reading the newspaper and a vast majority do not read the newspaper at all. On an average people spend 36 minutes reading newspaper.
- The majority of respondents spent the maximum time on YouTube , 88 minutes. The least amount of time spent is on Twitter with a mere average of 16 minutes. Instagram and Facebook usage is around an hour a day. Snapchat however shows a decreasing rate of usage
- The majority of respondents use the internet. Radio is the least used form of media followed by Newspaper and Television respectively.
- The Majority of the respondents list their main source of news as social media, news apps and news websites. People who read newspaper are a minority.
- The majority of respondents spent an hour or two on the road as part of their daily commute. **The average daily commute is 88 minutes.**
- The majority of Internet users are following one or more brands online.
- The majority of social media users do follow social media influencers.
- Internet advertisement lead to discovery of new products, which can be converted into sales.
- The majority of the respondents feel that online advertisements are intrusive in nature.
- Majority of the respondent feel that websites that track browsing activities to serve targeted advertisements are in violation of the user's privacy.
- The majority of the respondents are very unlikely to read/respond to an email advertisement.
- The majority of the respondents are very unlikely to read/respond to a pamphlet that was handed to them on the streets.
- The majority of YouTube viewers are very likely to skip Youtube advertisements.
- The majority of the respondents feel that they are very unlikely to click on online advertisements.
- The majority of respondents feel that the online advertisement has a positive impact on their online browsing experience.
- A vast majority of people reported that the amount of time spent watching tv has reduced drastically over the past few years.
- Majority of the people feel that they have been influenced by a Tv commercial into a buying new product.
- The most effective form of advertising according to the respondents is Social Media Advertising. And the least effective form of advertising according to the respondent is YouTube Advertisements.

CONCLUSION

Marketing is something that constantly evolves and adapts to changing market conditions. Marketing is an ever changing part of business, with change in technology, culture and lifestyle, all aspect of it will change rapidly. There's no question that technology will continue to shape the future of advertising. The forces of digital disruption are empowering consumers to get what they want, when they want it. And increasingly that means that they don't want to be interrupted by an ad that isn't good or relevant. This put a pressure on advertisers to find ways to deliver good and relevant ads to the consumers.

As marketers, it's easy to fool ourselves into thinking consumers want to hear what we have to say. We forget that we have to earn their time and attention. So we need to create advertising—content—that's legitimately entertaining. And we need to make sure it reaches the right people in the right context. Technology allows marketers to push the boundaries in the brand/consumer relationship and, in the next few years, will transform the engagement model so that it's much more curated and customized. When we come back to the topic at hand, Digital marketing vs Traditional Marketing. There are no definite answers to it. Each form of advertisement is good in it's own way. Though Digital marketing is the future, television advertisements and out of home advertisements play a huge role in the current scenario of marketing. Finding the ideal balance between digital marketing and traditional marketing is the key to efficient marketing.

References

Published references

- [1] Gronroos, ch.(1997) "From marketing Mix, to relationship marketing", management Decision, Volume 35, number 4, PP 322-339
- [2] Kotler, Philip & Keller, Kevin Lane. 2009. Marketing Management. 13th ed. Upper Saddle River, NJ: Pearson.
- [3] Lee, Nancy R. & Kotler, Philip. 2011. Social Marketing: Influencing Behaviors for Good. 4th ed. Thousand Oaks, California: SAGE Publications, Inc.
- [4] Millar
- [5] Sakineh Behrouz Nargesi "comparative study of traditional and online marketing mix willingness to purchase the cultural products" Kuwait Chapter of Arabian Journal of Business and Management Review Vol. 2, No.11; July 2013
- [6] Saeed, M & Hamid Reza and Bani Asadi, M., (2007) "Shopping patterns of customer behavior," Journal of management, 18, No. 185.

Electronic References

- [1] <https://blog.macraesmarketing.com/digital-marketing-vs-traditional-marketing>
- [2] Coca-Cola. 2008. The Coca-Cola Heritage Timeline. [referenced 3.September 2013]. Available: <http://heritage.coca-cola.com/>
- [3] <https://www.sciencedirect.com/science/article/>

