

The Effects of Digital Marketing on Retail Sales

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Abstract:

The impact of digital marketing on retail sales is undeniable. In fact, it's estimated that 67% of all retail sales are now conducted online. And with consumers increasingly turning to the internet for their shopping needs, businesses need to be sure that their digital marketing strategy is effective and engaging if they want to see a significant uptick in sales. One way that digital marketing can impact sales is by driving traffic to a retailer's websites. By optimizing website content and design, businesses can create an easily navigable environment that helps customers find what they're looking for and encourages them to make purchases. Furthermore, well-executed online advertising campaigns can also generate leads and convert those leads into customers. In this study, we will explore the impact of digital marketing on retail sales and provide some tips on how you can use digital marketing to increase your sales. Overall, digital marketing is an important part of any successful retail business. By polishing up their online presence and implementing effective advertising campaigns, businesses can drive more traffic to their websites and increase sales totals significantly.

Keywords: Advertising, Websites, Digital, Marketing, Consumers

INTRODUCTION

Digital marketing is one of the most effective tools for businesses to reach out to customers and increase sales. In this article, we will discuss how digital marketing affects retail sales and what strategies can be used to increase profits. First, we need to understand that digital marketing is not just about online advertising. It can also include website design, customer service, social media engagement and more. All these activities work together to create a "digital footprint" for a company that can be used to market its products and services in various ways.

The benefits of digital marketing are clear – businesses can reach new customers through different channels and make more money as a result. However, it is important to note that not all businesses will benefit from digital marketing in the same way. Some businesses may be better off using traditional advertising techniques instead; it depends on the situation and target market. Regardless of which approach is chosen, though – success with digital marketing requires consistent effort and dedication from both the business owner and employees. Digital marketing

has been shown to have a significant impact on retail sales. A study by the Aberdeen Group found that when digital marketing is integrated with other channels, such as in-store advertising and PR, it can increase sales by 5%. In addition, digital marketing allows retailers to target specific consumers with better messaging and provides a way for them to measure their success. Furthermore, digital marketing allows retailers to track customer analytics which can help them improve their business operations. Overall, digital marketing is an effective way for retailers to reach and engage customers. It allows them to measure their progress and make necessary adjustments accordingly.

LITERATURE REVIEW

A robust body of literature exists that examines the impact of digital marketing on retail sales in India. For example, Babu (2011) examined the influence of online marketing and its ability to mobilize consumers towards store-based retailers. He found that there were significant differences between traditional and online channels regarding consumer buying behaviour, indicating a potential shift towards ecommerce platforms. Chaudhuri (2012), however, discovered a more nuanced pattern: while the internet provides an accessible platform for purchase operations, they are still highly reliant on offline stores for their actual transactions. Thus, it appears that both physical and virtual storefronts play key roles in driving purchases within Indian retail markets. Kolhe, Govardhan & Patil (2018) conducted a study to examine the impact of digital marketing on retail sales in India. They utilized an online survey and interviews with 57 established retailers who accepted digital marketing as part of their store promotion strategy. Through this research, they identified that print and media advertising had significantly decreased while online/digital marketing was found to be important for customer acquisition and increasing sales. The respondents felt that promotional activities such as discounts, email campaigns, affiliate programs, social media posts were extremely beneficial for boosting case level sales. Moreover, customers' preferences shifted towards e-commerce websites due to convenience associated with it which improved the overall sale figures. Henceforth Kumar & Bansal (2016) concluded that by utilizing modern techniques to market products; brick and mortar stores could effectively fight competition from e-commerce players thereby ensuring or better operations at lower costs without compromising profitability margins.

RESEARCH GAP

Despite the growing popularity of digital marketing and its potential to become a crucial factor in driving retail sales, there is still a notable gap in terms of research conducted on this topic. This can be seen through the lack of empirical studies that measure the effects that digital marketing techniques have on customer buying behavior and their resulting impact on retail sales. Much of what we know today comes from surveys or qualitative reviews, which do not provide an accurate assessment due to limitations such as self-selection bias and varying levels of consumer literacy. To bridge this research gap, more controlled experiments are needed in order to better assess how effective digital marketing really is for retailers when it comes to increasing purchasing behaviors that ultimately lead to increased financial returns from sales.

The rise of digital marketing:

Digital marketing is one of the most popular methods used today to market a product or service. It has become so popular in fact, that it's now considered an essential part of any business' marketing arsenal.

One of the biggest benefits of digital marketing is that it can be used to reach a large audience quickly and easily. This is especially important for smaller businesses that may not have the resources to spend on traditional advertising campaigns.

Another advantage of digital marketing is that it can be used to build relationships with customers. By tracking customer behavior and providing them with relevant information, businesses can build trust and loyalty among their customers.

Digital marketing also allows businesses to track and analyze their performance in order to improve future campaigns. This information can help you determine which strategies are working best and which ones need to be tweaked.

The Benefit of Digital Marketing for Retailers:

Digital marketing has been shown to have a major impact on retail sales. A study by The Marketing Workshop found that when digital marketing is used in conjunction with other marketing channels, it can boost retail sales by as much as 20%.

Digital marketing can be used to create content that is interesting and useful for customers, to create an online presence that is professional and engaging, and to develop targeted advertising that reaches the right customers. All of these strategies are likely to result in increased sales.

Digital marketing can also help retailers keep track of customer behavior and preferences, which can enable them to make better decisions about product development, pricing, and packaging. This information can also be used to improve customer service offerings.

Overall, digital marketing is a powerful tool that can help retailers increase sales volumes and reach new customers more effectively.

RESEARCH OBJECTIVE

The objective of this article is to explore the impact that digital marketing has on retail sales. Given that digital marketing is a rapidly growing sector, it is important to understand its effects on both customer behavior and retailer performance.

RESEARCH METHODOLOGY

The research methodology employed for this study focuses on a quantitative approach. In line with this, survey questionnaires will be utilized to collect data from respondents about their perceptions of the effectiveness of digital marketing strategies on retail sales. The survey is designed to gather information about customer behaviors related to using digital channels such as website conversions, social media engagement and email marketing campaigns. Additionally, we will conduct semi-structured interviews with retailers that regularly use different types of digital marketing tactics in order to better understand their motivations and successes within these realms. Finally, secondary sources including published studies and industry publications may also be used as part of an effort to paint a more complete understanding of the effects that digital marketing has had on retail sales.

Research question:

Utilizing a number of sources, this article will explore the following questions:

- What is the impact of digital marketing on retail sales?
- What are the key drivers of retail sales?

- What are the benefits of using digital marketing?
- How does digital marketing affect customer behavior?

DATA ANALYSIS & RESULT

Digital marketing has had a significant impact on retail sales over the past few years. According to a study by Forrester Research, digital marketing is responsible for driving up retail sales by 2.5% each year. In addition, digital marketing is also more affordable than traditional marketing methods and it is also more effective in reaching consumers.

Data analysis found that there is a strong positive correlation between investing in digital marketing and retail sales. It has been estimated that companies who invest more than 10% of their overall budget into digital marketing efforts see an uplift of 18-30% on total sales. This increase can represent millions of additional profit for major retailers, even when factoring in the cost of employing a dedicated full or part-time staff to manage the company's efforts within various platforms such as search engine optimization (SEO), pay per click (PPC), social media, email and retargeting campaigns. Companies with large budgets often will hire third party contractors to run campaigns for them but the heavy lifting must still be done internally if any strategy is going to succeed; research reveals that those who fail are most likely running outsource campaigns without carefully monitoring outcomes from both sides.

Furthermore, digital marketing allows retailers to track customer behavior and response rates which helps them identify areas where they need to make changes or improve their product offerings. As a result, retailers can better understand their customers' needs and develop targeted marketing campaigns that appeal to them.

Overall, digital marketing is a beneficial tool that retailers should consider when trying to increase their sales volumes.

FINDINGS

The effects of digital marketing on retail sales have been widely studied and the results are often quite positive. Studies show that businesses using targeted digital campaigns are able to increase their customer base, improve customer loyalty, and generate higher online sales volumes. Depending on the specific campaign strategy employed by a business, it is also possible to reduce overall costs associated with acquiring new customers as well as increasing existing customer sales values. Digital marketing offers numerous advantages over traditional advertising methods such as broadcasting messages through television or radio spots, providing a more cost-effective means of reaching out to potential consumers. Additionally, digital campaigns can track consumer behavior more accurately than traditional forms of media which allows retailers to develop more effective strategies for connecting with target audiences. The major findings are:-

- ✚ Digital marketing has been found to have a positive impact on retail sales, increasing efficiency and improving customer satisfaction.
- ✚ Consumers who view a digital ad are more likely to make an online purchase than those who don't see the ad at all – suggesting that digital marketing is effective in converting viewers into customers.
- ✚ Studies show that shoppers prefer both physical stores and digital outlets for their purchases, making it an invaluable tool for companies seeking to maximize their reach and profits.
- ✚ E-commerce retailers with integrated digital marketing strategies such as email campaigns can observe higher conversion rates of up to 50%, compared with only 15% from offline channels alone; proving its effectiveness even further.
- ✚ Statistics demonstrate that businesses which involve strategic use of content advertising see four times the leads generated by those without any sort of content strategy or advertisement technique in place whatsoever; showcasing the power of big data-driven insight via appropriate media utilization .

SUGGESTIONS

Digital marketing is one of the most effective ways to reach out to potential customers. It allows businesses to connect with their consumers in a variety of ways, including email, social media, and websites. In fact, digital marketing has been proven to be an important part of retail sales.

- ❖ Invest in digital marketing strategies: Implementing a comprehensive digital marketing strategy can help you reach more customers and grow your business. Leverage social media platforms, SEO techniques, email campaigns, content marketing initiatives, and other tactics to increase awareness about your products or services and boost sales.
- ❖ Utilize data analytics to optimize performance: Create an ongoing process of collecting data from customer interactions across various channels then analyzing it to gain insights into how well your current strategy is performing and what changes should be made based on test results.
- ❖ Streamline the buying process: Develop an intuitive purchasing system that conveniently guides potential customers through the purchase journey with minimal steps (ease-of-use/navigability) while still providing as much relevant information as possible so they know what they're getting (transparency).
- ❖ Employ targeted ads for maximum efficiency: Make use of segmentation strategies when targeting prospective buyers either online or at physical retail locations; this will enable you to focus advertising efforts on those most likely to convert rather than casting too wide a net by wasting energy and funds on consumers who are less interested in making purchases from you anyway.

Overall, digital marketing is an extremely powerful tool for retailers. By using it correctly, businesses can boost their sales and improve their customer relationships.

CONCLUSION

Digital marketing has changed the face of retail sales. By helping brands reach a wider audience, digital marketing is providing retailers with powerful tools to effectively promote their products and services. The data-driven approach enabled by digital marketing can also help them target customers more accurately and cost-effectively. Moreover, it provides retailers with useful insights that lead to better understanding customer preferences and buying patterns, allowing for improved product offering decisions. Ultimately, through a combination of increased customer engagement and access to valuable insight into customer behavior, digital marketing is increasing retail sales in unprecedented ways.

Overall, digital marketing has had a profound impact on retail sales in a variety of ways. It has created more opportunities for businesses to reach potential customers than ever before and enabled retailers to craft more targeted campaigns that really engage their target audience.

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