

Digitalization & Customer Engagement: Challenges, Opportunities & Future Prospects

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ABSTRACT

The invention of World Wide Web has contributed significantly in the evolution of media environment. Electronic exchange of goods, services, payments & access of information is growing fast. Even with the fast growing acceptance of electronic commerce & working of various companies on this virtual platform, many opportunities are still untouched. Many companies are still using the Web platform for traditional communication purpose. The paper discusses the opportunities offered by the Digital platform to the marketers. The Digital platform as a two-way communication mode, companies can work upon different strategies; provide a better platform to their current offerings & incorporate the valuable customer feedback for enhancing the image of their offerings. The paper also states the necessity of new & emerging concepts & models for companies to manage their traditional marketing approach with digital platform & interaction with customers in more effective manner.

INTRODUCTION

Language is the greatest invention of mankind. A source of communicating & understanding the feelings & thoughts of individual as well as society whole. The second greatest invention to communicate in international platform is internet The World Wide Web (WWW). Language is the source of communication & internet is giving a possible platform to communicate beyond distance. This second invention is result of continuous research & development; discoveries are incessant phenomena.

Internet is the fundamental communication tool used to conduct daily business activities; an informative platform & promotional tool as well. The Web acceptance is gradually increasing by all the organization a must used tool in domestic & international business. Large and small companies are embracing the digital resources to communicate with current and potential customers abroad through the Internet with the same cost and ease as in their countries (Armstrong and Hagel, 1996).

Organization can create & broadcast the promotional strategy on digital platform that can catch the huge audience with appropriate software. The conveniences over internet for both company & potential customer, is making the Web popular for marketing practices all over the world. In this dynamic business scenario each company has two platform to perform one physical world where customers reaction can be seen; companies can react and work upon right from the beginning over the customer feedback another is virtual world where an number of opportunities are available for connecting with audiences. The internet & the Web is most growing & innovative component in the world of communication & a paradigm shift in marketing. The shift is from “one way” to “two ways” information flow & a birth of co-creation activity; customization for worldwide customers.

LITERATURE REVIEW:

Change is a continuous process & with time innovations are accepted by the individuals too. In order to work for the concept of digitalization here are the details of few literature which contributed to understand the more about the topic & helped in indentifying the further ways for continuing this research.

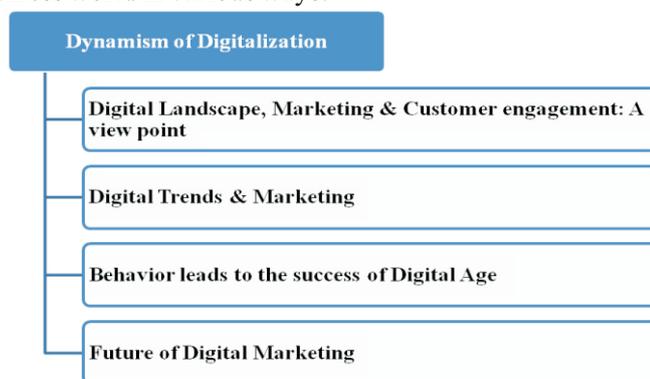
Digitalization & its impact on the company's performance; study introduced the relationship between traditional marketing analytics, big data analytics & new product success. The new product success in not an automatic process; but the fusion of strategic choices, knowledge from both marketing skills & data analysis process. It requires a huge information base from many associate partners of the firm. The speedy growth of market, technology, regulation, competition & inputs made the process more critical for a particular product. (Xu, Frankwick & Ramirez, 2016)

Another research where in author emphasis on data, digital world & strategies used to design for utilizing the rich data. The amount of data generated in the digital world is almost unimaginable. But it is of no use unless we plan strategies to cope with the complexity & which enables the organization to leverage the information & create value. The author helped in understanding the complexity of data, analytic process & incorporates it for further marketing research & customer relationship management in today's digital scenario. Not all the firms get benefited from the both traditional marketing technique & data collection through digital resources but only those who incorporate it in strategic planning process of marketing & direct connect with the customer for co-creation process. (Verhoef et al., 2016).

Number of internet users is increasing day by day, the use of internet also increased in terms of number of ways. The internet of things describes the concept very well. "A paradigm where everyday objects can be equipped with identifying, sensing, networking and processing capabilities that will allow them to communicate with one another and with other devices and services over the Internet to accomplish some objective". (Whitmore et al., 2015)

Over a decade's IT is used as a functional level performer for any organization. This article is focusing on fusion of IT strategy & business level strategies. Business strategies can be merged with the IT tools for the betterment of the company performance. The author continued the paper on four major themes: 1. the scope of digital business strategy, 2. scales of digital business strategy, 3. the speed of digital business strategy, 4. the sources of business value creation and capture in digital business strategy. After this discussion the paper also point out the success factors of digitalization & probable performance implications from pursuing a digital business strategy. (Bharadwaj et al. 2013)

According to the study of above literature the current study discusses on digital platform & its impact on marketing in dynamic business world in various ways:



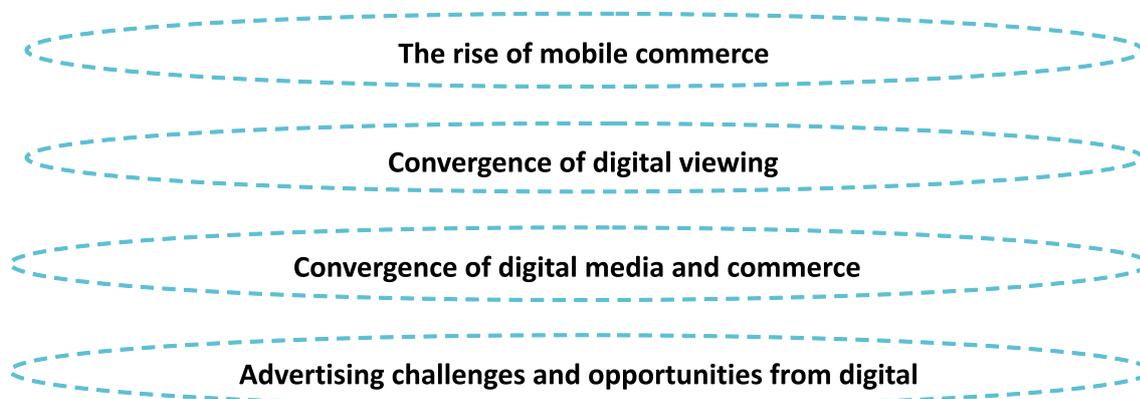
- **Digital Landscape, Marketing & Customer engagement**

Digital landscape is originated from internet & search engines. The first search engine was started in 1991 with a network protocol called Gopher for query and search. After the launch of Yahoo in 1994 companies started to maximize their ranking on the website (Smyth 2007). Digital landscape creates the tremendous challenges in marketing. Research findings suggest that more than 90% of all consumers read online reviews before they buy products and that 67% of all purchasers of consumer goods are based on user-generated content. Approximately, consumers read at least four reviews before making a purchase (Kee, 2008). Consumer is extracting the digital forum for optimum utilization of its limited resources for fulfillment of specific needs. Hence Digital platform creates empowered customers led by other customers rather than the advertisement. As a result it has innovated the concept of customer engagement (van Doorn et al, 2010). The number of internet users in India 432 million in December 2016 according to the report “Mobile Association of India and market research firm IMRB International”.

Companies have realized the importance in this developing stage of economy. Success of any business highly depends upon how effectively a firm has adopted the shift from sales approach to the customer approach of marketing. In order for businesses to be successful they will have to merge online with traditional methods for meeting the needs of customers more precisely (Parsons, Zeisser, Waitman 1996). Consumer rapid adaptation of mobile services increasing the use of digital media & this platform nevertheless contributes to the informative society. Internet in everywhere at home, at workplace, on the go a constant connects. Digitalization not only given more options to connect with the audience but a challenge to the companies for a constant research & development in the field of communication. The digital revolution is threatening existing business models. Business models describe how a business creates the value it provides to customers and how it then captures its economic profits (Day, 2011). Studies explain that in this digital age traditional ways of marketing techniques are less effective than they once before, to get more customer engagement organization must develop more web concentrated campaign to build & develop strong relationship. Campaign starts with company websites, online communication through co-creation & feedback system, internet search & display advertizing, mobile network, online videos & social networking on facebook & twitter are both push & pull strategies.

- **Digital Trends & Marketing**

Digital trends embrace the traditional way of marketing communication & the acceptance of mobile among the audience is the reason for the success of digitalization. Companies R&D is in the continuous process of providing the application software to access the application at very easiest platform called mobile commerce.



1. The rise of mobile commerce

Most of us see in our mind that whenever the term online shopping comes it is someone sitting in front of the desktop or laptop but this image quickly shifted to dramatically grown platform mobile platform. Mobile has turned out to be so essential that it has got its own name called “M-Commerce”. Report from Criteek concluded “In 2014, Shopify studied 100,000 e-commerce retailers and found that 50.3% of their combined sales were coming from mobile platforms compared to 49.7% for desktop. In September 2012, Shopify's numbers had only credited 17% of e-commerce sales to mobile devices. 22.7% is a big leap for m-commerce to take in just two years. Gartner, an information technology research company, predicted in a January 2015 press release that mobile commerce would account for half of “digital commerce revenue” after 2017.” The growth of m-commerce is no doubt growing & growing with a fastest speed. The distance is not so far when it will replace the desktop shopping as the principal way of company & consumers connect.

2. Convergence of digital viewing

Growth of mobile users increased the time spending of individual on internet rather than watching TV. Often an individual access the digital platform through various ways like well equipped wifi connected televisions, browsing on ipads & gaming on mobile phones. Siddhartha Menon defines convergence, in his Policy initiative Dilemmas on Media Convergence: “A Cross National Perspective, as integration and digitalization. Integration, here, is defined as “a process of transformation measure by the degree to which diverse media such as phone, data broadcast and information technology infrastructures are combined into a single seamless all purpose network architecture platform”.

3. Convergence of digital media and commerce

The next step in row is working of digital media & e-commerce at same forum for mutual benefit. As part of study, it is proven that users experience increase in self-esteem and enjoyment when they adapt to social media which itself is a motivating sign for businesses and marketing professional (Arnott, 2013). As the digital viewing become favorable; this platform is not only used for the entertainment purpose but also being access for shopping & availing the services as well with a rapid use of commerce through mobile platform. Security is concern for most of the individuals when they connect with commerce activities at digital platform.

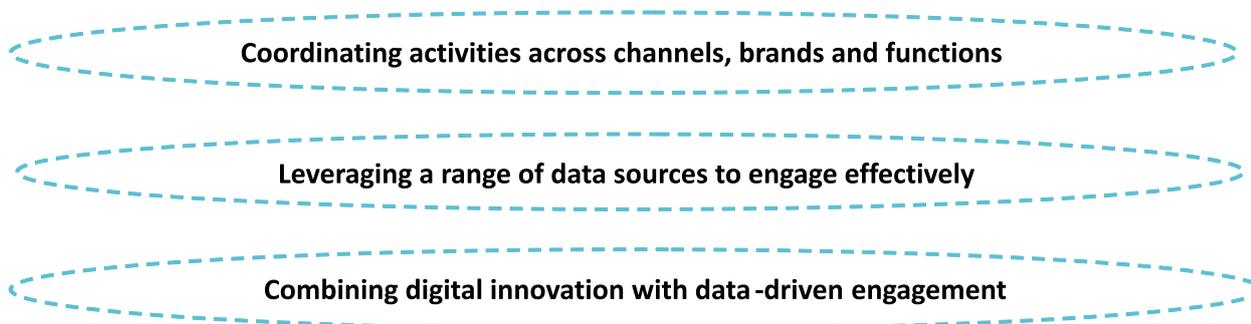
4. Advertising opportunities & challenges from digital

“Marketing is not the art of finding clever ways to dispose of what you make. It's the art of creating genuine customer value.” – Philip Kotler. The Internet is the most powerful tool for businesses (Yannopoulos, 2011). Managers who are not able to take the advantage of digital platform in their business strategies will be at disadvantages because internet is reaching out very fast than any other communication channel for all the P's of marketing mix. The current challenge in front of industry is which way to adopt for the purpose of the advertising about offering. There can be multiple ways along with their pros & cons companies has to choose the best way which maximum impact on the sale of the product. Social media marketing, Search engine optimization, Search media marketing, Digital display, Mobile marketing & so on. Media has gone through a broad phase of expansion in last ten years. Earlier the mode of promotion was traditional medium like T.V., Radio & Newspaper, however, now the future of marketers appears to be digital as technology has become an important part of daily lives (Pall & McGrath, 2009). It is important for the firm to use different digital platform and identify which works the best, sometimes not only one way but combination strategies are

suitable for showcasing the product. Companies may avail the web analytics tool to check which way is performing the best & take the further steps.

- **Behavior leads to the success of Digital Age**

Following factors are majorly contributing to the success of digital age:



1. **Coordinating activities across channels, brands and functions**

Years ago digitalization was just a thought an extended mode of communication after TV & Press. But as the literacy level increase; digitalization became one of the powerful modes of communication. The core competency of the success of this tool is how companies are putting efforts to reap the best benefit out of it. Social media with special reference to Facebook opened the door to communicate with a number of audiences about the offerings with more creative ways. This is possible only if the managers are fully aware of using the communication strategies to engage the customers and enhancing their experience (Mangold, 2009). Now the target audiences are scattered; so the blend of all the available resources can reach to the audience at most collective manner for communicating the offering timely. Careful management of promotional activity is required to get best from time, efforts & money spent on it. As the marketing activities increased & become more analytical there is need of automation techniques. These techniques add values; they not only help us to understand the campaign effectiveness but also supports in coordinating with marketing, sales & customer relationship with analytical approach at every possible parameter.

2. **Leveraging a range of data sources to engage effectively**

Analytical approach provides huge data about sales, profit, traffic on the particular advertise, customer buying approach & perception. These technologies allow company to gather waste amount of digital data to identify the golden customers of your company, however companies are providing information on every possible effect of your digital efforts; a dear approach but it yield in future. In addition to it digital data has a shelf life, so if it is of no use then discard it and again work upon collecting newer one. What actually work is the create a framework of collected data, understand the trend before you start working on it, identify the effective one then after involve it in the working for growth & future capabilities. This approach will help the companies for the effective utilization of their spending on the marketing tool.

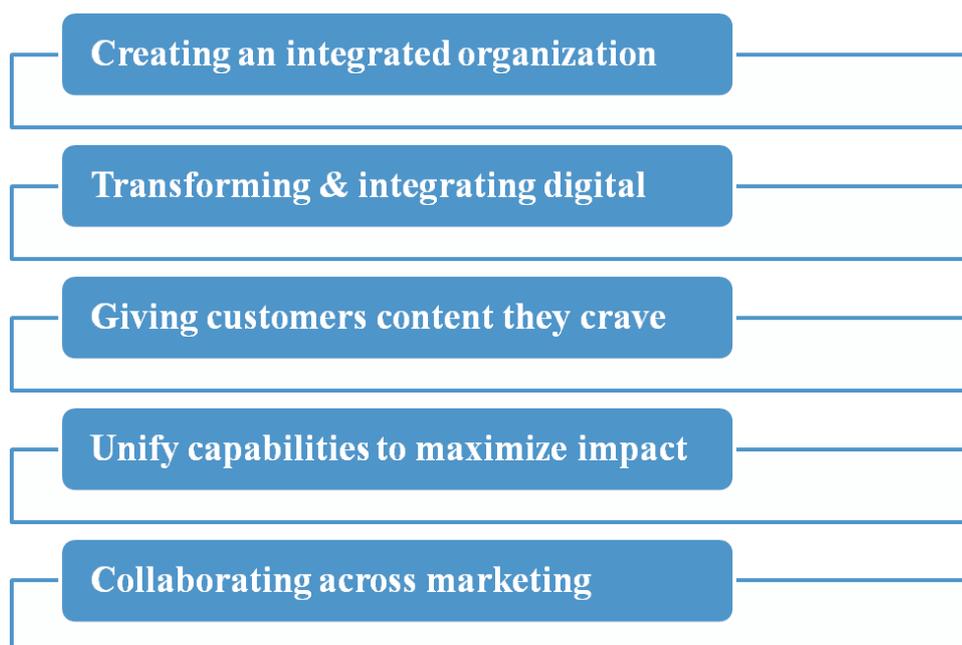
3. **Combining digital innovation with data-driven engagement**

With the help of digital platform companies are able to execute the campaign they have planned for the promotion of their offering. The digital approach of companies should be flexible to adopt the new tools & technologies for engaging the customers in emerging scenario. The data should be well connected with the technologies for the accurate results of running campaign. Companies are using several platform offered by

digital medium but there should be synchronization in the flow of information at the same time via various channels so as to give a consistent experience across all of them.

- **Future of digital marketing**

Creation of long lasting relationship with customers is always been an art of marketing & the task become more complicated with the emergence of digitalization activities of marketing. Consumers dependency on digital resources has been increased, the battle has intensified now. Organization are continues in a process to adopt the dynamics of digital world, after the above study few points can be concluded on the future prospects of digitalization. The contribution is as under:



1. **Creating an integrated organization :**

Digitalization is bringing the technology & business at one platform. It is challenging task for firm & its employees for understanding & applying the dynamism of digitalization for the growth of the company. Digitalization binds IT skills to integrate the organizations using the data framework for capitalize on the customer engagement via social networks & mobile applications. Online services tools are more influencing than traditional methods of communication (Helm, Möller, Mauroner, Conrad, 2013). These platforms are continuous working for new ideas & tools to connect with new customers & retain them as loyal one for the organization. The integration needs to be in ways like analysis of customer experience, data collection, analysis & continues working on improving the current offering.

2. **Transforming & integrating digital :**

Now organization has to work upon its employees for getting ready to understand all the functions for the application of digital platform adopted by the company. Team has to work for several responsibilities like creative catalogs, unique & differentiate offerings every day, search for emerging digital platform, customer support & service, active role even at m-commerce, analytics role, search engine optimization , continuous research & development; most imperative is formulation & implementation of digital strategies which focuses on working upon digital assets by creating innovative avenues for digital business. Here IT also plays a unique role in proving the best technologies, privacy & security, innovation & implementation.

3. Giving customers content they crave :

Attention, purchase conversions, retention & encouragement, all the digital efforts of marketing department should focus on how they can offer the best for existing & attracting the new breed. Relevant matters & creativity, meaningful conversation keeps the customer excited towards the brand & the offerings. Numbers of companies are involving the customer into co-creation process where exchange of knowledge is significant, companies get several of ideas from the customers. Ideas can be for developing a new product or improvement into the existing one, feedback should not considered as a part of system but it should be incorporated as a valuable suggestion for the enhancement of the existing offering. Two way communications encourages the customer participation & give them the feeling trust & a valuable part of organization. Good content is a valued extension to a brand.

4. Unified capabilities to maximize impact :

The only way to survive in the digital age is keep the resources integrated to become multi-disciplined. Creativity should be balanced involving the dynamics of all the department of the company. Organization should incentive the marketing team to come up with new ideas & take the challenges parallel to this they also require skill development programs to be organized for understanding & executing the recent trends & development in the era of digitalization.

5. Collaborating across marketing :

Successful companies can make the idea scalable. You need to put the idea at first place then working upon the idea, collaboration, innovation together & success stories. Agile is the only way to work with a dynamic environment. With ever increasing choice & options; Research & development has become a part of chores. The right operating model to be designed for collaborating across the marketing activities then further these activities need to be connected with various department of the organization. The working of all the departments together will give the reasonable output of the efforts done with digitalization.

CONCLUSION

None of the change can be applied overnight. It's an elongated & strategic process. Organizations not adopting the changes; working on the traditional concept become outdated loose the existing customer, not able to attract the new customer. Strategies to be adopted in right direction using the bland of traditional approach with the newer ways of digitalization, changes to be made in the organization culture, vocational training programs for the employees. Analytical tools for assessing the digital platform outcome & key performance indications for employee's performance will lead to a holistic experience of digitalization & marketing. Humanizing company engagement with customer become very difficult when a company flourishes in digital era & it is an achievement when they are successful do it well. The unity of IT & business activity is the major contribution in acceptance of dynamism of digitalization, marketing activities need to bridge the gap between technology & tradition approaches of doing the business & this would be the great achievement for the organization.

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