The Role of Internet in the Emerging Business of Digital Marketing in Asia

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Abstract: The opportunities of innovative marketing have stormed companies and compelling organizations to consider alternative ways to optimize their investments and drive businesses. Organizations wanting to optimally create visibility and promote their products and services are seeking novel ways to forge into the digital market space to access the growing numbers of online users. Digital Marketing is an emerging business not only in the continent of Asia but also in the World. The world’s population is increasing day by day and in the same proportion Internet users are also increasing. Population are using internet for navigation, E-Mail, Downloads, Social Networking, Information, Technology, Business, Travel, Health, Animation etc. Internet is very useful in diversified business transactions and it is also playing major role in digital marketing. In this context it is very important to understand the role of internet in developing digital marketing. So, the main objective of this paper is to identify the scope of digital marketing in relation to the role of internet in Asia. The data is collected from various online sources. Correlation and Analysis of Variance are applied for data analysis. The major findings of this paper are:

a. Among the various opportunities for emerging business of digital marketing, internet is playing major role.

b. In the world, 44.8% of the world’s internet users are from the continent of Asia.

c. There exists a positive correlation between the population and internet users in Asia.

d. There is low degree of negative correlation between Internet users and Literacy rates.

Keywords: Digital Marketing, Internet Users, Emerging Business, Internet Marketing

1. INTRODUCTION

Digital Marketing comprises of promoting products and services using digital channels that can reach the target consumers in an appropriate manner. Digital channels can have several classes including Internet, smart phones, digital displays and a host of interactive digital media. Any combination of the channels such as those mentioned above can be used to gain maximum visibility with maximum impact among the target customers. This can ensure running businesses within reasonable budgets. Digital channels provide marketers with the remarkable advantage of extensive reach. Therefore appropriately leveraging their extensive potential requires effectual management of multiple channels having complex variables in order to optimize the resources. Digital marketing employs push and pull or a combination of both mechanisms to reach out to customers. This requires the robust support of accurate reporting engines that analyses information which can be used to devise current and future marketing strategies.

II. Objectives of the Study

- To examine the scope of digital marketing in relation to the role of internet in Asia.
- To study the correlation between population, internet users and literacy rate in Asia.
- To analyze the growth rate of digital marketing in India.

III. Hypotheses

- There is no significant relationship between population and Internet users among the continents in the world and in Asian Countries.
- There is no significant relationship between internet users and literacy rates in Asian Countries.
- There is no significant difference between the population and internet users in Asian Countries.
IV. Methodology
The present study is based on secondary data sources. The statistical data is collected from various online sources and is accessed in the month of March 2020. Population, Literacy rates, and Internet users’ statistics of Asian Countries are collected. Correlation analysis is applied to test the relationship between population, internet users and literacy rates. And, Analysis of variance – one way classification is applied to test the significant difference between population and internet users in Asian countries.

V. Limitations
▪ The study is based on secondary data.
▪ The study highlights online retail categories only in India.
▪ Population, Internet users and literacy statistics are considered for the study.

VI. Review of Literature
Marko Merisavo developed an integrative conceptual model of digital marketing communication based on the previous research reports. The model explains the key elements like frequency and content of brand communication, personalization and interactivity, which can lead to customer value, commitment and loyalty [3]. Marketers are trying to build sustainable customer relationships through technological innovations. The central theme of marketing is graduating from the exchange of goods and moving towards service, interactivity, connectivity and ongoing relationships. Technological innovations, new channels and changing media environment facilitate this shift [1]. Digital marketing is becoming an essential part of strategy in many companies. Marketers can craft more personalized brand communications based on consumers’ behavior and preferences easily by digital channels. The effectiveness of brand communication can be increased by customer perceived value, and interest which leads to maintaining an enhanced relationship with the marketer [4].

VII. Role of Internet in Digital Marketing
Internet marketing is an element of electronic commerce. Web marketing helps to capture an improved number of visitors, who visit the sites; who are not keen on making a purchase yet who will be provided the company web site details and this improves their visibility. Newspapers and magazines are limited in their exposure as there is no way to engage customers attention. Online marketing helps to motivate customers by taking them to the point of making a sale by getting them to visit the website and view company’s products and services. Today’s consumers are knowledgeable and make comparisons by the reviews and taking opinions of friends, trusted bloggers and genuine experts before they make a decision. Internet marketing is not as expensive as a form of marketing as its actually thought to be, when companies give high quality and accessible information that people look for it helps companies by actually taking them a step forward towards converting users into a sale and paying clients. With social media networks it helps organizations to reinforce the value of positive word-of-mouth exposure and this is essential as trust is more important in today’s market scenario.

There benefits of internet marketing are manifold as it is one of the cheapest technique to promote the company’s products and generate customer loyalty. Thus, Internet plays a pivotal role in digital marketing in the present scenario as shown in the following figure 1.

Figure 1: Internet Marketing

Strategies for Digital Marketing
Building a reputation for a product or service online is challenging in today’s competitive market. So it is essential to adopt a host of techniques for improving online business

VIII. Data Analysis
As indicated in the methodology, to fulfill the objectives of the study, Correlation and Analysis of Variance – one way classification tools are applied for the statistical data to test the relationship between the selected factors such as population, literacy rates and internet users.

a. Relationship between Population and Internet Users

Figure 2: Population and Internet Users by Continent

Null Hypothesis: There is no significant relationship between population and internet users in the continents of the world.
By applying Karl Parson’s Coefficient of Correlation, the correlation coefficient (r) is found to be 0.75 i.e., population and internet users are positively correlated. Hence, there is a significant positive relationship between the population and internet users by continent, therefore we accept the alternate hypothesis.

b. Relationship between Population, Internet Users and Literacy Rate

Figure 3: Population, Internet users and Literacy rate in Asian Countries

Null Hypothesis: There is no significant relationship between population, internet users and literacy rates in Asian Countries.

By applying Spearman’s Rank Correlation the correlation coefficient (r1), between population and internet users, is 0.424 i.e., there is low degree of positive correlation between the population and internet users. The correlation coefficient (r2) between Literacy rate and Internet users is -0.16425 i.e., most of the Literates are not using internet in Asian Countries.

Table 1: Population and Internet users by Continent

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<tbody>
<tr>
<td>Africa</td>
<td>103.75</td>
<td>13.98752</td>
<td>13.50</td>
<td>2988.40</td>
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<td>Asia</td>
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<tr>
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<td>7.7021</td>
<td>35.60</td>
<td>2244.80</td>
<td>3.40</td>
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<tr>
<td>North America</td>
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<td>Latin America / Carib.</td>
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<td>39.50</td>
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<td>10.40</td>
</tr>
<tr>
<td>Oceania / Australia</td>
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<td>2.392746</td>
<td>67.50</td>
<td>214.00</td>
<td>1.10</td>
</tr>
<tr>
<td>World Total</td>
<td>693.01</td>
<td>226.7234</td>
<td>32.70</td>
<td>528.10</td>
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</tbody>
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Source: Internet world stats - www.internetworldstats.com

IX. Findings of the Study

The study found the following highlights in Asia and India.

Highlights of Asia

- In the world, 44.8% of the internet users and 60% of the population are from Asia.
- World’s top two largest population countries (China and India) are in Asia.
- There is a positive correlation between the population and internet users.
- The average penetration rate of internet users in Asian Countries is 26.4 %.
- The average literacy rate is 87.36 %.
- There is a low degree of negative correlation between internet users and literacy rate.
- There is a significant positive relationship between population and internet users by continent.

ii. **Highlights of India**
- India is occupied 13th and 28th positions in internet users and literacy rate respectively. So, there is a huge opportunity for pushing up digital marketing.
- The literacy rate in India is 74%.
- Penetration of internet users is 10.2%.
- Computer Software is the most visited retail category in India. It is 16.8% which is higher than that of the world’s percentage (12.8%).
- India is dominating the world in the following online categories: navigation, social networking, Email, downloads, community, technology, blogs, business/finance, education, sports and travel.
- In India, 58.6% of the internet users are accessing online retail sites.

1. **IX. Conclusion & suggestions**

2. The number of internet users is increasing as a result of digital age. Today, people spend more time on internet for the purpose of navigation, social networking, Email, downloads, community, technology, blogs, business/finance, education, sports and travel. This trend will continue further and leads to online shopping. Also, the internet usage will rise in lined with the population and literacy growth rate. In this context, Asia is the most populous continent, with its 4.2 billion inhabitants accounting for over 60% of the world population. The world's two most-populated countries alone, China and India, together constitute about 37% of the world's population. Besides, the literacy rate is 87.36% which is higher than world’s average literacy rate (84%). Also, it is leading in terms of internet usage in the world.

There is no significant difference between the population and internet users in Asian Countries and there is a low degree of positive correlation between the population and internet users. But, the study found a low degree of negative correlation between the parameters literacy rate and internet users. This indicates that most of the literates are not using internet in Asian Countries. So, there is a scope for further increase in terms of internet usage that leads to internet marketing. Hence, internet plays a major role in the emerging business of digital marketing.

The study observed that internet plays a major role in digital marketing and internet usage is tremendously increasing in the digital age. So, it is the right opportunity for the digital marketers to attract the internet users to engage in digital marketing. Marketers should adopt suitable marketing strategies to pull towards this engagement.

**References**
