

THE PROCESS OF TECHNOLOGICAL TRANSFORMATION IN MARKETING ACTIVITIES

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Annotation

The definition of digital marketing and its strategy is given, its differences from traditional marketing are given. The effectiveness of various digital marketing methods to increase business profitability and increase the value of companies is shown.

Keywords

digital marketing, traditional marketing, e-commerce, mobile marketing, digital business, globalization world.

According to the researcher’s findings Monnappa in 2020, the digital world started its revolution in the end of the 20th century in 1990 with introducing of Internet and the Web 0.1 platform. The usability of this platform was extremely limited and had very small number of options if we compare what we use today in our daily activities, as regular users of net platforms were not allowed or had limited access to share any information, and they could not do any interaction with other users. Web 1.0 could only offer to read any requested information and it made such a difficult to give a feedback and to communicate with readers. In addition, in 1991 in same year, the first web search engine was successfully launched, it has been named as a “Archie”. And it was a foundation tool to develop for mass further discoveries which humanity start exploring more and more knowledge out of it. Internet developers filled the engine’s servers with FTP host directories and it was anonymous creators in web information. It helped to use and to locate important file titles as the page was linked to as searchable anonymous FTP sites database (Li, 2002)[4].

Afterwards, many new technologies have been created in various fields such as in e-commerce as well. The first e-commerce transactions and retailers took place in 1994 and that transaction was done by Dan Kohn who was 21 at the time and had its own website called NetMarket. He used to sell a CDs to his surrounding such as friends and relatives. He used all his transactions via a credit card to pay 12\$ plus shipping fee for his sold CDs (Grothaus, 2015)[3].

In the 1994, Yahoo has launched and had quick success in e-commerce industry by receiving 1 million hits in the its first year of existing in the new direction of business.

Google was launched in 1998 and this is the most important moments in the history of the technology and especially for the digital marketing. E-commerce got many advantages and it used to be as the most common search engine which it played crucial role in improving a digital campaigns and integrated marketing (Tiwari, 2018)[9].

Web 2.0 came into the world in 2004 and this also one of the notetaking moments for the history of e-comers because users were no longer receivers of information but they had an ability to interact with others in business, technology or many different industries. Due to this web evolution, many internet giant companies, and social media platforms came up with a phenomenal page such as Facebook, Instagram, Twitter, YouTube, MySpace and LinkedIn were created. That moment was historical moment not only for the business users of internet but around the world, people had easier and faster communication to each other. World become so small that users could reach any part of the world’s market within a second by typing needed bottoms in internet. This was a reason for many

institutions to see opportunities to sell their products or services and have good return on internet. According the statistics of 2004, in the US (United States) alone internet advertising brought more than \$3 billion which says this is the future most of the companies and entrepreneurs.

Foundation of e-commerce brought new and new ways of making advertising in internet especially in social media such as creating cookies. Cookies they are a little date files that are save for the users of internet and these files track purchases which were loaded into online clicks a purchasing carts. It records of clicks and views of user, a banner of advertisement in internet. It helps to generate a hot lead for the e-business companies and sell the product (Singleton, 2000)[6].

When Google launched its Google AdWords in 2009 there were a 3-line words that pop-up in the different corners of the screen and it was a search engine results and it works on a payment such as a per-click principle. However, that period Google had created many tools for promoting goods and services of companies they were target adverting and they positioned themselves as a leader of the digital business world with highest number of users in this platform.

In other hand, mobile marketing as well started booming which starts after the 2010 by increasing of the number of mobile phone producers. Each of them wanted to come up with a new option of their gadgets and one of the leaders was Apple company. Most of the new smartphones become easy to use and they were more reasonably priced. This was a turning point for phones that the marketing campaigns were focused to sell people much friendly user smartphones for web browsing.

Last 30 years, digital world have been experienced tremendous changes and growth over the time. It has seen many challenges and improvements over the three decades and it is improving every day.

Marketing is adapting for all changes of the world and it is getting much bigger and various. Since the digital transformation took place it became two marketing: first is traditional marketing which we know today, and second one is digital marketing which it is getting richer and complex.

Traditional marketing has big definition and it is a very wide term that includes different forms of marketing tools such as place, possession utility, make a value for products and customers and help to company to sell the product to the end users. Whatever comes before digital marketing we can include as a traditional marketing and it works in offline formats. It has to divisions of groups such as ATL and BTL. Above the line marketing (ATL) it reaches to end users by TV advertisements, offline conferences, fliers, notes, billboards, radio ads, and promotional activities. Below the line marketing (BTL) which reaches to end users via using e-mails, sponsorships, telephones and guerilla campaigns (Sloan, 2020)[7].

As researchers Durmaz & Efendioğlu (2016) have found the most important objective of traditional marketing is to work in four Ps principles (Price, Product, Place, Promotion) and it needs to be provided place, possession utility, time to create value for customers and sell the product or service to customers. Traditional marketing helps to all channels to sell goods and digital marketing helps to do all these transactions to make easier [1].

The two group of marketing tools and BTL should work together in order to be more efficient in their work. Each has its own advantages and disadvantages but both of them if they planned correctly to aim the same goal then disadvantage can be despaired and only remains advantage.

Due to getting popular digital marketing, the efficiency of the traditional marketing has changed and advanced in the last few decades. In general marketing tools got much healthier and stronger because of these two combinations of marketing and we cannot imagine the marketing without four P's. It helps for any marketing specialist to get the right directions via knowing and answering of three W + one H questions such as when produce good, whom produce good and why produce good then marketer could find how to produce that product in the given time in the production. Apparently, digital marketing can be understanding and can be different then to traditional marketing but it should not ignore importance of these four P's and three W + one H questions. Instead, both are fulfilling to create by helping to companies in the business.

Traditional marketing is important in appealing to the local audience and it is needed in that kind of markets where older audience as they struggle to keep up with constant progress in

technological trends and for them it is difficult to get adapted in the changes, so for them its important a traditional marketing rather than digital one. This very fast changing world the importance of both digital and traditional marketing is represented equally important. In addition, the cost of the digital media expenditure projected will be higher than traditional media expenditure as it can be seen from the figure 1[2].

In the globalization world digital marketing is getting extremely useful and needed for any companies to promote its brands, services and products. It can be seen that digital marketing becoming widespread and popular over the last decade. Due to the numbers of Forbes that 82 % of the companies get their customers via engaging online activities and social media (Forbes Press Release, 2016), that shows most of the customers before doing any purchase they do research and see advices from internet then they buy the product[2].

It is so interesting, because customers they do not realize that they are becoming addicted to internets web browsers. Nowadays generation Z and generation Y population instead of reading many books they go to Google and in search place they type whatever question or problem they need and within seconds they get an immediate answer from it. Of course, this is an advantage for society and makes the life much easier through digitalization world and another huge advantage of digital marketing is the fact that marketers can analyze traffic information and helps marketers to understand user’s preferences and habits enables them to build their strategies accordingly for the businesses.

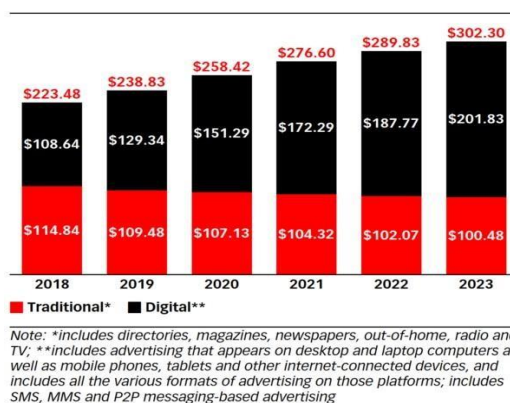


Figure 1. Comparative characteristics of traditional and digital marketing

The most important advantages of digital marketing are that it can save money and reduce the cost of the businesses in order to get higher profit with respect to traditional marketing tools. In addition, this can help for start uppers and entrepreneurs to start their business in a noticeably lower cost which they can invest their budget in other directions of their business and to gain much wider audience of their business for example better raw materials, better location of the firm or get much well skilled professional to the company.

However, second highlighting advantage of digital marketing is that companies can find their customers much quicker and they can target their marketing strategies to them, those customers could be the most ideal customers. In digital world most internet users they give their personal few information and that can be enough for the digital marketing because then they can track each internet user individuals separately and find many information by their interaction between some other people or by their likes and dislikes for social media posts. To get direct to customers without any barriers is so beneficial for the digital marketing because they can immediately improve the company’s conversion rate, that is a direct result of specific lead targeting and pitching the product (Storm, 2020)[8].

In conclusion, technological improvements are getting better day by day and transforming the companies operational process to conduct profit for business. Marketing expanding so quickly so to track it getting very difficult due to changes happens not yearly, not monthly, even not weekly, but changes happen daily. Digital updates have influenced tremendous transformational change for marketing and it changed the way of companies use their strategies in market because they had to adopt quickly and be ready for new challenges. The main and most important objective was to

investigate and find the use of digital marketing, and it can be seen that marketing played an unreplaceable role in developing and contributing to the success of any institution in the market.

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