

APPLICATION OF WORD OF MOUTH IN DIGITAL MARKETING: UNTAPPED POTENTIAL AND EMERGING TOOLS

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Abstract

The paper focus at comparing the experiences of internet users, that will add value in developing digital marketing for optimal use. Researcher considered Hyderabad to identify the differences in the attitude of internet users towards shopping. Are there any differences in experiencing online world? What causes these differences?

Design/Methodology/Approach: This study made use of qualitative as well as quantitative type data. The descriptive, to be specific cross-sectional research design is used, this enabled researcher to collect data from, and analyse the situation at Hyderabad, India. Researcher collected data from respondents, identified with accidental sampling technique. In all 129 individuals, that are residents of Hyderabad city, India, and have at least awareness and basic acceptable level of usage of internet are considered.

Findings: This study provides the guidelines how to identify, analysing factors with the help of demographic factors of internet users, utility of different digital marketing media available. Further, the study could be helpful in designing the digital marketing campaigns, and digital advertising, at the same time these will add value to traditional methods and concepts.

Research limitations/implications: The study is carried out at a place where IT industry is flourishing at Hyderabad, India. It is possible that some of the findings pertain to the destination of the study only, and readers of the study may find obstacles in generalizing.

Originality/Value: This research is part of the researcher's future study, which aims at contributing to marketing field looking into the consumer psychology towards digital marketing and online shopping, that could help organizations from different industries to develop marketing strategies and making optimal use of online media tools.

Keywords: Digital marketing, Internet users, Online Marketing, Media tools, Online shopping, Consumer Behaviour

1. Introduction

A need for push ensuring e-Governance in India is identified and efforts are being taken to promote electronic services. Further, Indian government is taking efforts to transform public services system, making use of contemporary information technology. It has launched the flagship 'Digital India Programme' with vision to transform India into a digitally empowered society.

"Hyderabad tops among the cities in Andhra Pradesh state and 83152 users have linked their accounts with Aadhar. There remains no doubt Hyderabad is adaptable towards digital movement. People at Hyderabad are ready to welcome the digital communication, which is very advantageous for the organizations to establish communication about their product/services and other important communications: communicating to other stake holders.

If an organization wants to implement digital marketing, how it should start and move: path should it follow. This question is faced by many, researcher taking efforts dealing with it to some extent.

Convenience is important point in marketing. Digital marketing tools provide convenience to the customer along with many other advantages over the traditional way of purchase. (Harald J. van Heerde, 2019) studied users out of 629 who downloaded the mobile app of a retail store in a study titled "Engaging the unengaged customer: The value of a retailer mobile app. Authors were of the mind that due to remoteness from physical store customers unable to connect with the retailer. Researchers said that an app provides convenient digital engagement than the website through mobile phone or desktop.

Researchers, (Muller & Peres, 2019) identified, in the study titled, "The effect of social networks structure on innovation performance: A review and directions for research", major managerial opportunities: targeting, developing referral programs, and optimizing seeding strategies.

They further, discussing targeting opportunity, of the view that gain from and, cost of serving target customer depends on the network structure leading it to the value of the network, and the research in this area is at initial stages. They suggested focusing on local characteristics of customer, which would help in taking decisions about targeting in the absence of other relevant information such as social media profile of customers.

Researchers, talked about optimizing seeding strategies, where selecting a subset of network members to initiate the penetration process is the key point in this strategy aiming with acquiring new customers. They further reviewed and discussed about how to select subset of network users, how the scientific way of selecting subsets would be beneficial for organizations for seeding than random seeding.

Referral programs are paid word of mouth not always in direct monetary benefits but rewards in terms of discounts on future purchases, coupons, special treatments, special or extended service terms, etc. to existing customers to fetch new customers from their network. For gaining new customers lesser efforts required than traditional process of acquiring customers those will be more valuable in the long-term. Whereas few other studies where researchers, (C.F. Hofackera, 2016) (Kendre & Shrigiriwar, 2019) taken efforts exploring impact of word-of-mouth on the message receiver's purchase intent, and how it helps in generating future business economically. social media play important role in advertising , brand building, generating word of mouth and keeping in touch with existing as well as potential customers (Business Insurance, n.d.).

Researchers, (Bagga & Gupta, 2014) studied uses of internet Marketing in automotive sector in India for providing knowledge about their products. They enlisted promotional activities on social media used by different Automobile manufacturers. The paper is a focused comparison of usage social media sites like Facebook, Twitter, and Google+ by three automobile companies: Volkswagen, Hyundai, and Renault of different origin. (Agarwal, Ankit; Elzinga, Dave; Tyagi, Anuradha, 2019) carried out assessment of refrigerator category in the Indian consumer durables market covering more than 450 cities in India further, more than 100,000 consumers for 30 selected brands from consumer durables category, with a specific focus on refrigerator segment.

2. Communication

Author, (Krishan, 2011) studied Central Public Sector Enterprises focusing social media tools and its usage to conclude lack of awareness, regarding the new age media and social networking platforms, among the communication practitioners where researcher opined Organizations yet attached to the

traditional communication tools like print publications, e-mails, newsletters etc. The latest tool being incorporated was website and that is not a dedicated tool for internal communications further, he found employer inclined towards social media tools to the existing tool kit soon for corporate communications.

Digital marketing strategy deals with firms' judicious use of digital resources (e.g., web analytics, social media and mobile platforms, keyword choice) to create differentiated and sustainable value for customers. (Bharadwaj, Sawy, Pavlou, & Venkatraman, 2013). Dell worked on the beautiful online platform, where customers put their customized orders and orders are split into suborders through ERP software connected to their suppliers. This was really a game changer step taken by Dell that time even today many taking effort to follow the path. (Sridhar & Fang, 2019) (Chen, Li, Yao, & Zhou, 2019) (Werner Reinartz, 2019) (Peter C. Verhoef, 2019)

3. Research Method

Researcher used convenience sampling technique to select respondents. People whom research did not know and meet just by chance were selected on the spot. Primary data is collected in this study. Questionnaire distributed to 150 respondents. Correct filled questionnaires received were 129. Response rate was 0.86. Thus collected, complete data is analysed with t-test and ANOVA with the help of MS Excel 2016, SPSS Version 20.0.

3.1 Buying Process

“Consumer decision journey is a nonlinear path a consumer follows from brand awareness to purchase till loyalty” (Agarwal, Ankit; Elzinga, Dave; Tyagi, Anuradha, 2019) further, customer purchases are from brands in the initial consideration set. This means that people made up their mind about the brands before purchasing and/or visiting the stores for actual shopping. They opined, “Gaining a spot in the initial consideration set can be the differentiator between winning and losing brands”.

3.2 Digital Marketing Media Tools

Email Marketing, Advertising through Social Media Platforms such as: YouTube is a platform where organizations can create and upload videos about products and services. Further, organizations can create videos on how to maintain these products i.e., for aftersales service part even they can guide and can remain in touch with their customers, protecting their market shares.

Company Website: When a loyal customer want to find out what new launches Mahindra Company has, he/she may directly go to <https://www.mahindra.com/> . People if want to enquire more about the product than the listed information or they want to have quick information they can click general enquiry or chat options. Currently people find less time to visit showrooms or say do not find time just to know more about a new product they may like or dislike. This digital era has offered people this facility through web, apps, media, social media, etc.

Product Specific Domain: For example, Mahindra for its product XUV300 created a separate domain <https://www.mahindraxuv300.com/> providing all the details about the product. Without social media and search engines, it is hard for people to know about the domain, even about the product.

Product specifications: It is not always people want to see the specifications of the product but in some cases such as consumer durables people would like to check it. Again, this can be done through comfort of their home or office.

Product Features: It is not always people want to see the features of the product but in some cases such as consumer durables people would like to check it. People may want to check the availability of the colours they prefer. In addition, they may want to see it how the product will look and in those and another colours. This feature has reduced cost burden of maintaining all colour and all other technical variants of the product by a showroom owner. Again, this can be done at comfort of their home or office.

Instagram: This is a great platform where organizations can share the product video and photographs to their fan or followers or loyal customers. With the paid advertisements, they can reach the people available at Instagram and like social media platform. Say a company wants to show the advertisement to those customers who are from Hyderabad and intend to buy product on its list of offerings but have never bought any of the products from the organization's product list. Such a type of criteria selection is also possible for the organizations with social media.

Facebook: People use Facebook for networking. Gossiping, chatting, sharing information about them, their happenings good, or bad, or in general through a freely available platform. People do not know why they offer the platform for free or at lower costs, but organizations can use their data to advertise their products and services.

Yahoo: These are another popular website where people go for specific or general-purpose information. These platforms can be utilized by organizations to display their advertisements. People can see the advertisements for the products they intend to buy or not. Today, it is quite possible that people can be bombarded with those advertisements that they intend to or need to buy in recent future. Analytics has offered organizations to select customers to show specific product or service ads with the potential and hot customer lists only.

Number of people check official websites, for variety of reasons, of the companies for the product detail was found to be quite less, hence it makes companies to practice more and more promotional strategies through internet advertisements and use of social media such as Facebook, Yahoo, Instagram, YouTube, etc.

Digital marketing would help to achieve position in the minds of the customers before even they have decided to buy the product. Researchers identified the need for a well-planned marketing program across the Consumer decision journey where digital marketing is helpful. There are many existing, and emerging tools such as YouTubeTV, YouTubeMusic, YouTubeKidz, YouTube for Artists, etc. People know about YouTube whereas other tools available are little known to people as well as many firms that may like to advertise or advertising unknowingly. Further, before uploading one can take advantage of tools such as Vimeo to enhance videos.

3.3 Measuring Success

Researchers, (Agarwal, Ankit; Elzinga, Dave; Tyagi, Anuradha, 2019) developed Customer Growth Indicator (CGI), "Measures the ratio between the percent of consumers who initially consider a brand and the brand's market share based on actual sales". Where, CGI is capable to explain the variations in sales growth between brands. Further, this could be useful to assess brand health. They found a strong ICS presence positively correlated with winning of market share by brands.

4. Analysis, findings and discussions:

The ratings considered here are collected on Likert 5-point scale. First, researcher compared given ratings with value 1 on Likert scale that means customers do not 'Read Review Before Shopping' and they do not 'Write reviews Write reviews about product/service they use' and found that mean

rating for 'Read Review Before Shopping' is (2.98) is significantly differs at ($t = 20.361, p < 0.05$) and the mean rating for 'Write reviews Write reviews about product/service they use' is (2.23) differ significantly as well at ($t = 16.645, p < 0.05$). it shows that people read and write reviews about the product they intend to buy and bought respectively.

Then researcher carried a paired t-test comparing the reading and writing reviews. Customers' mean rating for 'Read Review Before Shopping' is 3.01 whereas it is for 'Write reviews about product/service they use' is 2.24 these means differ significantly with at ($t = 6.429, p < 0.05$). it means that people read customer reviews about the product and services they intend to buy and there is less guarantee that they will write a review after buying and using the product when compared with review reading. The digital world offered customers a platform for their use. Similarly, organizations can use this platform for their improvements.

The mean rating for 'Read Review Before Shopping' by 'Age below 35 years' respondent is (2.67) and it is (3.00) for Age above 35 years old category respondents. Yet the difference is not found significant. These results suggest that the older people may or may not read reviews about products they intend to buy. However, they will write reviews certainly.

The mean rating for 'Write reviews about product/service' by 'Age below 35 years' respondent is (1.67) and it is (2.26) for Age above 35 years old category respondents. The difference is found significant at ($t = -1.737, p < 0.05$).

From the results it could be said that older people read and write reviews more than the lower age customers.

It is possible for all type of organizations to work with this digital concept, problems, and obstacles they are facing, or they may face in future could be handled in present. Researcher could say that until now organizations are lagging in utilizing the full potential of tools such as: Company Website, Company Website blogs, subdomains, search engine platforms, etc.

5. Conclusion

To some people, seems to be, the digital marketing concept limited just to create awareness about products and/or services, or advertising through digital tools, to some people it is a step further to make people buy online. The concept covers with the first step of creating awareness, until providing aftersales service online so that the whole process is covered online through web.

Some companies limited themselves to create awareness about their services. A few of the companies limited themselves to carry out a portion online such as ordering process such as travel and tourist companies and a very few companies go beyond and cover feedback online, checking the real and fresh status in the eyes of the customers.

It could be said that marketing is making people aware about company's products and/or services, attracting them to buy, satisfying their latent needs. The procedure to create awareness, attracting, purchase, and after sales through a digital platform called as digital marketing.

Organizations should master the existing technologies, keep an eye on the market for emerging, and should effort to create new to add to the pool instead of waiting. While working on digital platform organizations should consider the following for a sustainable improvement.

Reviews are concentrated version of Word of Mouth. This may be positive and negative. Satisfied customers offer positive reviews whereas unsatisfied customers put negative reviews.

(Sharma & Renu, 2016), of the opinion that there should be communication from customer end for suppliers confirming if the displayed product matches with the delivered. However, customers do not get a chance always to communicate directly with the suppliers. If the product/service delivered matches customers would be satisfied, if better delighted, and they even want to talk to but always there is not a feedback system provided.

If the customers are satisfied, they even want to communicate the same problem persists and not always a feedback system is ready in addition most of the times people want to share their experiences at least in their network that knows them. In both the cases customers speak and it is called as word of mouth, in today's time that is in digital world people speak through ratings, and reviews. More prominently customers speak when they are unsatisfied than satisfied, not only in their limited network but then they want to reach as much as they can.

Organizations need to understand this nature, and to better understand their customers should provide a platform where customers can speak about their products which can help improve current and future products, at the same time it could act as a vent for the negativity, or complaints to consider if handled properly may have control over negative word of mouth.

Organizations should remember the digital platform is available for them and customers as well. If understood and implemented, organizations could have a control over the cost, in turn loss which never be calculated perfectly.

6. Suggestions:

Creating, updating, information related to product and services, handling queries, identifying keywords these are some of the duties digital marketing teams do (Business Insurance) this would help customers who first visit social media before buying and after for word of mouth. Digital marketing team should be well trained and should give training on emerging technologies, and tools it is in line with (Tambunan, 2019), suggested organizing trainings focusing on online marketing. Value both Posters as well as diffusers as they are useful for digital marketing (Bharadwaj, Sawy, Pavlou, & Venkatraman, 2013) further ,digital business strategy should be in line with business strategy.

Social media tools can be used to communicate intra team and intra department, inter departments of digital marketing, marketing and sales departments, market research, product research, etc., that may offer an advantage to organizations communicating quickly, bridging gaps (Krishan, 2011). Organizations should take effort to satisfy more older people than younger since, they likely to write reviews than younger. In all they should bring quality to their products, and then move on for digital platform that offers plenty opportunities for creating awareness about their products/services, and about themselves. Many emerging media tools could be helpful, just need keen observation by digital department of organization over the changes in the digital marketing tools, and digital technology.

Future Research: it is believed many marketing outcomes for message sender and receiver could be possible when studied through different angles: memory, knowledge, beliefs, attitudes, regarding shopping online offline. Reviews, ratings for particular categories could be analysed with reading and writing of reviews.

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