

Fostering the Use of Digital Marketing in Bangladesh: Challenges and Opportunities

Md. Aminuzzaman Talukder¹, Md. Monowar Uddin Talukdar²

ABSTRACT

In the era of Global village, Digital Marketing is an all-embracing term. Digital Marketing makes the marketing process more practical than theoretical one. We can treat traditional marketing as mass marketing process or direct marketing process where targeted customers are anonymous whereas digital marketing as a versatile marketing process where One-to-One and mass marketing process can be applied together where desired customers are defined. The growth of Information and Communication Technology in Bangladesh is manifest. The availability of internet connection and also the development of ICT removes the barrier of the communication, trade and commerce hence the overall business activities and it starts to give the importance of time by the proper utilization. In the present study, the use of two words has been widely used; one is a modifier which is Digital & another is a prefix "E". By using of modifier digital we found Digital Marketing, Digital Book, Digital Billboard, on the other hand we found the use of prefix E as E-Business, E-commerce, E-marketing, E-market, E-money, E-payment, E-service, E-governance, E-information, E-mail, E-recruitment, E-health etc. All ideas are related to the digital means. This study endeavors to show how modern business can be benefited from the advantages of digital marketing and how it can overcome the challenges. The paper attempts to theoretically conceptualize the digital marketing in Bangladesh.

Keywords: Digital Marketing, Traditional Marketing, Global village, Mass marketing, ICT.

1. INTRODUCTION:

Business is like riding a bicycle. Either you keep moving or you fall down -James Beasley Simpson (journalist, author and Episcopal priest). If we think a business, marketing is like riding a bicycle and it helps a business to run its activities properly by incurring profit. If any business wants to reach its ultimate goal marketing works as a fuel of that business. There are many other organizations we have found that, though their product and service quality, they may not improve their sale for the lack of marketing strategy as a result they become sick. So, we have to rethink about the marketing strategies. In the age of the digitalization and the internet we have found dramatic change in marketing strategies. Digital marketing strategy builds on and adapts the principles of traditional marketing, using the opportunities and challenges offered by technology and the digital medium [1]. Digital marketing refers to

us that the marketing of products and services using digital channels to reach customers for promoting brand value through various forms of digital media. On the other hand, traditional marketing is non-digital way used to promote the products or services of business entity [2]. The main aim of traditional marketing is to provide time, place and possession utility [3]. Digital marketing is the use of technologies to help marketing activities look forward to improving customer knowledge by matching their wants and needs. In the modern world, organizations have realized the importance and acceptance of digital marketing. Due to be succeed, business organization should merge online with traditional methods for fulfilling the needs of customer more unambiguously. Introducing of new technologies has making new business opportunities for marketers to succeed their websites and achieve their business goals and objectives accordingly.

¹ Assistant Professor and Head, Department of Business Administration, Khawaja Yunus Ali University, Enayetpur, Sirajgonj-6751, Bangladesh.

² Lecturer, Department of Business Administration, Khawaja Yunus Ali University, Enayetpur, Sirajgonj-6751, Bangladesh.

* Correspondence to: E-mail: monowarjkkniu@gmail.com

2. OBJECTIVE OF THE STUDY:

The main objective is to encourage the practicing of digital marketing in Bangladesh and other objectives are:

- √ To explore the development and growth of digital market.
- √ To know the comparative acceptance and effectiveness of the digital marketing process.
- √ To show the recent internet penetration scenario in Bangladesh.
- √ To identify the factors affecting the digital marketing.
- √ To show the challenges of the digital marketing.
- √ To suggest for the improvement of digital marketing and policy implication.

3. METHODOLOGY OF THE STUDY:

Present study is a theoretical approach based on desk study, review of related literature and existing stock of knowledge. This paper is based on secondary data. Available literature including relevant books and articles on Digital Marketing were studied. Some portions of this paper are the authors' own observations and logical arguments.

4. LITERATURE REVIEW:

The review of literature delivers an understanding of the issues closely related to the research topic. Moreover, it is the crying need to justify the research under study and to find out the knowledge gap in the field. The objectives of the review of literature are mentioned below is to identify the knowledge gap in the field of proposed study.

With the development of information technologies (IT), traditional marketing methods leave sits place to digital day by day. The biggest advantages of digital marketing are racing the target audience in right way with using social media and search engine [3]. Online shopping is in a race with traditional shopping which one is winning in the current scenario which is has disclosed in his paper [4]. Here also researcher tried to find out the acceptance of online shopping among the

internet user of Bangladesh. But we have to find out the scenario of digital marketing acceptance online shopping. If we think the overall process we will find that digital marketing is the first rather than online shopping sometimes both are interlinked with each other.

On the other hand, we found that the transition economics of Eastern Europe there found a large number of technology savvy young consumer [5]. There the ten market characteristics included in their research, such as digital connectivity, economic power, demand type demographics, institutional maturity, etc. in this paper there should be plethora of technologies available for the targeted young customer and other factors. Here they show a holistic and methodical approach to determine which technologies and competencies to invest in, based on marketing goals and segment characteristics.

Attracting and allowing them to interact is the main objective of digital marketing with the brand through digital media [2]. In their article they focused on the importance of digital marketing for both brand through digital media.

The purpose of this study was to find out the positive relation between the present marketing communications and upgraded technological adoption by the global consumers [6]. He denoted here that consumer to consumer connection is important to increase sale of a company. Here he focuses on the multinational companies activities. Arifur Rahman stated, in his article, that the impact of digital marketing on increasing customer loyalty of Dhaka city. Nowadays customers think about future repetitive based on the firms' online performance especially how the try to reach customers through their digital marketing approach [7].

Using the internet, social media, mobile apps, and other digital communication technologies has become part of billions of people's daily lives. Marketers have responded to this fundamental shift by increasing their use of digital marketing channels [8]. The smartphone

and internet accessible device have assisted to the adoption of social media applications and many more in the pipeline [9]. In this article the author wants to show that the evaluation of mobile social media, including the mobile marketing and various concepts and classification of mobile marketing. We can treat this marketing process as digital marketing process. Because mobile is the powerful weapon of digital marketing.

As a powerful marketing tool, the author shows the effectiveness of Facebook marketing. Practical implementations are suggested for the organizations using Facebook as social marketing tools [10]. But we have to consider another social media if we want to reach in another country. So, if we think only Facebook as a digital marketing media it will not be good for any digital marketer. As a digital marketing tool, we have to consider Big 7. Big seven treated as the social network websites which are Facebook, Twitter, YouTube, Google+, Pinterest, Instagram, and LinkedIn.

If we consider social media as a digital marketing tools, with the emerging of E-commerce, F-commerce is also gaining the ground. F-commerce provides the entrepreneurs an opportunity to market their product in such manner, that it is not possible to ignore the information of the offerings or event reject in some cases by the target groups; hence investing the practice as well as the prospect of F-commerce within Bangladeshi is very crucial considering its huge potential to alleviate this unemployment crisis [11].

Academic literature examining the expected rate of gamification in marketing campaigns is nonexistent [12]. Peculiar, as gamification's primary goals perfectly align with three core-marketing concepts: engagement, brand loyalty and brand awareness. On the other paper we found Game Foundry a new online platform that aims at creating an innovative Web Game Engine and Game Distribution system which will provide support for knowledge management and game activity monitoring based on simple network [13]. We know that one of the rising marketing trends

is game-based marketing. It is tying marketing with social network which provides the possibility of getting some consumer personal data. As a result, the digital marketing can be fruitful if digital marketer targets the right person who is the interested parties of the advertisement of the product which they desire.

Business are increasingly using the internet for commercial activities. Another form of digital marketing is search engine marketing (SEM). Search engine marketing is a form of web advertising that companies used to promote their products and services on search engine results pages (SERPs) [14]. This paper also discusses top motivator factors of shopping with the help of digital marketing technique called SEM.

5. CONCEPTUAL FRAMEWORK:

If marketing creates demand, digital marketing drives the creation of demand using the power of the Internet. It allows for the exchange of currency, but more than that, it allows for the exchange of value [1]. It is a challenge for a digital marketer that the idea of marketing must be attractive and interesting enough to encourage a customer to visit repetitively to their site. To attract new visitors and to encourage revisits, digital marketer should pay close attention to seven Cs of effective website design, which are Context, Content, Community, Customization, Communication, Connection, Commerce [15].

The students of business and information technology need a thorough grounding in electronic commerce in order to be effective and successful managers in the next decade. So, marketers would like to know who these people are, what they are interested in, and what they buy. The more precise information, the more complete the information, and the more valuable it is as a predictive and marketing tool. Armed with these valuable information, marketers can make their ad campaigns more efficient by targeting specific ads at specific groups or individuals, and they can even adjust the ads for specific groups.

Digital marketing is focused on how a company and its brands use the web and other media such as email, social media and mobile media to interact with its audiences in order to meet its marketing goals. There are three main operational process involved in digital marketing a) customer acquisition b) customer conversion and c) customer retention and growth. By using digital marketing, organizations can attain some key strategic objectives [16] which are:

- a. Cost reduction and value chain efficiencies
- b. Revenue generation
- c. Channel partnership
- d. Communications and branding

6. MAJOR OBSERVATIONS:

Before the comparative study we have to look into the recent penetration rate of the internet. It is obvious that without the improvement of the internet, digital marketing is quite impossible. The statistics of January 2017 is stated below where showed the relation among the population, internet users, active social media users, mobile subscriptions and social media users by the smart phone.

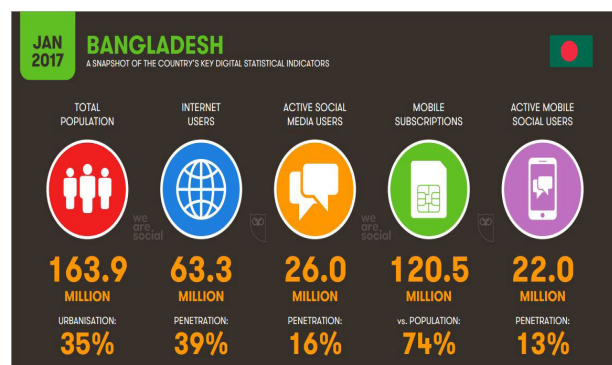


Figure 01: Country key digital statistical indicators [17]

The recent penetration of the internet is stated below in a table according to the BTRC. Here showed last sixth month statistics of the year 2017.

Table 1: Subscribers in Million from May to October 2017 [18]

Operator & Subscriber	May	June	July	August	September	October
Mobile Internet	67.412	68.650	70.174	71.883	73.817	74.360
WiMAX	0.080	0.075	0.079	0.089	0.090	0.089
ISP + PSTN	4.521	4.622	4.771	5.170	5.321	5.340
Total =	72.013	73.347	75.024	77.142	79.227	79.789

**The above-mentioned table denotes the number of active subscribers only. A subscriber or connection using the internet during the last ninety (90) days are considered to be an active subscriber.

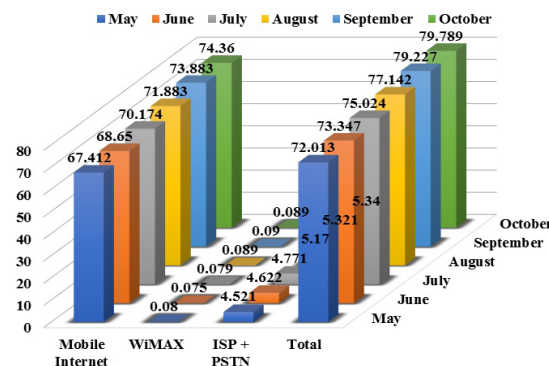


Figure 2: Internet users in Bangladesh (in million)

In Bangladesh, internet users in October 2017 were 79.789 million and in June internet penetration rate was 44.5% [19]. These activities forced to change the traditional marketing tools. If we see the city wise ranking of Facebook as a marketing tool we will be found in the picture below (in a figure).

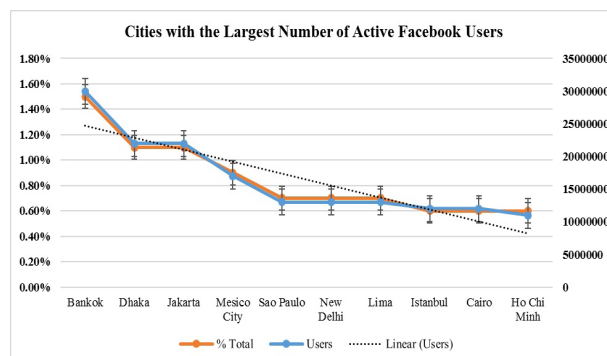


Figure 3: Cities with the Largest Number of Active Facebook Users [17]

Dhaka has been ranked second among the cities with the highest number of active Facebook users. Social media is a powerful tool of digital marketing whereas Facebook took the lion portion of the world. In the context of Bangladesh, we found that maximum users of the social media chose Facebook.

6.1 Brand Building:

If we try to build the brand of a product, it is only possible by the targeting of right customers in emerging markets and social culture [6]. With the availability of so many choices for customers, it is very difficult for marketers to create brands and increase traffic for their product and services [20]. Online advertising is a powerful marketing vehicle for building brands and traffic for companies to achieve the success.

Nowadays, it is obvious that the internet is the most influential tool for businesses. It is noted that business person and marketing managers those who will be able to utilize the blessing of the internet in their business, marketing strategy will be at advantage because the internet is creating the brand value, changing the price of a product, facilitating the distribution and promotion strategy. Only digital marketing can provide to gather brand equity and long-term relationship with their customer. Nowadays satisfied customers help to build a strong brand image which we will not be found in the process of traditional marketing [6].

6.1.1 Customer anonymity and customer profile:

If we see the marketing technique, digital marketing provides extra benefit from the traditional marketing. At the time of traditional marketing process, it is clear to us that the target customers are anonymous. Targeted customers are in general in Traditional marketing. But digital marketing is provided information for the specific customer according to the customer profile. As a result, digital marketing is the fruitful advertisement process.

6.1.2 Standard product and customized marketing offering:

If we are acquainted with the customer profile, then

customized marketing offering is possible by the digital marketing. But when we look at the traditional marketing we have found that we have to consider the standard product to all. Multi-National Companies (MNCs) always try to produce consumer product according to the region and customers' ability. In online we can get the customer's profile easily that is why customized marketing offering can be possible by the digital marketing.

6.1.3 Mass advertising and individual message:

Traditional marketing follows the mass advertising technique. A young customer may not read the newspaper or watch television but he/she follows his/her Facebook updates. So mass advertising on the newspaper and television is not effective to the young customer. As a result, every company must have to rethink about the marketing technique.

6.2 Drawing Attention or Attraction & Customer Engagement:

Nowadays monotonous traditional advertising and marketing techniques have given way to digital marketing. This concept aims to build mutually satisfying long-term relationships with key constituents in order to earn and retain their business. Additionally, for fruitful promotion, they are offering exclusive fan-only promotional discount, coupons, contests, personalized promotional inbox messages, and so many attractive promotional incentives that yield more customer engagement, gather brand equity and long-term relationship with their customers [11].

6.2.1 Customer attraction and customer retention:

Traditional marketing can draw only the attraction of customer, but retention depends on further marketing. Digital marketing can easily draw the attention of the customer and also can retain the customer for further promotion and sale. Digital marketing also offers greater flexibility, allowing the marketer to make ongoing adjustments to its offers and programs [21]. Say for example: digital marketer mailed to final customers or business customers, the price, new products, and other features. Online catalogue can be adjusted daily or

even hourly according to market conditions. As a result, interested parties can get the updated information instantly. If we consider the traditional marketing, instant adjustment is not possible in a short interval.

6.2.2 All customer and profitable customer:

By the adopting the digital marketing, different Multi-National Companies (MNCs) and other giant companies are trying to involve with the digital marketing process rather than the traditional marketing progression. Suppose, if we want to sell baby product then we have to target the customer who are adult and newly married couple. According to this situation there need not to attract all customers. So, profitable customer can be attracted by digital marketing. As a result, digital marketing is only the way to draw attraction to the profitable customer.

6.3 Decision Making to Buy or Produce a Product:

Web experiences affect the mental process of consumers and enhance their buying decision online [20]. Recent studies have shown that consumers are assessing information on the internet before making major life decisions [21]. Maximum customers rely on the internet to gather information about choosing a school, university, buying a laptop, buying a mobile phone, buying a car, finding a job or making investment decisions.

6.3.1 Mass distribution and individual distribution:

By using digital marketing, customers can directly link to the suppliers, factories. As a result, supplier or producer can distribute their product to individual customers. For this reason, it cuts its price and passes savings on customer. Because customers deal directly with its sellers, online marketing results in lower costs and enhanced proficiencies for channel and logistics support such as order processing, inventory handling, delivery and trade promotion.

6.3.2 Mass production and customized production:

Traditional marketing provides mass production whereas digital marketing helps to produce customized production. On its Reflect.com website, Procter &

Gamble allows people to reflect their needs for, say, a shampoo by answering a set of questions. It then formulates a unique shampoo for each person [21]. This type of customized production is only possible by the blessing of the internet and the digital marketing processes.

6.4 Reliability and Acceptance:

For businesses, online reviews have worked really well as part of their overall strategic marketing strategy. Online promotion can be tracked, measured and targeted in a sophisticated way. Advertising, personal sales, promotions based marketing and public relations can all be conducted through the online medium [1]. The fact is that digital marketing is highly empirical which one of its crucial strengths. Everything can be measured: from behaviors, to actions and action paths, to results.

6.4.1 One-way message and two-way message:

Through digital marketing, anyone can interact with each other at the time of marketing. When anyone wants to buy a product, they can contact with the service provider for availability of product and so on. There we also can see comparison and review option. If the consumer engaged with the digital marketing process they can get the information, pictures, videos or audios. Anyone can send order confirmations, shipping alerts using the digital marketing technologies and also they can get reply which is in real-time.

6.4.2 Indirect response and direct response:

Traditional marketing provides indirect response where digital marketing provide direct response. By the help of internet technologies and digital marketing processes, online marketer can select small groups or even individual consumers, personalize offers to their special needs and wants and promote these offers through individualized communications. That is why, online customer can ask questions and provide volunteer feedback. It is difficult to get direct response by the help of traditional marketing.

6.5 Acceptance /Engagement of Social Media as Digital Marketing Tools:

In modern marketing systems, most of the brands are adopting internet marketing or social networking in their marketing systems [6]. A regular communication for attracting the customers and maintaining the customer retention rate may be the best policy for customer satisfaction which is possibly by the engagement of social media site. The success of social commerce is recognized due to its customer care, visibility, reputation, contextualization, proximity and recommendation also known as the six pillars of social commerce [11].

6.5.1 Average customer and individual customer:

When marketer aims to advertise to the target customer, digital marketing is the best way to draw the customer attention. We know that traditional marketing can draw the attention but basically it aims to the average customer. By enlightening the knowledge and further delivering assimilated communications and online services that match customers' distinct needs [2]. All types of social media provide an opportunity to present company itself or its products to vibrant communities and individuals that may show interest.

6.5.2 Mass promotion and individual promotion/incentives:

By using traditional marketing, mass promotion is possible either it is effective or not. But the use of digital marketing, helps to do both mass promotion and individual promotion simultaneously and effectively. Social networking websites signify an important media channel for reaching diverse demographic, including teens and young adults, women, moms, and affluent consumers even in older individuals. That is why, according to the service category digital marketer can send its promotional activities both individual and mass promotion. It is transparent that the members of social sites who share information with other members and friends are the best target for participation in viral marketing [6].

6.5.3 Cost reduction and enhancing reach:

The primary advantages of social media marketing is reducing costs and enhancing the reach [2]. The cost of a social media platform is typically lower than other marketing platforms such as face to face sales or sales with a help of middleman or distributor. Through digital marketing, company can well control its budget and it has full control on time.

7. CHALLENGES:

- √ Social network poses a unique challenge for the maintenance of personal privacy because they encourage revealing details about their personal lives [22].
- √ Marketers would like to know who these people are, what are they interested in, and what they buy. So, it is a big challenge to ascertain the internet accessibility to foster the use of digital marketing.
- √ Lack of the knowledge of the internet browsing and the use of digital media as well as the digital marketing is a great challenge to us.
- √ Illegal and unauthorized use of digital marketing process is another challenge to our social and economic systems.
- √ Digital marketing is not possible in the internet isolated area.

8. RECOMMENDATIONS:

- √ Anyone can use digital marketing tools as an effective marketing process for its versatile importance.
- √ Government of the People's Republic of Bangladesh should give extra importance & consideration to establish easy internet accessibility to generate new entrepreneur as well as creates opportunity to launch innovative businesses.
- √ In our education systems, especially in the marketing subject of tertiary or secondary level of education system, Digital marketing must be included as a core subject. Even it should be included in the subject of ICT (secondary and higher secondary level) both of the practical and theoretical idea in detail.

- √ Transparent idea should be provided to the interested parties.
- √ From the above analysis we have found that Dhaka is in the second position in Face Book users. So, E-commerce can be a suitable media of digital marketing.
- √ It is known to all that maximum districts of Bangladesh are not under the coverage of internet. So, our government should ascertain the availability of internet to all over the country and should reduce the cost of digital devices.

9. CONCLUSION:

Digital marketing is a timely topic and a buzzword of the day in business world. The field of Digital Marketing is increasingly recognized as being crucial to the success of business organization. The importance of Digital Marketing is immense. It is a developing discipline. To survive and lead the today's highly competitive and demand driven market, marketers should adopt ultramodern approaches or mechanism where digital marketing will be the best way to draw attention and to retain the valuable customers owing to the powerful weapon of information. It is one of the real time marketing processes which ascertain the reach to the target customer by maintaining 24/7 (twenty four hour seven days) concepts by restraining the middleman or agent cost. With today's global market and large-scale competition, achieving the optimum goals is highly challenging. If our government ensures internet facilities to all over the country with satisfactory speed, every business will reach in its ultimate target by earning profit and value maximization in Bangladesh.

REFERENCES

1. Stokes R. E-marketing: the essential guide to digital marketing. Quirk Education: Cape Town, South Africa. Retrieved. 2011;5(22): p. 2013.
2. Yasmin A, Tasneem S, Fatema K. Effectiveness of digital marketing in the challenging age: an empirical study. *International Journal of Management Science and Business Administration*. 2015; 1(5): p. 69-80.
3. Durmaz Y, Efendioglu IH. Travel from Traditional Marketing to Digital Marketing. *Global Journal of Management and Business Research*. 2016; 16(2): p. 35-40.
4. Suhan J. Acceptance of Online Shopping in Bangladesh: Consumer' s Perspective. *Journal of Business and Management (IOS-JBM)*. 2015;17(1): p. 14-24.
5. Jayaram D, Manrai AK, Manrai LA. Effective use of marketing technology in Eastern Europe: Web analytics, social media, customer analytics, digital campaigns and mobile applications. *Journal of Economics, Finance and Administrative Science*. 2015; 20(39): p. 118-32.
6. Akhtar S. Impact of Social Networking Sites in Marketing Communication and Sales: A Study on Nestle Bangladesh Limited. *World Journal of Social Sciences*. 2016; 6(1): p. 160-169.
7. Islam, AR. The Impact of Digital Marketing on Increasing Customer Loyalty: A Study on Dhaka City, Bangladesh. *International Journal of Economics, Commerce and Management*. 2017;V(04): p. 521-528.
8. Stephen AT. The role of digital and social media marketing in consumer behavior. *Current Opinion in Psychology*. 2016; 10: p. 17-21.
9. Yadav M, Joshi Y, Rahman Z. Mobile social media: The new hybrid element of digital marketing communications. *Procedia-Social and Behavioral Sciences*. 2015;189: p. 335-43.
10. Ramsaran-Fowdar RR, Fowdar S. The implications of Facebook marketing for organizations. *Contemporary Management Research*. 2013;9(1): p. 73
11. Zabeen M, Ara H, Sarwar N. F-Commerce in Bangladesh: "Venit, Vidit, Vicit". *OSR Journal Of Humanities And Social Science (IOSR-JHSS)*. 2013;17(5): p. 01-08.
12. Lucassen G, Jansen S. Gamification in Consumer Marketing-Future or Fallacy? *Procedia-Social and Behavioral Sciences*. 2014;148: p. 194-202.

13. Oliveira F, Santos A, Aguiar B, Sousa J. GameFoundry: Social Gaming Platform for Digital Marketing, User Profiling and Collective Behavior. *Procedia-Social and Behavioral Sciences*. 2014;148: p. 58-66.
14. Gangeshwer D. E-commerce or Internet Marketing: A business Review from Indian context. *International Journal of u-and e-Service, Science and Technology*. 2013;6(6): p. 187-94.
15. Kotler P, Wong V, Saunders J, Armstrong G. Principles of Marketing. 4th European Edition. Edinburg: Prentice Education Limited, 2005.
16. Chaffey D. E-business and E-commerce Management: Strategy, Implementation and Practice: Pearson Education; 2007.
17. Social WA. HootSuite.2017. *DIGITAL IN 2017: GLOBAL OVERVIEW*. Available from: <https://hootsuite.com/de/newsroom/press-releases/digital-in-2017-report>. (Accessed December 2, 217).
18. Bangladesh-Telecommunication Regulatory-Commission. Available from: <http://www.btrc.gov.bd>. (Accessed: December 17, 2017).
19. Internet World Stats:Usag and Population Statistics, Internet Usage in Asia. Available from: <http://www.internetworldstats.com/stats3.htm#asia>. (Accessed: December 17, 2017).
20. Khan F, Siddiqui K. The importance of digital marketing: An exploratory study to find the perception and effectiveness of digital marketing amongst the marketing professionals in Pakistan. *Journal of Information Systems & Operations Management*. 2013;7(2): 221-228.
21. Kotler, P. Marketing Management. Millenium Edition. New Jersey, Upper Saddle River, United States of America: *Prentice-Hall, Inc.* 2001.
22. Kenneth C, Laudon, Traver CG. E-Commerce 2014. 10th ed. *Pearson Education Inc.* Retrieved October 15, 2017.