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Advantages of Digital Marketing: Top 10 Reasons to Invest in It

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Deloitte's <u>2022 Global Marketing Trends Report</u> highlights that modern businesses are driven by customer-centricity. The key factors for business growth in the digital age are customer experience and engagement, and they should be at the core of any marketing strategy. And given the extent to which the world has migrated online, the report thus emphasizes the importance of digital marketing for businesses. Let's understand the advantages of digital marketing and how it aids businesses in becoming customer-centric.

This blog discusses the following:



- What is Digital Marketing?
- Top 10 Benefits of Digital Marketing Over Traditional Marketing

1.

- 1. Better Brand Awareness
- 2. Wide Customer Reach
- 3. Increased Customer Engagement
- 4. Real-Time Customer Feedback
- 5. Data-Driven Decision-Making
- 6. Greater Market Share
- 7. Cost-Effectiveness
- 8. High Return on Investment
- 9. Competitive Advantage
- 10. Boosted Sales
- How to Use Different Types of Digital Marketing?
- Frequently Asked Questions on the Advantages of Digital Marketing

What is Digital Marketing?

Digital marketing refers to using digital avenues such as social media platforms and websites for marketing as opposed to traditional marketing which involves print advertising, television broadcasting, cold calling, and telemarketing.

In a nutshell, digital marketing encompasses the following:



- Social media marketing
- Influencer marketing
- Content marketing
- Email marketing
- Pay-Per-Click (PPC) marketing
- Affiliate marketing
- Multichannel marketing
- Search engine marketing
- Search Engine Optimization (SEO)

ALSO READ: What is Digital Marketing? A Beginner's Guide to the World of Digital Marketing

Top 10 Benefits of Digital Marketing Over Traditional Marketing

The following are the top 10 advantages of Internet marketing for businesses:

1. Better Brand Awareness

Out of all the advantages of digital marketing, brand awareness is the most significant, especially for newly established businesses. In fact, social media marketing helps businesses promote their products on various digital platforms, such as Instagram and LinkedIn, and collaborate with other brands to increase awareness. Moreover, SEO helps businesses rank higher on search engines, leading to increased brand awareness and visibility.

2. Wide Customer Reach

Traditional marketing, like print advertising and telecalling, can restrict customer reach. However, digital marketing strategies like displaying ads on YouTube, Google, or Instagram help businesses promote their products and services globally, thus expanding customer reach.

3. Increased Customer Engagement

According to a McKinsey report, customer intimacy helps foster business growth. Moreover, 71% of the consumers demand personalized content from brands. Therefore, digital marketing enables businesses to increase customer engagement through personalized ads and data analytics.

4. Real-Time Customer Feedback

The advantages of Internet marketing include real-time feedback from customers. As a matter of fact, businesses can use social media live streams, giveaways, polls, and other strategies to engage with customers in real-time. Therefore, digital marketing offers immediate insights into customer behavior and trends that help businesses offer better customer experience and even improve the quality of their products.

5. Data-Driven Decision-Making

Measuring campaign results accurately is a significant concern with traditional marketing. However, digital marketing tools like <u>HubSpot</u>, <u>Hootsuite</u>, <u>MailChimp</u>, and <u>Google</u> <u>Analytics</u> help businesses track website visits, time spent by visitors on each page, email, ad clicking, opening rates, and other relevant metrics. Thus, digital marketing helps measure the impact of marketing campaigns that result in informed marketing decisions.

6. Greater Market Share

Digital marketing increases brand awareness and customer engagement. In essence, this helps build trust and improves customer loyalty. Evidently, this can lead to increased customer retention rates, positively impacting the business market share.

7. Cost-Effectiveness

The customer acquisition cost through digital marketing is lower in comparison to traditional marketing strategies. This mainly happens because companies can generate and nurture leads through free or low-cost channels like social media or email. In brief, this makes cost-effectiveness one of the most prominent advantages of digital marketing.

8. High Return on Investment (ROI)

Google insights show that for ₹83 (\$1) companies spend on Google ads; they generate ₹665 (\$8) through Google search ads. Moreover, ₹83 (\$1) spent on email marketing yields businesses no less than ₹2,991 (\$36). Similarly, the State of Marketing Report 2023 by HubSpot reveals that blogs, influencer marketing, and social media shopping are the top ways businesses can generate ROI through digital marketing.

9. Competitive Advantage

One of the most significant advantages of online marketing is that it allows businesses to collect customer data through websites and social media engagement. Evidently, this helps them analyze customer behavior and feedback. Moreover, it helps generate business insights that can be used to improve product or service quality and gain a competitive advantage.

10. Boosted Sales

The ultimate goal of digital marketing is to boost business sales and increase growth. Research shows that 38% of social media users purchase from online platforms. However, some people hesitate to shop online because of a lack of trust, insufficient product descriptions, and poor brand reputation. More often than not, digital marketing can aid businesses in overcoming these challenges and increasing their sales.

ALSO READ: Top 13 Emerging Digital Marketing Trends You Must Know as a Marketer

How to Use Different Types of Digital Marketing?

Businesses need an omnichannel strategy to get the maximum advantages of digital marketing. Here is how you can use different types of digital marketing to grow your business:

· Content Marketing

One of the best ways for businesses to succeed is to establish themselves as thought leaders. They can do this by demonstrating their expertise and educating their target audience by sharing informative content. Thus, content marketing through blogs, videos, case studies, and e-books boosts credibility.

Email Marketing

Businesses can use email marketing for lead generation and nurturing, sending promotional emails and newsletters, and providing regular updates to their target audience.

SEO

Most website traffic is generated through organic search. Therefore, optimizing your content with the most popular and industry-relevant keywords can help it rank higher on search engines and get better visibility.

Ultimately, the objective of digital marketing is to educate and inspire the target audience and encourage them to buy a business's products or services.

Frequently Asked Questions on the Advantages of Digital Marketing

1. How Can Digital Marketing Positively Impact Business Growth?

One of the most significant advantages of digital marketing is that it helps businesses reach out to a wider audience through social media marketing, email marketing, or websites. In fact, this is what helps them increase brand awareness. Additionally, it enhances business credibility and lead conversion, thus boosting business growth.

2. What are the Key Advantages of Implementing Digital Marketing Strategies?

The top advantages of digital marketing strategies for businesses are launching personalized campaigns for better customer experience and cost-effective brand building and awareness. Moreover, digital marketing tools generate real-time insights to track the performance of digital marketing campaigns, thus helping businesses make data-driven marketing decisions on the go.

3. How Does Digital Marketing Drive Customer Engagement and Increase Sales?

In essence, digital marketing strategies like social media marketing drive customer engagement through relevant and personalized content. Moreover, email marketing is used for personalized campaigns and nurturing leads. Furthermore, content marketing increases brand visibility and increases website traffic, thus generating more sales.