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**The Use of Digital Marketing Tactics in Bangladesh  
Market and Its' Promotional Effectiveness to the Young  
Customers of Dhaka City**

*Partha Prasad Chowdhury*

*Department of Marketing*

*American International University-Bangladesh (AIUB)*

## **The Use of Digital Marketing Tactics in Bangladesh Market and Its' Promotional Effectiveness to the Young Customers of Dhaka City**

### **Abstract**

The digital marketing tool is revolutionizing the way the business is conducted nowadays and its use is growing and becoming critically important to the success of business organizations and hence become indispensable tool for today's business. This research study tries to identify the different digital marketing tools that the marketers use in Bangladesh market and to investigate the promotional effectiveness of these tools to young customers of this market. This study is based upon the empirical findings of a quantitative research where primary data is collected by surveying a structured questionnaire. The study points out that the uses of social media, banner ads, text messages, and sponsorships are comparatively high and are more effective *to* inform, to persuade and to remind customers about firms' product offerings to the young customers *of Bangladesh market*. The study extends a direction for new researchers and concludes with suggestions for further research and suggests managers of Bangladesh to focus on using key digital tools to promote firms' product offerings.

**Key words:** Digital marketing tools, Promotional effectiveness, Bangladesh marketplace.

## **1. Introduction**

Digital marketing is the modern marketing strategy and evolves with technology advancement. It includes digital billboards, search engine optimization (SEO), social media marketing (SMM), video marketing, search engine marketing (SEM), email marketing, SMS/MMS marketing i.e. telemarketing, display advertising, content marketing, article marketing etc. The old methods adopted for running a business are not sustainable now (Edelman, 2010). Marketers adopted this new and rapidly emerging concept aggressively for their marketing success (khan and Siddique, 2013). An average American spends approximately six hours per week surfing internet (The Economist, 2010) and an average Indian spends 58 hours per week surfing the internet (The Times of India, 2012, cited by Joshi, 2013). Digital marketing in Bangladesh has also observed a rapid growth (Rahman, 2015) where 26.4% of the population has access to internet (Internet World Stats, 2015, cited by Rahman, 2015). Digital Media is more popular among younger generations. According to a recent study of World Bank, 77pc of Facebook users are aged between 18 and 34 (Rahman, 2015).

## **2. Rationale and Objectives of the Study**

The unprecedented growth of the internet –the digital revolution-has led to changes in the marketing environment forcing marketers to rethink almost everything they do and the factors that have contributed to this rapid growth in digital marketing are customers' increased desire for information that they are now able to obtain easily, speed and convenience of acquiring the information and ability to control what and how much is received (Belch and Belch, 2015: 499). The objectives of digital marketing are creating awareness, generating interest, creating an image, creating a strong brand, stimulating trial sales, creating buzz and gaining considerations (Belch and Belch, 2015: 499). Online services tools are more influencing than traditional methods of communications (Helm et al., 2013). In order to reach today's consumers online advertising plays significant role especially for younger generation, more internet savvy market (Clow and Baack, 2012: 258). Reaching consumers through digital media is most upcoming areas of research for marketing (Okazaki et al., 2017)

Lot of research has been done on the internet usage habits but little research has been done on the impact of digital marketing (Joshi, 2013). This study helps fill the need for further research into identifying different types of digital marketing tools that marketers use in Bangladesh market and their influences on three basic functions of communication-developing brand/product awareness, persuading customers and reminding customers about the products/brands. The objectives of this study were to identify different types of digital and modern marketing tactics which marketers use in the Bangladesh marketplace and to identify the effectiveness of those digital marketing tools. The specific objectives of this study are as follows:

- To identify the different digital marketing tools that the marketers use in our Bangladesh marketplace
- To investigate the effectiveness of different digital marketing tools to inform, to persuade and to remind customers in the context of Bangladesh market.

### **3. Research Questions**

Research questions are specific questions designed to provide answers to the research problem. Research questions are the questions that the research needs to address so that aims of the research can be achieved. The research questions which are refined statements of the specific components of the problem specify the information the decision maker needs and best state the objective of the marketing research study. Hence the key research questions of this study were as follows:

- What are different digital marketing tools that marketers use in Bangladesh market?
- What is the role of digital marketing tools to provide information to the young customers?
- What is the role of digital marketing tools to persuade young customers to buy products?
- What is the role of digital marketing tools to remind young customers about firms' product offering?

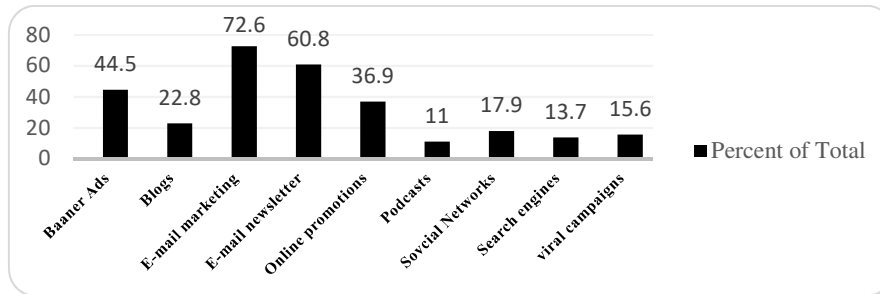
#### 4. Literature Review

Digital marketing is termed as marketing of goods and services through digital channels to reach consumers. Channels may include the internet, social media, mobile phones and electronic billboards as well as digital Radio and TV. The key difference to traditional marketing is the ability to receive real-time analysis of the campaign through the digital channel (CIM, UK, 2017). Chaffey (2013) defined digital marketing as the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs. The key objective is to promote brands through various forms of digital media. Digital marketing extends beyond internet marketing to include channels that do not require the use of the internet. Digital marketing is the vast term and everything is part of this when a term “digital” is used. But internet marketing is applied only when we use the internet. Digital marketing with the help of information systems/IT develops a customer-oriented value chain with the addition of another P which stands for personalization along with basic four Ps-products, price, place and promotion (Greenstein and Feinman, 2000: 359).

In the past marketers used to use newspapers and word of mouth to promote their products whereas digital marketing utilizes mass media devices like television, radio and the internet (Khan and Siddique, 2013). The origin of the concept of digital marketing is internet and search engine ranking of websites (Khan and Siddique, 2013). Though the first search engine was started in 1991 with a network protocol called Gopher for query and search but the launch of Yahoo in 1994 maximized the use of this concept. After 2001, Google and Yahoo started to capture majority market share and internet search traffic and the rise of search engine optimization grew in 2006 for major companies (like Google) in 2006 and usage of mobile devices increased internet usage in 2007 (Smyth 2007).

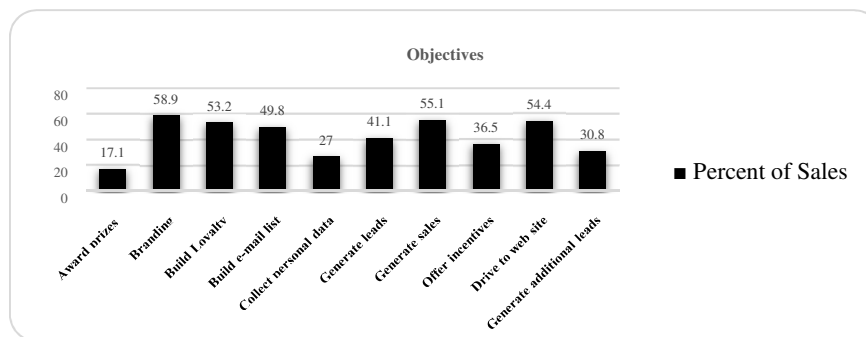
The study pointed out that digital advertising has been growing rapidly since its inception in the year 1994 (Robinson et al., 2007). There is more chance to buy online if customers read an online advertisement and banner on the internet has the capacity to create a level playing field for competitors irrespective of their size (Smith, 2009) and pop-up ads can create high levels of ad perception, recall and intent to purchase (Chatterjee, 2008). During 2014 in India marketers spent \$ 740 million on digital ad out of \$6.1 billion in total advertisement expenditure (e-marketer, 2015, cited by

Rahman, 2015). Social media with an extra ordinary example of Facebook has opened the door for businesses to communicate with millions of people about products and services and has opened new marketing opportunities in the market (Khan and Siddique, 2013). Blogs as a tool for digital marketing have successfully created an impact for increasing sales revenue, especially for products where consumers can read reviews and write comments about personal experiences (Khan and Siddique, 2013). Online recommendations can help to personalize a relationship (Ansari et al., 2000).

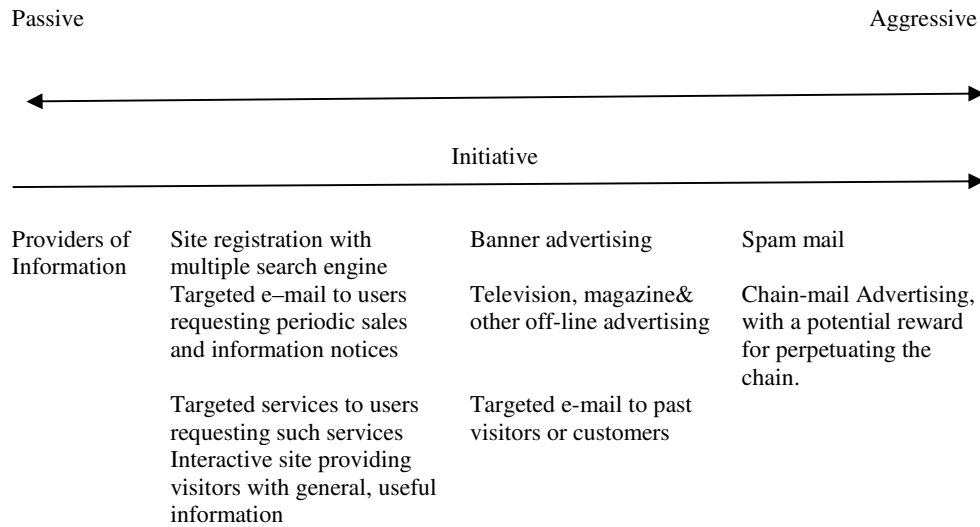


**Figure-1: Online Interactive Tactics (Source: Clow and Baack, 2012: 257)**

The internet offers the ideal medium for interactive marketing because of the ability to accurately track browser activities and translate the information into instant reactions (Clow and Baack, 2012: 256). Digital marketing tools are used for branding; to generate sales revenue; to drive customers to website; to build loyalty; to build e-mail list; to generate leads; to offer incentives; to generate additional leads; to collect personal data; and to award prizes (Clow and Baack, 2012: 257)



**Figure-2: Interactive Marketing Objectives (Source: Clow and Baack, 2012: 257)**



**Figure-3: Internet Marketing Continuum from Passive to Aggressive (Source: Greenstein and Feinman, 2000: 368)**

Internet marketing techniques are considered to be passive if they require visitors to seek out the site and are used when user need to pull the information from the site. In this case users actively seek out the site whereas internet marketing techniques are considered to be aggressive if the site actively seeks out potential customers and initials contact with them (Greenstein and Feinman, 2000: 367).

Literature review suggests that the common digital marketing tools are social media, banner ads, sponsorships, pop-up/pop-under, search engine optimization, blogs, podcast/podcasting, e-mail/e-mail newsletter, viral marketing and text message. These digital tools are discussed below.

**Social Media:** Social media have been defined as a group of internet based application that build on the ideological and technological foundations of Web2.0 that allow the creation and exchange of user-generated content. Facebook, google+, You tube and twitter hold the largest market shares. LinkedIn and Pinterest have very low shares (Belch and Belch 2015: 507). With the help of measurable vast network of customers with trustworthy data and with real-time feedback of customer experiences, social media firms have

successfully transformed the attitudes and perceptions of consumers and in the end helped revolutionized many businesses (Khan and Siddique, 2013).

**Banner Advertising/banner:** The most common form of advertising on the web is banner ads which are used for creating awareness or recognition, entering viewers into contests and sweepstakes or direct marketing objectives (Belch and Belch, 2015). It can be on-line, off-line and targeted out of which on-line banner advertising which is a service sold by internet marketing firms is more effective where organizations pay a fee to the service providers to flash advertising business with links business sites across the pages of other sites (Greenstein and Feinman, 2000: 371). Banner advertisings are usually rectangular in shape and contain text graphics that are placed on the screens of search engines web-browser software and websites to attract the attention of www users (Greenstein and Feinman, 2000: 371). Presently banner ads can be embedded with videos, widget applications, or targeted display ads to increase the chances viewers will see and click the icon (Clow and Baack, 2012: 259).

**Sponsorships:** Another common form of advertising is sponsorship it can be two types either regular where a company pays to sponsor a section of a site or corporate sponsorship of a page of a website (Belch and Belch, 2015: 503). Sponsorships are similar to banner in that a firm gets to display a message, logo on a site and click through may be allowed but sponsorships typically allow the business's banner to stay on that site for longer period of time and hence more effective to generate brand recognition (Greenstein and Feinman, 2000: 379).

**Pop-Up/Pop-Under:** Pop-Up are automatically launched internet advertisement that appears in a small window in front of another webpage whereas Pop-under are automatically launched internet advertisement that appears in a small window behind another webpage (CIM, UK, 2017). During our access into the internet a window or a creature appears on the screen to get the attention of the internet users. These advertisements are known as Pop-Up whereas Pop-under is ads that that appear underneath of a web page and become visible only when the user leaves the site (Belch and Belch, 2015: 503).

**Search Engine Optimization:** Search engine optimizations are text ads that appear next to search results when a specific word is keyed in. As



80% of all web traffic begins at a search engine, the largest category of online expenditures is for spots on search engines (Clow and Baack, 2012: 260). The role of search engine optimization is to maximize the way search engines like find Website and it is the most common digital marketing tool used today ((Khan and Siddique, 2013).

**Blogs:** The term blog is derived from the phrase “Web logs.” Blogs are essentially online musings that cover a wide range of topics. Some blogs permit visitors to post comments; others are just the ramblings of an individual. Blogs are powerful as one dissatisfied customer can now tell thousand even millions of others (Clow and Baack, 2012: 261).

**Podcast/Podcasting:** Term used to define the broadcasting of multimedia files to iPods or other similar devices. Subscribers are able to view or listen to podcasts online (CIM, UK, 2017). It is a medium that uses internet to distribute audio/ video files for downloading into ipads/ipods and other devices (Belch and Belch, 2015: 516).

**E-mail/E-mail Newsletters:** E-mail marketing has become a popular medium because of its relatively low-cost and the ability to send HTML messages containing full-color pictures of products as well as links to order form pages. This mechanism allows a business to maintain regular contact with customers and drive traffic to websites or other products (Greenstein and Feinman, 2000: 370). If e-mail message resembles the information on the Web site of the company and in its advertising and direct mail messages then response rate increases (Clow and Baack, 2012: 266). Solicited, targeted e-mails are typically initiated by the business offering an information service to its visitors. If the visitor is interested; he/she can sign –up for the service whereas unsolicited targeted e-mails are sent to past visitors or customers. This type of advertising is somewhat aggressive in that the visitors or customers do not specifically request additional sales or promotion items (Greenstein and Feinman, 2000: 372). E-mail newsletter can also help to create brand awareness, drive traffic to a Web site , and spur sales and more effective when consumers sign up to receive them (Clow and Baack, 2012: 266).

**Viral Marketing:** Spreading a brand message using word of mouth (or electronically - 'word of mouse') from a few points of dissemination. Typical techniques include using email messages, jokes, web addresses, film

clips and games that get forwarded on electronically by recipients (CIM, UK, 2017). Marketing message that is prepared in some way from one consumer to another through digital means which includes advertisement, hyperlinked promotions, online newsletter is known as viral marketing ((Clow and Baack, 2012: 266-267).

**Text Message:** Telecommunication service providers send text messages to their subscribers which includes information about product offerings.

The advantages of digital marketing are: it can target very specific group of individuals at a minimum cost; it sends the message to appeal to the specific needs and wants of the customers of the target market segment; it helps to increase customer involvement because it is interactive; it can provide vast amount of information and customers/browsers have information access; it develops sales potential; it can enhance company image by creative web-site design; it helps SMEs to gain exposure with the help of World Wide Web within a limited budget; it increases speed of communication (Belch and Belch, 2015: 523)

## **5. Methodology**

This research can be classified in terms of research design it is conclusive; in terms of purpose of the research it is descriptive; in terms of the process of this research it is quantitative; in terms of logic of the research it is deductive; and In terms of outcome of the research this is a basic research. The purpose of the study was to identify different digital marketing tools marketers use in Bangladesh marketplace and to investigate the impact of digital marketing tools to create brand awareness, to persuade and to remind customers.

Based on the research objective the questionnaire was structured into four sections as per following:

- I. Respondents were asked to give their comments on the use of the different types of digital marketing tools (e.g. social media, banner advertising/banner, sponsorships, pop-up/pop-under, search engine optimization, blogs, podcast/podcasting, e-mail/e-mail newsletters,

- viral marketing, text message) that the marketers use to promote their product offerings in our Bangladesh market.
- II. Respondents were asked to give their comments on the importance of the different types of digital marketing tools to be aware of product/brand and to receive information in the context of Bangladesh market.
  - III. Respondents were asked to give their comments on the importance of the different types of digital marketing tools to persuade your buying decision process in the context of Bangladesh market.
  - IV. Respondents were asked to give their comments on the importance of the different types of digital marketing tools to remind customers to buy firms' product offerings in the context of Bangladesh market.

Measures of all constructs were developed based on the review of literature. Interval scale was used to measure respondents' attitude. Questionnaire has been designed in a way so that it provides meaningful data. Response formats of 5 sections were closed. Multi-item measure and five points Likert-style rating scale anchored by 'strongly disagree'/most unimportant (i.e., value 1) and 'strongly agree' /most important (i.e., value 5) have been chosen to operationalise all variables. Ten digital marketing tools have been chosen to know about the use of the tools and to investigate the effectiveness of different digital marketing tools to inform, to persuade and to remind customers in the context of Bangladesh market. Young adults (between 19-25 years) of different areas of Dhaka city constitute populations. Dhaka city is large with a huge population and hence it provides sampling frame of adequate size but the sampling frame is not standardized as it is not very accurate and not easily accessible. Sampling units of this study were individuals who are young adult (between 19-25 years). The survey for this study has been conducted at different areas of Dhaka city. Convenience type non-probability sampling technique has been considered to select the respondents from the sampling frame. Primary data have been collected from 200 valid respondents. Survey method was personal interview. Data preparation which includes editing, coding, and data entry has been done to ensure the accuracy of the data and their conversion from raw form to reduced and classified forms that are more appropriate for analysis. Data was analysed by using SPSS to identify different digital marketing tools marketers use in Bangladesh marketplace and to investigate the impact of digital marketing tools to promote firms' product offerings.

## 6. Results and Discussions

In order to find out the different digital marketing tools that the marketers use in Bangladesh marketplace and to investigate the importance of these digital marketing tools to inform, to persuade and to remind customers in the respondents were asked to indicate on five points Likert scale, about the degree of use and degree of importance attached to the digital marketing tools and mean values are considered.

### Use of digital Marketing tools in Bangladesh marketplace

Mean values of use of different digital marketing tools (*see: table-1*) show that marketers use all digital marketing tools in the Bangladesh marketplace but the study points out that the uses of social media (mean 4.93), banner ads (mean 4.62), text messages (mean 4.57) and sponsorships (mean 4.36) are comparatively higher than the uses of other digital marketing tools. Mean values of use of viral marketing (mean 2.70) indicates that use of viral marketing is less in Bangladesh.

**Table-1: Uses of Digital Marketing Tools in Bangladesh Marketplace**

#### Descriptive Statistics

Digital Marketing Tools	N	Minimum	Maximum	Mean	Std. Deviation
Social media	200	4	5	4.93	.256
Banner ads	200	3	5	4.62	.564
Sponsorships	200	1	5	4.36	.751
Pop-up/Pop-under ads	200	1	5	3.41	.778
Search engine optimization	200	1	5	3.88	.747
Blogs	200	1	5	3.95	.813
Podcast/Podcasting	200	1	5	3.22	.850
E-mail/e-mail newsletter	200	1	5	3.74	.959
Viral marketing	200	1	5	2.70	1.310
Text messages	200	1	5	4.57	.690
Valid N (listwise)	200				

Promotional Effectiveness of digital marketing tools in Bangladesh

**Table-2: Uses of Digital Marketing Tools in Bangladesh Marketplace**

**Descriptive Statistics**

Digital Marketing Tools	N	Mean (Informing Customers)	Mean (Persuading Customers)	Mean (Reminding Customers)
Social media	200	4.92	4.89	4.94
Banner ads	200	4.54	4.53	4.60
Sponsorships	200	4.39	4.27	4.35
Pop-up/Pop-under ads	200	3.37	3.35	3.40
Search engine optimization	200	3.82	3.78	3.85
Blogs	200	3.77	3.78	3.79
Podcast/Podcasting	200	3.17	3.23	3.29
E-mail/e-mail newsletter	200	3.85	3.85	3.68
Viral marketing	200	2.65	2.51	2.71
Text messages	200	4.46	4.44	4.45
Valid N (listwise)	200	200	200	200

The most important tools that helped marketers to inform customers about their product offerings are social media (mean 4.92); Banner ads (mean 4.54); text message (mean 4.46); and sponsorships (mean 4.39). The most important tools that helped marketers to persuade customers to buy their product offerings are social media (mean 4.89); Banner ads (mean 4.53); text message (mean 4.44); and sponsorships (mean 4.27) and The most important tools that helped marketers to remind customers about their product offerings are social media (mean 4.94); Banner ads (mean 4.60); text message (mean 4.45); and sponsorships (mean 4.35). Hence overall social media, banner ads, text message and sponsorships are highly effective for the promotion of firms' product offerings to the young customers of Bangladesh. The importance of other digital marketing tools to promote products is moderate whereas the viral marketing plays least important role to promote firms' product offerings.

## **7. Conclusions**

The specific objectives of this study were to identify the different digital marketing tools that the marketers use in our Bangladesh marketplace and to investigate the effectiveness of different digital marketing tools to inform, to persuade and to remind young customers in the context of Bangladesh market. The major findings of the study are given as follows:

The study points out that marketers use different types of digital marketing tools as discussed in literature review but uses of social media, banner ads, text messages, and sponsorships are comparatively high. E-mail/E-mail Newsletter is the mostly used digital tool in the context of Western economy (see: figure-1) but the use of this digital tool is not high in this market. The findings that use of viral marketing is less; is in line with the previous studies (see; figure-1).

Out of all digital marketing tools considered in this study, social media, banner ads, text message and sponsorships are comparatively more effective to inform, to persuade and to remind customers about firms' product offerings to the young customers in the context of Bangladesh market whereas the viral marketing plays least important role to promote firms' product offerings.

## **8. Managerial Implications and Further research**

The internet is the most powerful tool for businesses (Yannopoulos, 2011) and is changing the brand, pricing, distribution and promotion strategy (Khan and Siddique, 2013). Market dynamics all over the world are changing in relation to the accessibility of young audience to internet, social media and their usage and hence strategic integration approaches should be adopted in organizations' marketing communication plan. Marketing practitioners must truly understand online social marketing campaigns and programs and understand how to do it effectively with performance measurement indicators. Marketers need to identify the relative importance of different digital marketing tools to promote firms' product offerings in different product-markets and to create more value for their customers. Marketers could use this as a guideline for developing marketing strategies and are suggested to focus on using all key digital marketing tools which are important to fulfil three basic functions of marketing communication.

The findings of this study might not be directly generalised to all customers as one limitation of this study is the context of the study. The respondents were young only and were selected from different areas of Dhaka city and convenience type non probability sampling was used for data collection. At present, there are no studies investigating the promotional effectiveness of digital marketing tools in the context of Bangladesh marketplace. Therefore more research is required in other settings and sample populations in order to verify and generalise the findings of this study and to determine other factors if any. Hence this study could lead to further research on use and promotional effectiveness of digital marketing tools in the context of Bangladesh market.

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