



Investigation factors affecting digital marketing in Iran

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Abstract

The aim of the study is investigation factors affecting digital marketing in Iran. This study was a descriptive survey and the survey instrument was a researcher-made questionnaire. Statistical society was all of experts in export companies of Tehran. Sample size (140 persons) determination is based on the Krejcie and Morgan table and cluster random sampling method was used. After data collection, data analysis was performed using SPSS. Results showed that attitude to digital technology, infrastructure and technology cost affect digital marketing in Iran.

Key Words: Digital Marketing, Digital Technology, Infrastructure

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Introduction

Digital marketing is one type of marketing being widely used to promote products or services and to reach consumers using digital channels. Digital marketing extends beyond internet marketing including channels that do not require the use of Internet. It includes mobile phones (both SMS and MMS), social media marketing, display advertising, search engine marketing and many other forms of digital media.

Through digital media, consumers can access information any time and any place where they want. With the presence of digital media, consumers do not just rely on what the company says about their brand but also they can follow what the media, friends, associations, peers, etc., are saying as well. Digital marketing is a broad term that refers to various promotional techniques deployed to reach customers via digital technologies. Digital marketing embodies an extensive selection of service, product and brand marketing tactics which mainly use Internet as a core promotional medium in addition to mobile and traditional TV and radio. Canon iMage Gateway helps consumers share their digital photos with friends online. L'Oréal's brand Lancôme uses email newsletters to keep in touch with customers and hence tries to strengthen customer brand loyalty (Merisavo et al., 2004). Magazine publishers can activate and drive their customers into Internet with e-mails and SMS messages to improve re-subscription rate (Merisavo et al., 2004).

According to Chaffey (2011), social media marketing involves "encouraging customer communications on company's own website or through its social presence". Social media marketing is one important technique in digital marketing as companies can use social media form to distribute their messages to their target audience without paying for the publishers or distributor that is characteristic for traditional marketing. Digital marketing, electronic marketing, e-marketing and Internet marketing are all similar terms which, simply put, refer to "marketing online whether via websites, online ads, opt-in emails, interactive kiosks, interactive TV or mobiles" (Chaffey & Smith, 2008). Giese and Gote (2000) finds that customer information satisfaction (CIS) for digital marketing can be conceptualized as a sum of affective response of varying intensity that follows consumption and is stimulated by focal aspects of sales activities, information systems (websites), digital products/services, customer support, after-sales service and company culture.

With rapid technological developments, digital marketing has changed customers buying behavior. It has brought various advantages to the consumers as given below:

- (i) Stay updated with products or services



Digital marketing technologies allow the consumers to stay with the company information updated. Nowadays a lot of consumer can access internet any place anytime and companies are continuously updating information about their products or services.

(ii) Greater engagement

With digital marketing, consumers can engage with the company's various activities. Consumers can visit company's website, read information about the products or services and make purchases online and provide feedback.

(iii) Clear information about the products or services

Through digital marketing, consumers get clear information about the products or services. There is a little chance of misinterpretation of the information taken from sales person in a retail store. However, Internet provides comprehensive product information which customers can rely on and make purchase decision.

(iv) Easy comparison with others

Since many companies are trying to promote their products or services using digital marketing, it is becoming the greatest advantage for the customer in terms that customers can make comparison among products or services by different suppliers in cost and time friendly way. Customers don't need to visit a number of different retail outlets in order to gain knowledge about the products or services.

(v) 24/7 Shopping

Since internet is available all day long, there is no time restriction for when customer wants to buy a product online.

(vi) Share content of the products or services

Digital marketing gives viewers a chance to share the content of the product or services to others. Using digital media, one can easily transfer and get information about the characteristics of the product or services to others.

(vii) Apparent Pricing

Company shows the prices of products or services through digital marketing channel and this makes prices very clear and transparent for the customers. Company may regularly changes the prices or gives special offers on their products or services and customers are always in advantages by getting informed instantly by just looking at any one mean of digital marketing.

(viii) Enables instant purchase



With traditional marketing, customers first watch the advertisement and then find relevant physical store to purchase the products or services. However, with digital marketing, customers can purchase the products or services instantly.

Due to the importance of the topic, the purpose of the study is investigation factors affecting digital marketing in Iran.

Methodology

The present study is a descriptive one. Theoretical bases of the study were collected by reputable sites, books and related articles. The information and data for hypothesis testing were gathered by a researcher-made questionnaire. Statistical society was all of experts in export companies of Tehran. Sample size (140 persons) determination is based on the Krejcie and Morgan table and cluster random sampling method was used. In this study, Validity and reliability of the questionnaire was approved. Validity of the questionnaire was accepted by expert opinion of university and reliability of that was calculated by Cronbach's alpha and the value of that was 0.83.

Before completing the questionnaire by the participants, basic description of the study and its objectives as well as additional details about the questions presented to them. Enough time to complete the questionnaire was provided to participants. Write the name and characteristics of participants for the questionnaire was not compulsory, so they can fully express their opinions. After gathering information from the questionnaires, the data were analyzed and results are discussed with the findings of previous studies. All of data were analyzed by SPSS software.

Results

Table 1 shows descriptive statistics of participants. As showed by the table, males with 62.9% participants are the highest sex of participants. Master participants with 50% make the most and participants with job experience Higher than 20 years are highest in the group of job experience.

Table 1: Descriptive statistics of participants

Statistics		
Sex	Female	Male



	52	%37.1	88	%62.9	
Education	Bachelor		Master		Doctorate
	30	%21.4	70	%50	40 %28.6
Job Experience	Less than 10 years		Between 11-20 years		Higher than 20 years
	35	%25	45	%32.1	60 %42.9
Age	25-35 years		36-45 years		Higher than 45 years
	40	%28.5	45	%32.1	55 %39.4

- Does attitude to digital technology affecting digital marketing in Iran?

Since the test statistics is lower than table critical value at 95 percent and corresponding confidence interval shows positive, this means the positive effect of attitude to digital technology on digital marketing in Iran.

Table 2: The mean comparison based on the one-sample t test.

Variables	Average	SD	t	sig	Confidence intervals 95%	
					Lower bound	higher bound
Attitude to digital technology	2.04	0.478	4.22	0.001	0.125	0.245

- Does infrastructure affecting digital marketing in Iran?

Since the test statistics is lower than table critical value at 95 percent and corresponding confidence interval shows positive, this means the positive effect of infrastructure on digital marketing in Iran.

Table 3: The mean comparison based on the one-sample t test.

Variables	Average	SD	t	sig	Confidence intervals 95%	
					Lower bound	higher bound



Infrastructure	2.88	0.247	1.14	0.001	0.047	0.145
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- Does digital technology cost affecting digital marketing in Iran?

Since the test statistics is lower than table critical value at 95 percent and corresponding confidence interval shows positive, this means the positive effect of digital technology cost on digital marketing in Iran.

Table 4: The mean comparison based on the one-sample t test.

Variables	Average	SD	t	sig	Confidence intervals 95%	
					Lower bound	higher bound
Digital technology cost	2.02	0.401	4.88	0.001	0.178	0.255

Discussion

Results showed that attitude to digital technology, infrastructure and technology cost affect digital marketing in Iran. Marketers increasingly bring brands closer to consumers' everyday life. The changing role of customers as co-producers of value is becoming increasingly important (Prahalad and Ramaswamy, 2004). Khan and Mahapatra (2009) remarked that technology plays a vital role in improving the quality of services provided by the business units. According to Hoge (1993), electronic marketing (EM) is a transfer of goods or services from seller to buyer involving one or more electronic methods or media. E-Marketing began with the use of telegraphs in the nineteenth century. With the invention and mass acceptance of the telephone, radio, television, and then cable television, electronic media has become the dominant marketing force. McDonald's uses online channel to reinforce brand messages and relationships. They have built online communities for children, such as the Happy Meal website with educative and entertaining games to keep customers always close to themselves (Rowley 2004). Reinartz and Kumar (2003) found that the number of mailing efforts by the company is positively linked with company profitability over time. The primary advantages of social media marketing is reducing costs and enhancing the reach. 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 middlemen or distributors. In addition, social media marketing allows firms to reach customers that may not be accessible due to temporal and locational limitations of existing distribution channels. Generally, main advantage of social media is that it can



enable companies to increase reach and reduce costs (Watson et al. 2002; Sheth & Sharma 2005).

Waghmare (2012) pointed out that many countries in Asia are taking advantage of e-commerce through opening up, which is essential for promoting competition and diffusion of Internet technologies. Zia and Manish (2012) found that currently, shoppers in metropolitan India are being driven by e-commerce: these consumers are booking travels, buying consumer electronics and books online. Although spending per online buyer remains low, some 59% of online consumers in metropolitan India already make purchases online at least once in a month. Dave Chaffey (2002) defines e-marketing as “application of digital technologies - online channels (web, e-mail, databases, plus mobile/wireless & digital TV) to contribute to marketing activities aimed at achieving profit acquisition and customers retention (within a multi-channel buying process and customer lifecycle) by improving customer knowledge (of their profiles, behavior, value and loyalty drivers) and further delivering integrated communications and online services that match customers’ individual needs. Chaffey’s definition reflects the relationship marketing concept; it emphasizes that it should not be technology that drives e-marketing, but the business model. All types of social media provide an opportunity to present company itself or its products to dynamic communities and individuals that may show interest (Roberts & Kraynak, 2008). According to Gurau (2008), online marketing environment raises a series of opportunities and also challenges for social media marketing practitioners.

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