

Evolution of Digital Marketing and its Impact on Privacy

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ABSTRACT

The trend of digital marketing had a big impact on the company's marketing strategy. However digital marketing is the huge concepts contain various types of digital marketing but this paper focuses on how digital marketing came into existence. We subsequently discuss how social media, E-commerce, Over-the-top media services used for digital marketing, how big data analysis and behavior analytics introduced in digital marketing, and how smartphones changed the digital marketing scenario. Finally, we discuss the impact of data collection of the users on the user's privacy.

How to cite this paper: Piyush Sharma | Ms. Deepali Shahane "Evolution of Digital Marketing and its Impact on Privacy"

Published in International Journal of Trend in Scientific Research and Development (ijtsrd), ISSN: 2456-6470, Volume-4 | Issue-6, October 2020, pp.466-468, URL: www.ijtsrd.com/papers/ijtsrd33386.pdf



IJTSRD33386

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I. INTRODUCTION

The term digital marketing was first used in the 1990s as the internet evolved and expand to more and more internet users company started realizing that the internet can be for advertising their product and service. In 1993, the first clickable banner went live which was Hotwired purchased a few banner ads for their advertising [1]. This the beginning of the digital marketing era before social networking websites in 1994 yahoo was launched, yahoo received close to 1 million hits within a year [1]. This prompted changed in the whole digital marketing space were companies was optimizing their website to pull in higher search engine rank. Later on, companies like Google and Microsoft launched their search engine. Soon social networking began to emerge on the surface of internet.

II. HOW SOCIAL MEDIA, E-COMMERCE PLATFORMS, AND OTT MEDIA SERVICES CHANGED THE DYNAMICS OF DIGITAL MARKETING

Myspace was the first social networking website to arrive in the space of social media platform and it was soon followed by Facebook. Today social networking websites play an important role in digital marketing because of a huge user base using a social networking platform. Social networking evolved themselves in the course of time as technology evolves social networking platforms become the backbone of digital marketing for companies to sell their product and services online. Big data analysis algorithms help the social platform to serve appropriate ads to its intended audience. Today social networking website like Facebook, Twitter, Instagram (owned by Facebook), YouTube (owned by

Google), LinkedIn (owned by Microsoft) is the major social networking websites. Social networking website uses various algorithms on its huge database to serve an advertisement. The algorithms can use various aspects beyond the data given by the user like user preference, clicks, interactions with other users, etc.

E-commerce platforms use their platform to promote brands. However, the e-commerce platform serves advertisement and promote those brands which sell on their website. E-commerce platforms advertisements have almost the same approach as social networking website but they target the audience based on the different types of data such as Wishlist, abundant carts, search history, etc. Most of the major e-commerce platforms use various algorithms for selecting the best audience to serve the advertisement (Over-The-Top) media platform like Hulu, Amazon Prime, Netflix has seen an increase in user base in recent years. Some OTT platform claims that they don't serve ads as they are paid services and some OOT platform use their user for serving ads as they are free services. However, OTT services use a recommender system to engage the audience and mostly serve skippable ads.

III. HOW BIG DATA ANALYTICS AND BEHAVIORAL ANALYTICS SHAPING THE DIGITAL MARKETING

Big Data analytics is becoming important for industry and business growth. In a recent Forbes article, it is said that 87 percent of businesses believe that Big Data will be what redefines the competitiveness of many different industries,

within as little as three years (Columbus, 2014). Eighty-nine percent also believe that companies who do not adopt Big Data strategies will risk losing their market share (Columbus, 2014). The Industrial Internet Insights Report for 2015 has stressed that investments on Big Data analytics are becoming stronger than ever and found that not only do companies presently invest more than 20 percent of their overall technology budget in Big Data analytics, but also, they expected to increase over the next year (Industrial Internet Insights Report, 2015). Many companies are using these analytics to differentiate their competitive strengths and are doing so successfully. Therefore, the primary risk of not implementing of Big Data analytics is lacking on opportunities and overall growth in a market and allowing competitors who adopt an analytic strategy to have an upper hand. Technology has increased the use of Internet-connected devices and has created a the new position that the more information you put out about yourself, the more the world can be tailored around your needs and give you exactly what you want. The technology collects information about you through your daily activities and interactions the more particular industries can use that data to benefit you. The corporation is the 2nd largest company in the database marketing industry that excavates, aggregates, and sells personal data. This huge data collector is said to have records of hundreds of millions of users that includes: 1.1 billion browser cookies (data that gets sent to a website and tracks a user's activity), 200 million profiles of mobile users, and an estimated 1,500 pieces of data per consumer, according to the New York Times (Singer, 2012).

Behavioral data analytics is a tool to study the behavior of the user in the digital space. It organizes raw event data such as clicks into a timeline of each user's behavior, also known as a user journey [5]. Companies use behavioral data analytics to analyze the behavior of the user to understand user's likes and dislike to optimize product or services and make it more valuable for the user. Behavioral data is nothing but the actions of the user like clicks, navigation through UI, or swipes are recorded in the raw form. Companies aggregate this data to understand the most common behavior also called user flow. It helps to understand the user's order of action. Behavioral analytics combines two technologies that are user segmentation and event tracking which make it different from other types of business analytics. Implementing the knowledge gained after behavioral analytics companies ties users to the event which triggers a map of action known as user flow. It helps companies to place their Ads in a place where they get more interactions.

IV. HOW SMARTPHONES CHANGED THE DIGITAL MARKETING SCENARIO

Smartphones have changed drastically over the decade. Nowadays smartphones are used more than calling or receiving voice calls, a smartphone user uses it for internet browsing, playing games, consuming media like offline watching videos or streaming videos online, sharing photos on social media platforms. Digital marketing is growing rapidly among mobile users. There are many reasons behind this growth like smartphone becoming more affordable this made possible to reach smartphone among the huge masses which means a huge database of users. A smartphone can collect more information about the user compared to other

devices like laptops or personal computers. A smartphone can collect information like user's location, keystrokes, behavior pattern, voice commands, and much more this help companies like Google to show more relevant ads to its user. However, companies can use the data to make products or services more useful and user friendly. Most of the free application on the smartphone make revenue by displaying ads in the application user interface. These ads are usually provided by Google AdSense, in other words, we can say that nothing is free we are just exchanging the services by watching Ads. But there are some concerns about the privacy of the user, believe it or not, but companies like Google and Facebook know too much about its users, one can easily check this fact by clicking on manage your google account > data & personalization on your google account. But this helps companies like Google and Facebook or any digital marketing company to show more relevant ads to its users and help to increase the conversion rate.

V. IMPACT OF DATA COLLECTION OF THE USERS ON THE USER'S PRIVACY

Data is the most valuable asset in today's world. Companies collect the user's personal data to give them a more refined experience. The magnitude of personal data increasing day by day because of the increasing demand for wearable devices. Now user's personal data includes the health statistics such as heart rate, steps walked in a day as well as the amount of deep sleep slept along with activities done in a day are shared and stored in the company's database. Increase in use of smartphone increase impact on the privacy of the user. Your smartphone has technology like GPS, Camera, Microphone, Mass Storage and etc. When a user installs an application on their smartphone sometime they unknowingly or knowingly give the to all these resources. Once data shared users don't know how data is treated. Suppose someone is ordering food from food delivering app a profile is created and now the user gets a notification of great deals on food at lunchtime. This is one aspect of the food delivery app and the second aspect is that now the company has a huge database of the user. The same company can now help other businesses to set up a restaurant because after analyzing huge database they know what kind of restaurant will run successfully in a particular geographic location. This is the same sort of bargain Facebook and Google offer. Their core products, including Instagram, Messenger, Gmail, and Google Maps, don't cost money.

You pay with your personal data, which is used to target you with ads [4].

VI. CONCLUSION

The rise in consumption of the internet is increasing day by day so digital marketing is going in parallel with the internet. The rise in big data analytics and behavioral analytics makes digital marketing more likely to the audience and helps in increasing the conversion rate of the digital marketing campaign, However, sometimes company goes too far for collecting information and tracking the user that it can affect the privacy of the user. The future of digital marketing bright considering the fact that innovation in data analytic is not seen to decline soon. We can more unusual technologies implemented in future digital marketing campaigns and innovate the digital marketing scenario taking it to the next

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