

ASSESSMENT OF TRENDS IN THE APPLICATION OF DIGITAL MARKETING**Inta Kotane**

Mg. oec., Rezekne Academy of Technologies,
e-mail: inta.kotane@rta.lv, <http://orcid.org/0000-0002-9924-1394>, Latvia

Daina Znotina

Mg. soc. sc., Rezekne Academy of Technologies,
e-mail: daina.znotina@rta.lv, <http://orcid.org/0000-0002-9028-7628>, Latvia

Serhii Hushko

Prof. DSc, Kryvyi Rih Economic Institute of Kyiv National Economic University
named after Vadym Hetman,
e-mail: dep.director_edu@kneu.edu.ua, <http://orcid.org/0000-0002-4833-3694>, Ukraine

Abstract. One of the conditions for the future development of companies is the identification and use of digital capabilities. In recent years, the environment in which we live and work has changed radically. If the emergence of the Internet was revolutionary in the way we communicate and obtain information, currently the availability and mobility of technologies affects consumers' habits and promotes the transformation of classic business models. Aim of the study: to explore and learn about the development trends of digital marketing. Applied research methods: monographic descriptive method, analysis, synthesis, statistical method. The study based on scientific publications, statistics and other sources of information. The results of the study show that in 2019 digital marketing tools are most actively used: artificial intelligence / augmented reality / machine learning; video marketing; chatbots, virtual assistants.

Keywords: digital marketing, digital tools, companies, consumers, marketing trends.

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Introduction

In recent years, the environment where we live and work has considerably changed. The emergence of the Internet was the revolution in the way we communicate and acquire information, yet now the availability and mobility of technologies affect consumer habits and contribute to the transformation of classical business models. Digital transformation (*Salesforce, 2018*) is the process of using digital technologies to create new or modify existing business processes, culture, and customer experiences to meet changing business and market requirements. Digital transformation is the integration of digital technology into all areas of a business, fundamentally changing how you operate and deliver value to customers (*The enterprises project, 2018*).

The authors believe that digital transformation could be, in short, characterised as the ability of consumers and individuals to adapt to technologies. Digital transformation does not refer to only digital technologies, it involves the integration of digital technologies into all areas of entrepreneurship, which contributes to significant changes in enterprise operation and generates value added for consumers. Digital transformation also affects the development and application of digital marketing instruments.

In 2018, according to the Central Statistical Bureau (CSB), the most popular categories of products purchased online by the population were clothing, footwear and sports goods (47%), tickets (33%), household goods (33%) and electronics (30%) (*CSP, 2018a*). The trends in online shopping have not considerably changed in 2018 compared with 2017. This allows concluding that shoppers have certain habits of shopping online.

The level of skill of national enterprises to use and apply the latest technologies is different, yet it is clear that the technologies change the business environment and affect any industry. In 2018, according to the CSB, enterprises used their websites mainly to give consumers an opportunity to get familiarised with the descriptions of goods or services and the price list (58.9%). On their websites, enterprises increasingly (25.8% in 2018) provided links or references to their social media profiles (e.g. Facebook, Instagram, Twitter): 22.9% small, 35.6% medium and 65.0% large enterprises provided this opportunity on their websites (*CSP, 2018b*).

In order not to lose their market positions and attract new customers, enterprises need to follow consumer habits as well as change themselves to communicate with their customers through the channels the customers use.

Everything changes very fast in the niche of the digital marketing market, and it is important to predict what enterprises are going to demand in a few years. Enterprises increasingly invest in digital marketing, as their knowledge and understanding of why it is necessary increases, and so do requirements for it (*Zalāne, 2017*).

The authors believe that an analysis and systematisation of trends in digital marketing is of vital importance and is a prerequisite for further progress in the e-commerce.

The *research aim* is to examine the trends in digital marketing.

The *research methods* used: monographic, descriptive, analysis, synthesis and statistical analysis. The present research was based on an analysis of research papers, statistical data and other information sources.

Theoretical aspects of digital marketing

Digital marketing (also internet marketing, e-marketing, web marketing) is an umbrella term for any type of online marketing including SEO, PPC, email marketing, content marketing and social media marketing (*Kent, 2018*). Digital marketing as an adaptive, technology-enabled process by which firms collaborate with customers and partners to jointly create, communicate, deliver, and sustain value for all stakeholders (*Kannan, Li, 2017*). Digital marketing is an umbrella term for all the online marketing efforts that you and your company are doing or will, eventually, do (*Pesce, 2018*). Digital marketing involves managing and harnessing '5Ds of Digital: digital devices; digital platforms; digital media; digital data and digital technology (*Chaffey, 2018*).

Online marketing communication has become essential in the last decade, as information and communication technologies has spread among the general public, as a result of both accessibility and lower cost (Perju-Mitran, Budacia, 2015). In 2017, 72 % of individuals in the EU-28 accessed the Internet on a daily basis, with a further 8 % using it at least once a week (but not daily). As such, 80 % of individuals were regular users (at least weekly) of the Internet (*Eurostat, 2018*).

Research studies on digital marketing (*Mathews et al., 2016*) indicate that firms deploying Internet marketing capabilities will benefit due to the reduction of information uncertainty and increased capacity to develop international network capabilities. Shaltoni

(2017) found that half of the investigated organizations are using the Internet as a one-way communication vehicle through static websites. He revealed that decision-makers in emerging industrial markets are enthusiastic about social media, particularly Facebook. The research results (Taiminen, Karjaluoto, 2015) revealed that SMEs seem not use the full potential of the new digital tools, and so are not deriving benefit from the opportunities they provide.

The authors conclude that using digital marketing instruments gives an opportunity for an enterprise to increase its market share and enhance its competitiveness.

Trends in digital marketing

The marketing industry is one of the first industries that indicate change in public views, media use habits and lifestyle. Smart Insights are a publisher and learning platform that helps members plan, manage and optimize their marketing using downloadable planning templates, guides and interactive learning tools (Smart Insights). According to studies conducted by Smart Insights in recent years, the answers to the question “Please give the digital marketing technique which you hope will give the biggest commercial uplift ...” received from tactics marketers indicated that content marketing was the most effective type of marketing (Table 1).

Table 1

Top-rated digital marketing techniques 2017-2019, %

Digital marketing technique	2017	2018	2019
Content marketing	20.3	20	15.1
Big data	20.2	14	14.4
Artificial intelligence and machine learning	-	14	15.1
Marketing automation	10.3	9	14.8
Mobile marketing	9.2	9	5.9
Social media marketing	8.8	10	6.8
Conversion rate optimisation and improving website experiences	5.9	5	7
Internet of Things marketing application	5.4	3	3.4
Search engine optimisation (SEO)	4.1	4	2.7
Wearables	3.4	2	1.3
Paid search marketing	3.3	2	2.2
Online PR	2.7	3	2.8
Communities	2.6	3	3.2
Display	1.6	1	1.5
Partnership	1.5	2	1.8
Other	1.9	1	1.7

Source: compiled by the authors using: (Smart Insights, 2017; 2018; 2019)

This has featured consistently in the top 3 for several years. Content marketing can be applied by all types of business regardless of their sector or size and if the right strategy is followed can make an impact that supports communications across all touchpoint of the customer lifecycle. It fuels all digital channels from search, email and social media marketing. This makes having a defined content marketing strategy essential to competing in many sectors. According to a study done in 2019, marketing techniques such as artificial intelligence and machine learning, marketing automation and big data are rated higher.

The systematisation of trends in digital marketing in the world, based on leading digital marketing online resources in the world, (Table 2) indicates that the following key trends might be expected in 2019: artificial intelligence / augmented reality / machine learning (indicated by 7 out of 7 authors); video marketing (7 out of 7 authors); conversational user interfaces (chatbots, voice assistants, visual search) (6 out of 7 authors) and data transparency and personalization (6 out of 7 authors).

In recent years, artificial intelligence has been topical in the digital environment. The fast progress of artificial intelligence as well as machine learning, which contributes to the capability of artificial intelligence and the adaptation of it to various needs, have become an important turning point both in technology and in digital marketing. Businesses adopting artificial intelligence in 2019 will be able to save costs and accelerate growth, getting an edge over their competitors (*Dave, 2019*). 28% of marketers are using artificial intelligence for product recommendations and 26% are using it for campaign optimization (*Membrillo, 2018*).

An increasing amount of information content is created in the world, which makes marketing specialists seek new formats of content to convey the messages as fast and effectively as possible. According to Cisco, 82% of Internet traffic will be through video by 2021. As consumers spend more time on their smartphones watching videos, advertisers are expected to spend \$20 billion on mobile video in 2019, up from \$2 billion in 2015 (*Membrillo, 2018*). This past year, 65 percent of ad impressions on Instagram were the result of video content, and this is expected to grow even further. With this type of growth and consumption of video ads by consumers, video ads should be part of every marketer's strategy in 2019 (*Lubek, 2019*).

The authors conclude that video content is not a new trend, yet in 2019 this particular format will have to be taken into consideration. Human resources are constrained and become more expensive. Chatbot solutions are a response to this situation. Experts predict that by 2020, 80% of businesses will be using chatbots (*Osman, 2019*). By 2021 approximately 1.8 billion people will be taking advantage of voice search technology, as these technologies have emerged from personal usage to finding their ways to the workplaces. The estimated growth of virtual digital assistant from 2017 is forecasted to reach from 3 billion dollars to 15.79 billion dollars by the year 2021 (*Ali, 2018*).

In the context of digital marketing trends, the following issues become urgent: data protection, personalization and marketing automation, social media stories / social messaging apps, influencer marketing and mobile optimization.

The global digital marketing trends are going to dominate also in the Latvian market in 2019 (*Volvenkins 2019; Biznesa asistents, 2018; Digiflow, 2019*), yet a special focus has to be placed on video marketing, conversational user interfaces and influencer marketing. An increasing number of enterprises, seeking to perform better, start focusing on digital marketing and the way how to use it in entrepreneurship. Today, technology progresses exponentially and can provide exponential growth to enterprises. Use of technologies gives

enterprises an opportunity to make a growth leap and increase the turnover even 10-fold, instead of growing annually at a 10% rate. The authors believe that identifying the trends in digital marketing and using the right instruments of digital marketing in economic activities requiring a target audience create a prerequisite for the growth of an enterprise.

Table 2

Digital marketing strategies in 2019

Company (author)						
Forbes (Ehlers, 2019)	ClickZ (Litsa, 2019)	Single Grain (Dave, 2019)	Chief Marketer (Lubek, 2019)	Smart Insights (Chaffey, 2019)	Cardinal (Membrillo, 2018)	Venture Harbour (Brooks, 2019)
Artificial intelligence / augmented reality / machine learning						
Video marketing				Content and inbound marketing	User-generated content; Video	Content marketing Video marketing
-	Conversational user interfaces (chatbots, voice assistants, visual search)					
Data Going into privacy mode	Data- driven marketing	Personali- zation	-	Always-on lifecycle marketing optimization; Growth in customer data platforms and predictive analytics	Personalization and marketing automation	Personalization; Data transparency, protection Contextual targeting; Targeting “generation Z”; Dynamic funnel marketing
Social media stories / Social Messaging Apps				-	-	-
Influencer marketing	-	Influencer marketing	Influencer marketing	-	-	-
-	-	-	-	Omnichannel marketing		-
-	-	Micro- Moments	APAC app ecosystem expands into Europe and U.S.	Increasing smartphone adoption; Mobile optimization	Accelerated mobile pages and progressive web apps	-
-	-	Programm atic advertising	Finding new ways to fight Ad fraud and ensure brand safety; Parallel bidding is the next big thing for In-App advertising	The rise of the marketing clouds including automation and programmatic	Native advertising; A rise in Adwords	-
-	-	-	-	Digital transformation		Big data

Conclusions

The availability and mobility of technologies affect consumer habits and contribute to the transformation of classical business models. Digital transformation could be characterised as the ability of consumers and individuals to adapt to technologies. Digital transformation also affects the development and application of digital marketing instruments.

In 2018, according to the Central Statistical Bureau, trends in online shopping have not considerably changed, meaning that shoppers have certain habits of shopping online. In 2018, enterprises used their websites mainly to give consumers an opportunity to get familiarised with the descriptions of goods or services and the price list. In order not to lose their market positions and attract new customers, enterprises need to follow consumer habits as well as change themselves to communicate with their customers through the channels the customers use.

According to studies conducted by Smart Insights in 2017-2019, tactics marketers considered content marketing the most effective type of marketing. Content marketing can be applied by all types of business regardless of their sector or size and if the right strategy is followed can make an impact that supports communications across all touchpoint of the customer lifecycle. It fuels all digital channels from search, email and social media marketing. This makes having a defined content marketing strategy essential to competing in many sectors. According to a study done in 2019, the role of marketing techniques such as artificial intelligence and machine learning, marketing automation and big data is rated higher.

The following key trends might be expected in 2019: artificial intelligence / augmented reality / machine learning; video marketing; conversational user interfaces (chatbots, voice assistants, visual search) and data transparency and personalization. The global digital marketing trends are going to dominate also in the Latvian market in 2019, yet a special focus has to be placed on video marketing, conversational user interfaces and influencer marketing.

Identifying the trends in digital marketing and using the right instruments of digital marketing in economic activities requiring a target audience create a prerequisite for the growth of an enterprise.

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