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**DIGITAL ECONOMY TRENDS:
GLOBAL CHALLENGES, STRATEGY
AND TECHNOLOGIES**

Monograph

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DIGITAL MARKETING AS AN INNOVATIVE CONTROL ELEMENT: DEVELOPMENT BY EVOLUTION

Nowadays, the marketing environment is characterized by the domination of information, which overlords in the economic development of economic entities. There is the global integration of national economies into the world economy. These factors characterize the economy as a diversified local and global network. It can be considered that the economy with a traditional structure is being transformed into a network economy that is focusing on the production and distribution of network goods. These processes are facilitated by the spread and development of the Internet as a global network with high-speed information and communication links.

The main dominant in the development of marketing is its total digitalization. The main differences between sectors of the economy are disappearing, open business systems are being created to achieve their main goal. Traditional methods of working with clients today are ineffective, they are increasingly improved and deepen.

Problems of development and using of digital marketing were investigated in the researches of famous domestic and foreign scientists, in particular: S. Gritsenko, I. Mann, O. Marchuk, M. Oklander, P. Pererva, O. Romanenko, V. Ruban, J. Fenvik, D. Yatsyuk.

In the monograph “Digital Marketing – a marketing model of the XXI century” edited by prof. M. Oklander is noted that digital marketing is a type of marketing activity that through digital channels and digital methods allows mass individualized interaction with target market segments in virtual and real environments. According to the authors of the research: “... digital methods of information processing and their usage are becoming the main source of improving the efficiency of marketing activities. For scientists, teachers, students of higher educational institutions” [2].

As O. Marchuk rightly stresses “digital technologies nowadays are a crucial factor for success and advancement for every area of business, which gives significant competitive advantages” [1].

There is no doubt an opinion of the authors of the work “Digital Marketing: Opportunities and Paradoxes of Communication” written by P. Pererva and others, in particular: “The appearance of digital networks in human society, in marketing activity is a vital need for society to share information. Opportunities for digital marketing, digital technologies allow companies not only to meet the needs of their customers, but also to attract them to their business, while the customer receives income” [3].

S.V. Kovalchuk, O.M. Kovinko and I.V. Lisovsky conclude in their work: “The use of digital technologies has made it possible to conduct marketing research and the making choice of international sales markets. Domestic enterprises have the opportunity to assess the economic, political, cultural business environment in each market, identify potential target markets, systematically research demand, investigate the constraints and obstacles, interpret the results and determine the prospects for international business [4].

It is worth to note the opinion of V. Pylypchuk according to modern marketing tools, which, in the author's opinion, must be directed not only at the traditional consumer, but also at a new consumer in a dynamic Internet environment [5].

The purpose of the study is an examination the latest range of trends and solutions related to digital technologies that will have an important meaning in the evolutionary development of marketing in the near future.

Presentation of the main material of the study. Nowadays, one of the trendiest parts of marketing is digital marketing, which is an integral part of the development and formation of leadership positions in the competitive environment of any economic entity. This is a huge segment of the marketing market, which is not expected to disappear in the foreseeable future and will gain more turns, exceeding traditional marketing strategies.

What are its advantages and trends? The fundamental effect of using digital marketing is its simplicity, as its tools make it possible to track and monitor the results of campaigns. Digital tools allow monitoring consumer reactions, measure the results of running advertisements and generally allows planning effectively future marketing campaigns.

According to report of Deloitte “Global marketing tendencies 2021: how to set a course in times of uncertainty?” more than 70 percent of respondents said they valued digital solutions that deepen their relationships with others, and 63 percent said that even after the pandemic, they would rely more on digital technologies than in the previous vision [6].

So, if to form by simple words the definition of digital marketing, it is nothing more than “advertising that is transmitted to the consumer through digital channels”. For example, search engines, mobile application sites, social networks, mail, etc. – are the channels that deliver advertising to the customer. In addition, digital marketing can be done not only in the online environment, but also in the offline dimension. In general, these are two strategies of digitalization of the marketing sphere, the success of which depends on the development of entrepreneurial activity of market participants.

So, both types of marketing are not essentially different, because their main task is to develop relationships with potential customers and their deepening with existing customers. However, the predominance of digital marketing over traditional still exists. This is appearing in the change of traditional marketing tactics moved to reach modern consumers. It is possible to give a simple of this situation. Let's indicate, do people use the Internet to search for a product or service, choosing the best option available? Their final decision is based on the choice of goods on characteristics, surveys, price proposals. Obviously, the decision to make purchase, in most cases, nowadays starts with the Internet. It is important for economic entities, regardless of the type of product or service that are sold today, to be present in this global network.

For positioning business effectively on the Internet, it is necessary to develop an appropriate strategy, which can be formed by combining the following most important channels:

- 1) content marketing to inform consumers;
- 2) social media – to interest and engage target audience;
- 3) SEO – to optimize the content and filling of pages when someone searches for information was written about;
- 4) commercial advertising – to provide paid traffic to pages where people can find business offers;

5) E-marketing – interaction with the audience, to convince consumers that their needs are meeting.

Only by combining all defined elements, it is possible to form a simple and, at the same time, effective marketing strategy. Activities in marketing digitisation can take place on several levels. To do this, the Internet gives a lot of opportunities, but also requires flexibility and adaptation to the rapidly changing of digital environment. The number of supporters of digital marketing is growing rapidly. This is due primarily to the greater opportunities compared to traditional methods for promoting goods or services. Another important reason is a greater efficiency of new communication channels and the ability to measure the outcome and return on investment.

Taking into account the constant systematic technological advances, it could be assumed that Internet marketing will continue to develop, and the variety of Internet marketing will increase every year.

Success achievement in the Internet – is mostly successful reaching the potential customers by a marketing message through activities that involves different types of Internet marketing.

The role of digital marketing can be reflected in the interaction of three components: the growing impact of marketing strategies; increasing the productivity of existing strategies and generating potential customers; modeling the attribution of marketing strategies (Fig. 1).

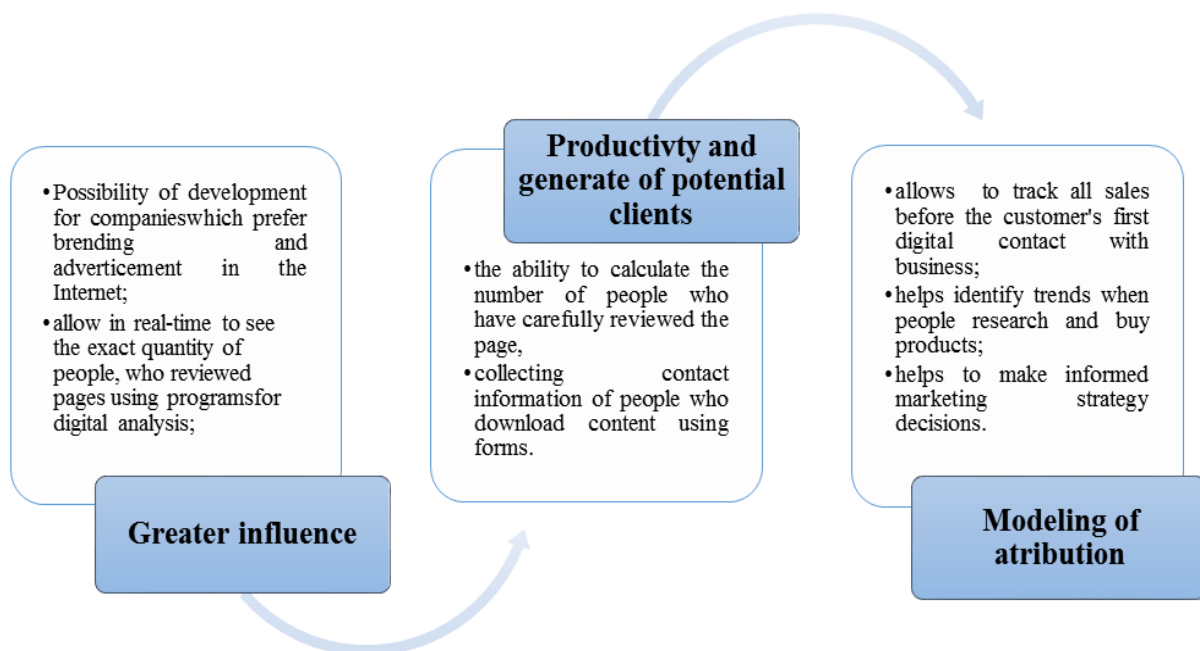


Fig. 1. Role of digital marketing

Internet marketing strategy is a complicated complex phenomenon that needs constant review and improvement. Using even single elements of the strategy simplifies the whole process and, most importantly, increases the effectiveness of the marketing campaign.

Reviewed a large massive of information according to the principles of Internet marketing, it should be selected the next ones:

- 1) defining the strategy and goal of the campaign;
- 2) ensuring a continuous communication process;
- 3) measuring the result to improve conversion;
- 4) improving the relationship with the audience.

To build an effective digital marketing system, it is necessary to investigate at great length each of its stages, in particular, evaluate:

- 1) the business environment and the concept of the market strategy of the market entity;
- 2) strategic decisions on all stages of brand promotion;
- 3) using practice of modern digital technologies;
- 4) searching, interest and retaining the client in the digital environment;
- 5) study of consumer behavior in terms of digital marketing;
- 6) principles of using digital marketing tools;
- 7) measuring the efficiency of digital channels, etc. (Fig. 2).

What are the benefits of using digital marketing tools? The answer to this question determines the effects of their use:

- 1) noctidial access to potential customers;
- 2) possibility of simplified analysis of leads with a goal to create optimal communication and tactical decisions, taking into account, needs and expectations of the target audience;
- 3) digitization of marketing processes to minimize expenses, time and resources;
- 4) diagnostics of the implemented measures in the advertising cabinet of the business acanthus for their further optimization,
- 5) expansion of communication channels with the target audience and, as a result, improvement of the interaction rate.

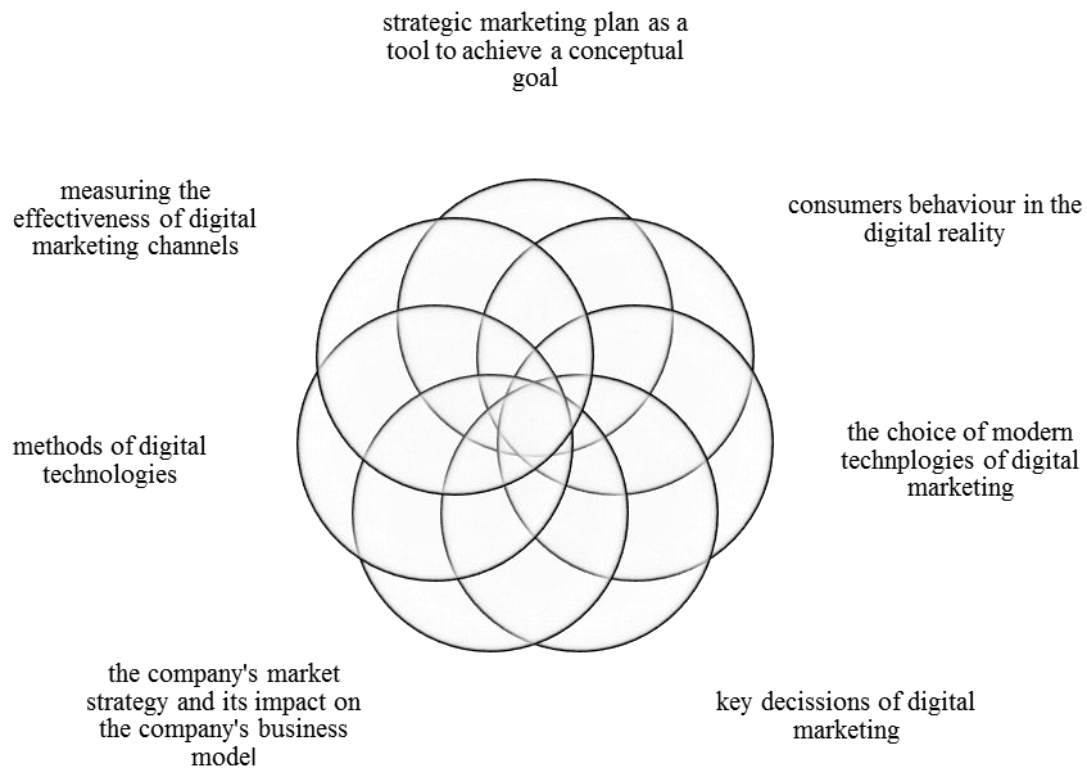


Fig. 2. The main stages of implementation of digital marketing tools

The choice of the best digital marketing tools should start with planning activities in the digital space. Only after obtaining a detailed communication strategy, defining the purpose and methods of achieving, monitoring and measuring key characteristics, efficiency can be achieved, in particular by: increase brand awareness, attract loyal customers, interest existing customers and, accordingly, improve conversion rates and overall financial performance.

The basic rules of Internet marketing in our understanding can be identified using the so-called four rules of digital marketing, formed by authors in the process of research and called “Rules of digital promotion 4C”, the essence of which is follows:

1. Develop strategy and objectives of an e-company.
2. Create consistent communication with the target audience.
3. Use the results in the advertising cabinet to improve them.
4. Simplify interaction with audience to build relationships.

These rules not only simplify the process of promoting a comprehensive marketing strategy, but also effectively influence on the activities of the market entity as a whole. Let's look at each of them in more detail.

The first rule defines the general strategy and purpose of an e-campaign, without which no marketing promotion is possible. It is necessary to identify clearly what should be achieved and the methods of achievement. To understand the marketing environment and segments of the market entity, it is necessary to carry out: several case studies, analyze the main market trends and the activities of competitors.

It is especially important to investigate the activities of competitors. At this stage, we consider using of competitive diagnostic tools should be effective, which allows us to understand the strengths and weaknesses of competitors, fundamental to the customer's position in the market. The most effective among the prominent tools are researches of the following elements: used marketing tools in social networks; advertising campaigns; commercial advertising; inbound links; SEO optimization; PR activities.

In general, only the investigation of the above elements of marketing strategy allows evaluating the actions of competitors and a deeper understanding of the market segment for doing business. To simplify the diagnosis process, the authors propose to use modern tools listed in Table 1.

Table 1

Recommended tools for diagnosing competitors

Name of tool	Features	Possibilities for promotion
Brand24	Internet monitoring to search for information about competitors	Collects public data from Facebook, Instagram, Twitter, blogs, forums and other Internet channels
Similar Web	powerful and highly effective website traffic checking	analyzes traffic and its sources; allows you to determine how you differ from your competitors
SEMrush	one of the most popular tools available, which covers many elements of internet marketing	The biggest benefits are SEO and keyword research. The SEO quality of your website determines its visibility in search engines. Inbound links will significantly improve SEO and improve visibility.
Siteliner	to evaluate a competitor's website for: out-of-use links, page size, internal links, number of links per page	After receiving the information, you can use out-of-use links from competitors. The link has a huge impact on Google rankings. Without links that lead to your content, you won't get a high Google ranking.
RankSignals	an SEO competition analysis tool that lets learn about the sources that link to a competitor's website and strengthen position in Google rankings.	Using signals, it is possible to track incoming links from competitors. Inbound links enrich the website with good web browser optimization; have a huge impact on the SEO visibility of your domain

In the process of the first rule implementing, it is necessary to take into account three main positions when determining the brand strategy: the portrait of the target audience; the goal has to be achieved; the necessary results and the ability to measure them.

Understanding target audience and being able to determine its portrait is absolute. To do this, it is logical to use different criteria: demographics, behavior, preferences, lifestyle, and hobbies. Specifying a goal can help you choose the channel to reach your audience, create content (theme, language, tone of voice), and optimize campaign.

Nowadays, digital space offers many options for understanding the target audience. For example, using a Facebook account, it can be analyzed audience information, for example, using the Facebook Audience Insights platform. Another platform that can be used for this purpose is Google Analytics – generates information of analytical content about its subscribers. Moreover, this is not the only opportunity for diagnosis.

The next step is to answer the question – what should be achieved from the campaign? Maybe it is the new followers, better brand recognition, and so on. Therefore, it is necessary to determine the aspects for which the whole campaign will be carried out. The ability of all businesses to adapt to the needs of the target audience will depend on the effectiveness of this process. Here, the determinative vector is determination of the intermediate stages that will allow moving further along the strategy. To do this, it is necessary to find answers to the question – how to interest the customer in the appropriate brand?

The following rule recommends the creating of consistent communication with the target audience. Currently, customers expect the individual communication in the process of contacting any brand. In practice, this means a detailed understanding of the brand, the personality of the target audience and the sequence in interaction with it. At the same time, an important stage in establishing communication with the brand is its visualization and accessibility for consumers. It can be banal: the use of the same themes, layouts, images, fonts. It is necessary to achieve an easy brand recognition and aesthetics in its presentation not only on the site but also in social networks.

The implementation of the third rule means to measure the results of the campaign. If the implemented campaigns would have the high uniqueness and quality, it will significantly improve the brand image and

increase trust to it. It is necessary to diagnose the use of the tool “Brand24”, which will explore the following information: coverage; interaction; mentions and their quality and quantity; AVE indicator (approximate cost of collected records about the brand). This information is extremely important both for measuring the effect of the campaign in particular and for assessing the market value of the brand in general, so it should be considered in more detail using Figure 4.

The last of the rules emphasizes the need to interact with the target audience. Research demonstrates the effectiveness of digital marketing tools in contrast to traditional forms of promotion, which allows scaling the relationship with customers, both existing and potential.

The deepening communication with customers is possible in the following circumstances:

- 1) responding to comments;
- 2) taking into account suggestions;
- 3) tracking consumer needs;
- 4) activity and initiative in communication.

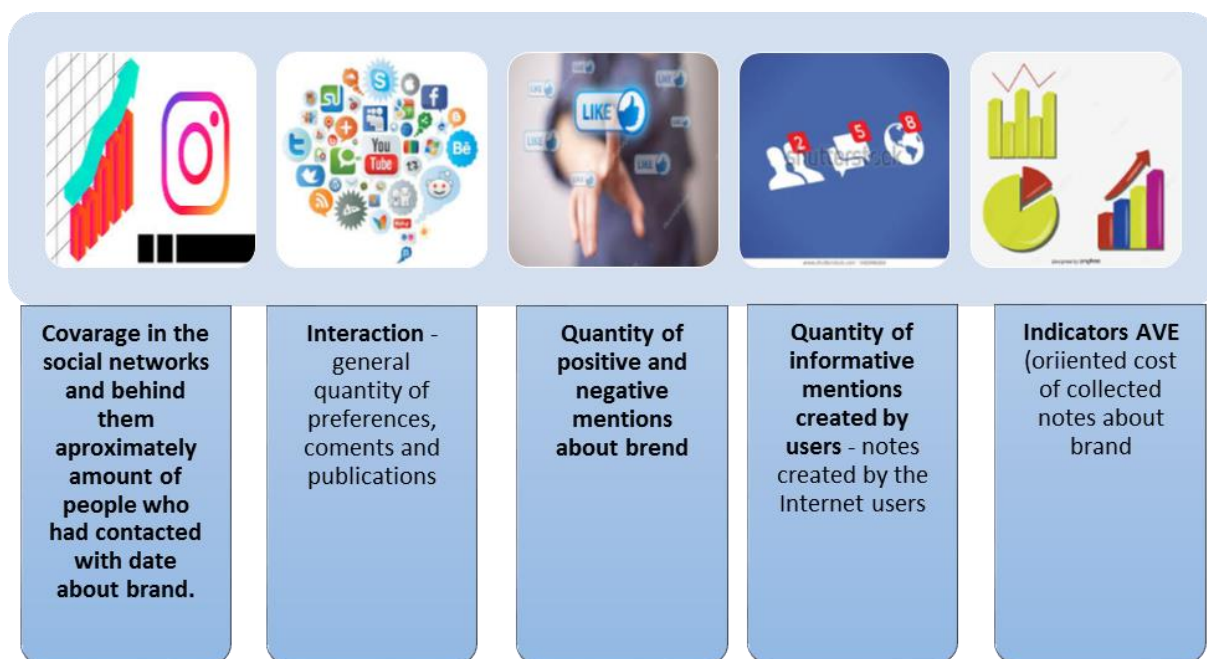


Figure 2. Tools for measuring the results of a marketing campaign

Taking into account, the active dissemination of information on the Internet, the quality of customer service undoubtedly affects the reputation of the company. Why is it so important in the structure of the total value of the firm? The answer is more related to the psychological characteristics of

people, because their behavior is often determined by emotions. This means that people often shop instinctively or intuitively, and even with detailed planning, rationalism yields to subjective judgment. With this in mind, when developing a marketing strategy, it is necessary to take into account this compelling law of digital marketing, which we call "establishing the emotional connection of the consumer with the brand through optimal communication channels." This is undoubtedly one of the main tasks of a marketer of any level and field of activity.

The domestic market is rapidly adapting to the spread of digital media, despite their high cost. According to experts, the share of digital media will continue to grow, as this phenomenon, despite its trend, is gaining momentum. As with brand strategy, marketing leaders are just learning to use single digital media tools in general.

Social media, with significant advantages in terms of communication and use of personalized content, use their tools (brand awareness, opportunities to attract new customers and retain existing ones, create an image for goods and services) similarly to traditional media.

According to RBC-Ukraine, the most popular social networks in Ukraine are Facebook (58% of all respondents), YouTube (41%), Instagram (28%) and telegram (14%). This is proved by a survey made by Research & Branding Group [7].

However, respondents of the marketing environment indicate that 24% of all use social networks to keep customers, 8% – for market research, 5% – to collect information about the quality of goods or services. Therefore, it is obvious that this market segment is unfilled and the potential of this communication channel is not yet more than half used.

One of the tools of digital marketing, which according to our opinion helps to promote the brand and the strategy is virus marketing. This is a peculiar phenomenon of social networks, which leads to the spread of marketing content among thousands of recipients in a very short time. Its purpose is the redistribution of marketing content by Internet users. The action of this type of marketing is based on the voluntary exchange by materials with users on the Internet, mainly because of its attractiveness. The role of the marketer in this type of Internet marketing is to prepare content that the target audience finds attractive enough to decide to resend it.

We consider, this is a very cheap and effective form of advertising. Unfortunately, today it is very difficult to interest Internet users to start

sharing described marketing, there could be used a website (for example, through a blog post), a video on YouTube or, for example, published content on one of the social networks.

Conclusions. The situation with an aggravation of the crisis caused by the pandemic has confirmed the importance of Internet marketing for market participants. This is a kind of challenge that requires the expansion of digital technologies to provide the profitability. In general, due to the restrictions, a significant number of companies had to switch from possible offline channels to mostly online communications. This situation only confirmed the axiom that Internet marketing is not only a supplement to existing marketing technologies, but in many cases, it is the main source of business development.

The study proved – today there is a significant growth of digital media, the spread of marketing analytics tools, automation of brand promotion that allows arguing about progress in adapting the marketing environment to the challenges of global digitalization. Domestic marketing sectors are developing in this regard, although not rapidly, but this movement is a real progress in their development.

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