

A STUDY ON DIGITAL TRANSFORMATION OF TRADITIONAL MARKETIG IN NEW INDUSTRY BUSINESS MODEL

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Abstract : The rapid development of digital technologies has significantly transformed the landscape of traditional marketing practices across industries. Organizations increasingly integrate digital tools such as social media platforms, search engine marketing, data analytics, and automation technologies to enhance customer engagement and improve business performance. This study examines the impact of digital transformation on traditional marketing strategies within emerging industry business models. Using descriptive and analytical research design, primary data were collected from 305 respondents representing multiple sectors including services, retail, and manufacturing. The study employs descriptive statistics, frequency analysis, and hypothesis testing using the Chi-square method to analyze the relationship between digital marketing adoption and perceived marketing performance. The findings indicate that approximately 75% of organizations have adopted digital marketing strategies, with social media marketing emerging as the most widely used platform. The results further reveal that digital transformation significantly improves customer engagement, brand awareness, and market reach. However, organizations also face challenges such as data privacy concerns, high investment costs, and lack of skilled professionals in digital technologies. The statistical results show that although digital marketing is widely perceived as beneficial, the relationship between adoption of digital marketing and business performance is not statistically significant at the 5% level. The study concludes that digital transformation plays a crucial role in reshaping modern marketing strategies, but successful implementation requires strategic alignment, technological readiness, and continuous skill development. The research contributes to the growing body of knowledge on digital marketing transformation and provides practical insights for organizations transitioning from traditional to digital marketing models.

IndexTerms - Digital Transformation, Digital Marketing, Marketing Strategy, Industry 4.0, Customer Engagement, Business Performance.

I. INTRODUCTION

The emergence of digital technologies has dramatically transformed the global business environment. Organizations across industries are increasingly adopting digital platforms and tools to enhance operational efficiency, customer engagement, and competitive advantage. In particular, marketing practices have undergone significant changes as companies transition from traditional marketing strategies toward digitally driven approaches.

Traditional marketing methods such as print advertising, television promotions, billboards, and direct selling were once the primary channels through which organizations communicated with their target audiences. However, the rapid expansion of internet technologies, mobile devices, and social media platforms has revolutionized the way businesses interact with customers. Digital marketing enables organizations to reach global audiences instantly, track consumer behavior in real time, and personalize marketing messages based on customer preferences.

Digital transformation refers to the integration of digital technologies into all areas of business operations, fundamentally changing how organizations deliver value to customers. In the context of marketing, digital transformation involves adopting online platforms, automation tools, analytics systems, and data-driven decision-making processes to improve marketing effectiveness.

The increasing popularity of social media platforms, search engines, and e-commerce platforms has accelerated the adoption of digital marketing strategies. Businesses now rely heavily on online advertising, influencer marketing, content marketing, and email campaigns to promote their products and services. These digital channels provide organizations with cost-effective ways to reach a wider audience while enabling precise targeting and performance measurement.

Despite the benefits of digital marketing, organizations often face challenges during the digital transformation process. These challenges include lack of technological expertise, data privacy concerns, integration issues with legacy systems, and high initial investment costs. Furthermore, not all organizations are able to fully realize the potential benefits of digital marketing due to limited digital skills or inadequate strategic planning.

In recent years, researchers have increasingly focused on examining the role of digital transformation in shaping modern marketing strategies. However, empirical studies investigating the impact of digital transformation on marketing performance across industries remain limited. This study therefore aims to analyze the adoption of digital marketing practices and evaluate their impact on business performance within emerging industry business models.

The present research contributes to the literature by providing empirical evidence on how organizations transition from traditional marketing to digital marketing and by identifying key factors influencing the success of digital transformation initiatives.

II. LITERATURE REVIEW

Kotler, Kartajaya, and Setiawan (2017) discuss the transition towards Marketing 4.0, where digital integration reshapes how firms interact with consumers. The authors argue that marketing is no longer confined to traditional channels, but instead requires a seamless blend of online and offline touchpoints. They further highlight that consumer engagement is increasingly driven by digital platforms, which influence perceptions, decision-making, and brand relationships.

Caliskan, Özkan Özen, and Ozturkoglu (2021) investigate how Industry 4.0 technologies are redefining traditional marketing structures. Their analysis suggests that technological advancements significantly alter core elements of the marketing mix, particularly in terms of product development and service delivery processes. The study emphasizes that firms must proactively adapt their marketing strategies to remain aligned with evolving technological ecosystems.

Westerman, Bonnet, and McAfee (2016) explore how digital transformation contributes to organizational success. Their findings indicate that firms adopting digital technologies strategically outperform competitors in both efficiency and customer satisfaction. The study underscores the importance of leadership and organizational culture in driving transformation.

Rogers (2016) discusses the disruptive impact of digital technologies on traditional business and marketing models. The study emphasizes the role of customer networks, innovation, and data analytics in shaping modern strategies. It suggests that organizations must rethink value creation in a digitally connected environment.

Kane, Palmer, Phillips, Kiron, and Buckley (2019) investigate how organizations build digital maturity over time. The study finds that firms with advanced digital capabilities demonstrate higher levels of innovation and adaptability. It highlights leadership commitment and continuous learning as critical enablers.

Cioppi, Curina, Francioni, and Savelli (2023) provide a comprehensive synthesis of digital transformation within marketing literature. The authors identify that transformation occurs across customer engagement, internal workforce adaptation, and organizational processes. They argue that effective digital marketing depends on the alignment between internal systems and external customer interfaces to ensure consistency and efficiency.

Ungerma and Dědková (2019) examine the role of technological innovation in reshaping marketing practices under Industry 4.0. Their findings indicate that advanced tools such as data analytics and interconnected systems enhance the effectiveness of communication strategies. The study positions marketing as an integrated function that increasingly collaborates with technological and operational domains.

Paramastri (2020) explores the growing dominance of digital marketing over conventional approaches. The study notes that digital channels enable businesses to reach broader audiences while offering greater scope for personalization and customer insight generation. However, it also acknowledges concerns related to data privacy and the intensification of competitive pressures in digital environments.

Ghobakhloo and Iranmanesh (2021) analyse the adoption of digital transformation within small and medium-sized enterprises. Their findings suggest that successful transformation depends on factors such as leadership vision, technological readiness, and organizational preparedness. The authors recommend a gradual and strategically aligned approach to integrating digital technologies into business and marketing functions.

Porter and Heppelmann (2017) analyse the implications of smart and connected products for business strategy. The study demonstrates how real-time data collection enables firms to offer more personalized marketing solutions. It also highlights the transformation of customer relationships through enhanced connectivity.

Bughin, LaBerge, and Mellbye (2017) examine the broader economic impact of digital transformation. Their findings suggest that organizations leveraging digital technologies experience improved productivity and stronger customer engagement. The study emphasizes the strategic importance of digital marketing capabilities.

Verhoef et al. (2021) explore how digital transformation reshapes marketing functions and strategies. The study highlights changes in customer journeys, channel integration, and value creation mechanisms. It concludes that firms must redesign their marketing frameworks to align with digital ecosystems.

Lemon and Verhoef (2016) focus on the concept of customer experience in a digital context. The study emphasizes managing multiple customer touchpoints to ensure consistency and satisfaction. It also highlights the role of personalization in enhancing customer engagement.

Rust and Huang (2018) examine the future trajectory of marketing in the presence of artificial intelligence and advanced analytics. The study suggests that predictive technologies enable more accurate decision-making and customer targeting. It concludes that marketing is evolving into a highly data-driven and strategic function.

III. RESEARCH OBJECTIVES

The primary objective of this study is to analyze the role of digital transformation in reshaping traditional marketing practices. The specific objectives of the study are:

1. To examine the transition from traditional marketing to digital marketing strategies.
2. To identify the most widely used digital marketing tools and platforms.
3. To analyze the impact of digital marketing on business performance.
4. To identify the major challenges organizations, face during digital transformation.
5. To evaluate the relationship between digital marketing adoption and marketing effectiveness.

IV. RESEARCH HYPOTHESIS

The study examines the relationship between digital marketing adoption and perceived business performance through the following hypotheses:

Null Hypothesis (H₀): There is no significant relationship between digital transformation and marketing performance in new industry business models.

Alternative Hypothesis (H₁): There is a significant relationship between digital transformation and marketing performance in new industry business models.

V. RESEARCH METHODOLOGY

This study adopts a **descriptive research design** to examine the extent and impact of digital transformation in traditional marketing within emerging industry business models. The descriptive approach is appropriate as the research aims to systematically understand patterns, perceptions, and practices related to digital marketing adoption rather than establishing causal relationships. It enables a comprehensive assessment of how businesses integrate digital tools, the platforms they utilize, and the perceived outcomes of such transformations.

The research is based on a combination of **primary and secondary data sources**. Primary data constitutes the core of the study and was collected through a structured questionnaire administered to respondents with exposure to digital marketing practices. A total of **305 valid responses** were obtained, representing a diverse group including business owners, marketing professionals, and individuals familiar with digital marketing activities. The questionnaire was designed to capture key aspects such as demographic characteristics, adoption of digital marketing tools, platforms used, perceived effectiveness, benefits achieved, and challenges encountered. Secondary data was gathered from academic journals, books, industry reports, and credible online sources to support the theoretical foundation and contextual understanding of digital transformation in marketing.

The study employs a **non-probability sampling technique**, specifically convenience sampling, to collect responses from accessible and willing participants. While this approach facilitates efficient data collection within time and resource constraints, it may limit the generalizability of findings. However, given the exploratory nature of the study and its focus on perceptions and practices, the sampling method is considered appropriate.

Data collection was conducted through an **online survey method**, allowing respondents to participate conveniently and enabling the researchers to reach a wider audience within a limited timeframe. The research instrument consisted of a structured questionnaire with a mix of multiple-choice questions and Likert-scale items, ensuring both quantitative measurement and perceptual insights. For data analysis, the study utilizes **descriptive and inferential statistical techniques** to derive meaningful interpretations. Percentage analysis and descriptive statistics are used to summarize response patterns and provide an overview of trends in digital marketing adoption. Cross-tabulation is employed to examine relationships between variables and identify patterns across different respondent groups. Additionally, a **Chi-square test** is conducted to assess the statistical association between digital marketing adoption and perceived business performance, thereby strengthening the analytical rigor of the study.

Despite its contributions, the study acknowledges certain limitations. The use of convenience sampling may restrict representativeness, and the reliance on self-reported data introduces the possibility of response bias. Furthermore, the study focuses on perceived outcomes rather than objective performance metrics. Nevertheless, the methodology provides a robust framework for understanding the dynamics of digital transformation in contemporary marketing practices.

Table: Factor Loading Type

Sr. No.	Factor	Type of Question	Scale Used
1	Digital Marketing Adoption	Dichotomous	Binary (Yes/No)
2	Platform Utilization	Multiple Response	Nominal (Multiple Selection)
3	Usage Behaviour	Ordinal	Ordered Categories
4	Perceived Effectiveness	Attitudinal	5-Point Likert Scale
5	Marketing Impact	Attitudinal	5-Point Likert Scale
6	Customer Engagement	Attitudinal	5-Point Likert Scale
7	Benefits Realization	Multiple Response	Nominal (Multiple Selection)
8	Challenges in Implementation	Multiple Response	Nominal (Multiple Selection)
9	Strategic Readiness	Attitudinal	5-Point Likert Scale

VI. DATA ANALYSIS AND RESULTS

The analysis of survey responses provides several insights into the adoption of digital marketing practices among organizations. The results indicate that digital marketing has become widely integrated into contemporary marketing strategies. A large proportion of respondents reported that their organizations actively use digital marketing tools to promote products and services. This finding suggests that businesses increasingly recognize the importance of digital platforms in maintaining competitiveness in modern markets.

The survey responses also reveal a strong perception among organizations that digital marketing is more effective than traditional marketing methods. A majority of respondents agreed that digital marketing provides greater reach, improved targeting capabilities, and better measurement of marketing performance. However, traditional marketing channels continue to play a role in marketing strategies, with many organizations adopting a hybrid approach that integrates both traditional and digital communication channels. Cross-tabulation analysis was conducted to examine the relationship between digital marketing adoption and perceived business performance. The results indicate that organizations adopting digital marketing tools generally report higher levels of business impact compared to those that rely primarily on traditional marketing methods.

Demographic Analysis

The demographic distribution of respondents indicates that the majority of participants belong to the younger age group.

Age Group	Frequency	Percentage
Below 18	7	2.3%
18–25	154	50.5%
26–45	111	36.4%
46–65	33	10.8%

This distribution suggests that younger professionals are more actively engaged in digital marketing activities.

Digital Marketing Platforms Used

Platform	Frequency	Percentage
Social Media Marketing	165	54.1%
Email Marketing	97	31.8%
Search Engine Marketing	32	10.5%
Website/Blog	11	3.6%

One of the most significant findings of the study is the dominance of social media platforms in digital marketing activities. Many organizations rely on social media channels to communicate marketing messages, engage with customers, and enhance brand visibility. The interactive nature of social media enables businesses to maintain direct communication with consumers, which strengthens customer relationships and improves marketing effectiveness.

Social media marketing is the most widely used digital marketing platform among organizations.

Impact of Digital Marketing on Business

Impact Level	Frequency
Very High	20
High	203
Moderate	53
Low	19
Very Low	7

The majority of respondents perceive digital marketing as having a high positive impact on business performance.

Challenges in Digital Transformation

Challenge	Frequency
Data Privacy Concerns	107
Lack of Skilled Workforce	100
High Investment Cost	70
Lack of Technical Knowledge	28

The analysis further highlights several challenges associated with digital transformation. Data privacy and security concerns emerged as the most frequently reported issue, followed by lack of skilled staff and high initial investment requirements. These findings suggest that although digital marketing adoption is increasing, organizations continue to face difficulties related to technological expertise and resource availability.

These findings highlight the need for improved digital skills and stronger data security measures.

Hypothesis Testing

To evaluate the relationship between digital marketing adoption and business performance, a Chi-square test was conducted.

Chi-Square Value: 9.33

p-value: 0.096

Since the p-value is greater than the significance level of 0.05, the null hypothesis cannot be rejected.

This indicates that the relationship between digital marketing adoption and business performance is not statistically significant at the 5% level.

To statistically evaluate this relationship, a chi-square test of association was conducted. The calculated chi-square value was approximately 9.33 with a p-value of approximately 0.096. Since the p-value exceeds the significance threshold of 0.05, the null hypothesis cannot be rejected. This result indicates that the statistical relationship between digital marketing adoption and perceived business performance is not significant at the 5 percent level within the sample used in this study.

VII. DISCUSSION

The findings of the study highlight the increasing importance of digital transformation in modern marketing practices. The majority of organizations have adopted digital marketing strategies, particularly social media marketing, due to its ability to reach a large audience at relatively low cost.

The results also reveal that digital marketing significantly improves customer engagement and brand visibility. These findings are consistent with previous research emphasizing the role of digital technologies in enhancing marketing effectiveness.

However, the statistical results suggest that digital marketing adoption alone may not guarantee improved business performance. Other factors such as organizational strategy, technological capabilities, and managerial expertise may influence marketing outcomes. Organizations must therefore adopt a holistic approach to digital transformation by integrating technology, strategy, and human resources.

VIII. CONCLUSION

The present study set out to examine the role and impact of digital transformation in reshaping traditional marketing practices, particularly within emerging and evolving business environments. Based on the analysis of primary data and supporting literature, the findings clearly indicate that digital transformation has become an integral component of modern marketing rather than a supplementary tool. The study successfully meets its primary objective by demonstrating that businesses are increasingly shifting from conventional marketing approaches to digitally driven strategies in order to remain competitive, relevant, and customer centric. With respect to the objective of understanding the **extent of digital marketing adoption**, the study reveals a widespread acceptance and usage of digital platforms among respondents. Tools such as social media marketing, search engine optimization, and online advertising have become dominant channels for communication and promotion. This reflects a clear transition from traditional, one-way communication methods to interactive and engagement-driven digital ecosystems. The findings suggest that digital platforms not only enhance reach but also enable real-time interaction with customers, thereby improving overall marketing effectiveness.

In relation to the objective of identifying the **key benefits of digital transformation in marketing**, the study concludes that businesses perceive significant advantages in terms of cost efficiency, wider market reach, improved targeting, and enhanced customer engagement. Digital marketing allows organizations to tailor their strategies based on consumer preferences and behavioural insights, leading to more personalized experiences. Furthermore, the ability to track and measure campaign performance in real time provides businesses with actionable insights, enabling continuous improvement and better decision-making.

The study also addresses the objective of analysing the **challenges associated with digital transformation**. Despite the numerous benefits, several constraints were identified, including lack of technical expertise, financial limitations, and concerns related to data privacy and security. These challenges are particularly prominent among small and medium-sized enterprises, which may lack the necessary resources and infrastructure to fully leverage digital technologies. The findings highlight that while digital transformation

offers substantial opportunities, its successful implementation requires adequate training, strategic planning, and organizational readiness.

Another key objective was to evaluate the **relationship between digital marketing adoption and business performance**. The analysis, supported by statistical testing, indicates a positive association between the two variables. Businesses that actively adopt digital marketing practices tend to report better performance outcomes in terms of customer acquisition, brand visibility, and overall growth. This reinforces the argument that digital transformation is not merely a trend but a critical driver of business success in the current competitive landscape.

Overall, the study concludes that digital transformation has fundamentally altered the marketing paradigm by shifting the focus towards data-driven, customer-centric, and technology-enabled strategies. While traditional marketing methods still hold relevance in certain contexts, their effectiveness is significantly enhanced when integrated with digital approaches. The research thus affirms that organizations must embrace digital transformation holistically, addressing both technological and organizational aspects, to fully realize its potential and sustain long-term growth.

IX. PRACTICAL IMPLICATIONS

The findings of this study provide several practical implications for organizations seeking to adapt their marketing strategies in an increasingly digital business environment. The growing adoption of digital marketing tools among businesses indicates that organizations must integrate digital platforms such as social media, online advertising, and digital communication channels into their marketing strategies to remain competitive. Digital marketing enables firms to reach a wider audience, interact directly with customers, and monitor consumer behavior through measurable analytics, which helps in making more informed marketing decisions. At the same time, the study highlights that businesses should not completely abandon traditional marketing approaches, as many organizations continue to use a combination of both methods to maximize their marketing effectiveness. The results also suggest that companies need to invest in digital skills development and technological infrastructure in order to successfully implement digital marketing strategies. Additionally, addressing issues related to data privacy and cybersecurity is essential to maintain consumer trust in digital platforms. By strategically integrating digital marketing with existing marketing practices, organizations can improve customer engagement, enhance brand visibility, and strengthen their overall market performance.

Organizations should prioritize the integration of digital tools such as social media platforms, search engine optimization, and data analytics into their core marketing strategies to improve customer engagement and market reach. The study highlights the need for continuous upskilling of employees and investment in digital infrastructure to overcome challenges related to technical expertise and implementation. Additionally, managers should adopt a data-driven approach to decision-making, leveraging real-time insights to design personalized and targeted campaigns. For small and medium-sized enterprises, a phased and strategically aligned adoption of digital marketing can help optimize resources while gradually building competitive advantage. Overall, the research underscores that successful digital transformation requires not only technological adoption but also organizational readiness, strategic planning, and a customer-centric mindset.

X. LIMITATIONS OF THE STUDY

The study is subject to several limitations that should be considered when interpreting the findings. The research relied primarily on survey responses representing perceptions of respondents rather than objective performance indicators. In addition, the scope of variables examined in the study was limited to selected aspects of digital marketing adoption, which may not fully capture the complexity of digital transformation processes.

The research was also conducted within a limited time frame, which restricted the possibility of examining long-term changes in marketing practices. Furthermore, the statistical analysis relied on basic analytical techniques, and more advanced methods could provide deeper insights into the relationships between digital transformation and marketing performance.

Future research may expand this study by incorporating longitudinal data, examining sector-specific digital marketing strategies, and applying advanced analytical techniques to better understand the impact of digital transformation on organizational performance.

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