

## Role of Digital Marketing in Retail Fashion Industry: A Synthesis of the Theory and the Practice

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### Abstract

With the extensive technology development which has undertaken by the world, traditional concept of marketing has fabricated with a digital mode that brings the whole world to the customer's doorstep in one click. The rising penetration nature of the internet and various faster digital communication channels, wider networks and new devices and their connectivity with marketers made consumers more informative and knowledgeable regarding the value they expected to return to the cost they incurred. The utmost purpose of the study is to identify the impact of digital marketing in consumer behavior with special reference to retail fashion industry. Secondary sources of data has used for the study and based on the results of the secondary data analysis, conclusion has derived with the findings. Accordingly, the research study was addressed on how digital marketing has changed the retail fashion industry and how it effects on the consumer behavior. With the analysis, it has recommended customer relationship marketing as a strategic response to face the changes made from digital marketing in the retail fashion industry. Also it has identified on how the skills, attitudes and the behavior of the professional marketers should be shaped in strategizing the customer relationship marketing to the retail fashion industry in the digital platform.

**Keywords:** Digital marketing; Customer relationship marketing; Consumer behavior

### Introduction

The research study has conducted based on the secondary data sources such as published journals, books, magazines, e-blogs and syndicated research articles and a conceptual analysis has conducted through number of theories, concepts and the models in marketing. Mind mapping, force field analysis, model of consumer decision making by Schiffman and Kanuk and relationship marketing hierarchy are some of them.

### Effect of digital marketing on the revolution of retail fashion industry

Digital marketing can be identified as a form of direct marketing that connects the buyers with the sellers electronically through interactive technologies such as, emails, websites, social networks, online forum as well as newsgroups, interactive television, mobile communications etc. [1]. According to the high level of connectivity, digital marketing facilitates many to many communications and it normally use to promote products and services in a timely, relevant, personal and cost-effective manner [2].

The world of fashion has emerged due to the fortification of digital marketing together with branding and the innovative usage of technology embedded with the most recent fashion trends. With the extensive development which has undertaken by the today's world, digital media has become very closer for the people as they have easy access for the internet. Fashion is an industry which has a very short product life cycle and is totally depends on changing trends. Marketers should be able to analysis and forecast the fashion trends before the customers switch to the competitors so that the fashion marketer becomes a trend setter and digital media becomes the best platform to acquire and convert customers through measuring and optimizing digital media with the purpose of satisfying customers to retain them loyal for life long (Figures 1 and 2).

Digital marketing has evaluates for a turning point in fashion industry whereas in the current business world, digital marketing

perform as an excellent medium in make consumers attention, interest, desire and action towards a particular product or a brand as shown in Figure 3.

According to the Victoria's secret [3], many modes of digital marketing tools as above to fuel the brand in order to create a dominant force for the brand in the lingerie industry.

### Impact of digital marketing on the consumer behaviour in retail fashion industry

Consumer behaviour is a specific code of conduct in which, the consumers are displayed in searching for, purchasing, using, evaluating and disposing of the products and the services which they expect will satisfy their needs. It is the study that observe how individuals make decisions on spending their available resources (time, money, efforts) on consumption related items. It referes to an ultimate focus on what they buy it, why they buy it, when they buy it, where they buy it, how often they buy it and how often they use it [4] (Figure 4).

Consumer buying behavior or decision making is an internal process which is occurring in the consumer inner mind (black box) and the final decision on purchase is done by the customer on their own based on the impact made from internal and external stimulus. In that the marketer plays a significant role in induce customer through external marketing efforts through product, price, place and promotion.

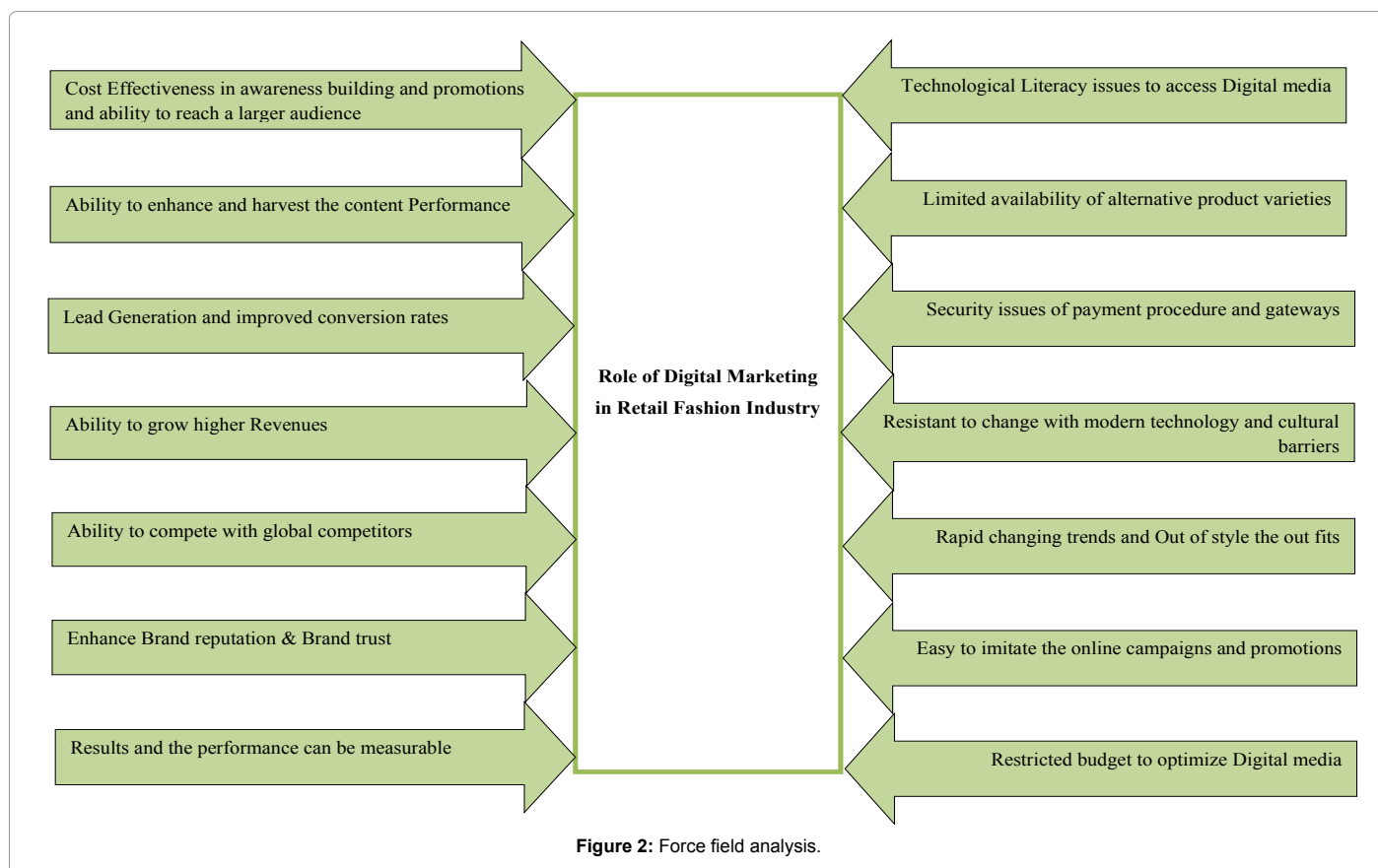
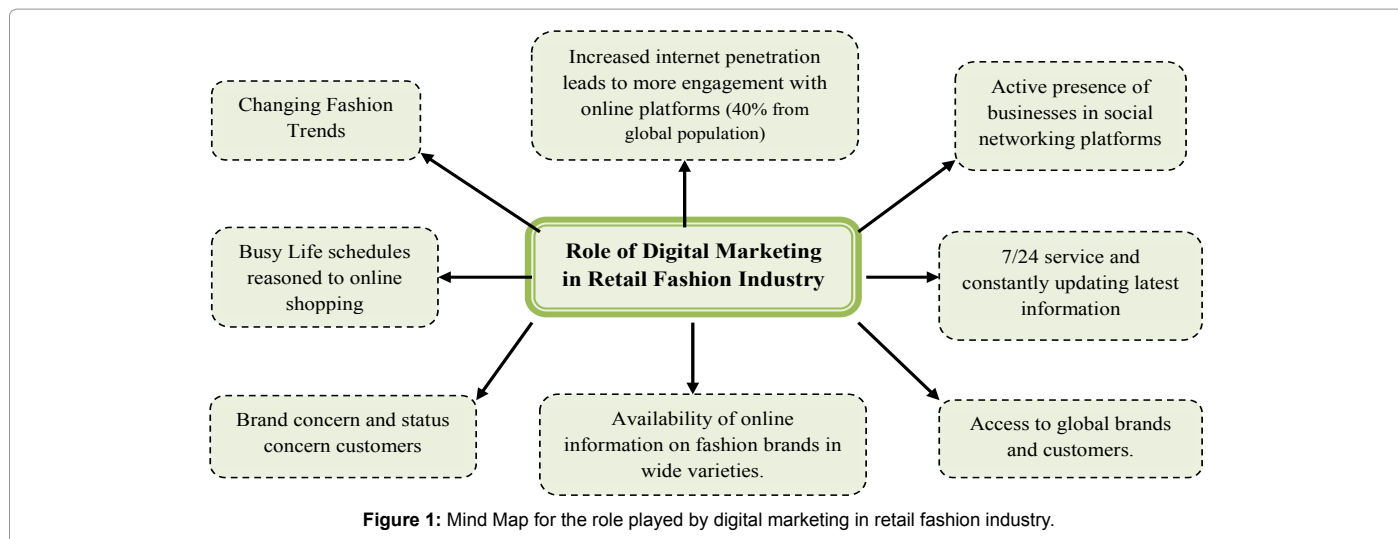
The socio cultural environmental factors also influence on this and the inputs taken from the external environment and internal

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environment are fed in to the process where the customer identify their need, search and evaluate alternatives and make decisions according to their psychological conditions. After the decision on purchase, the post purchase evaluation will be happened to whether to trial or to make a repeat purchase.

With the extensive availability of information, today’s consumers became more knowledgeable and powerful as they are capable of evaluating information and purchase the best option. So making available information and active presence in online environment

has become an essential component in today’s business. Some of the specific features of today’s customers are as shown in Figure 5.

With the technological development, the traditional process of consumer decision making has transformed in to the digitalized process whereas today’s customer use internet as a hub of decision making as shown in Figure 6.

The digital era has changed the social trends which resultant a direct effect on the changing consumer behaviors. With its dynamic nature of consumer needs and wants, the marketers need to strategically change

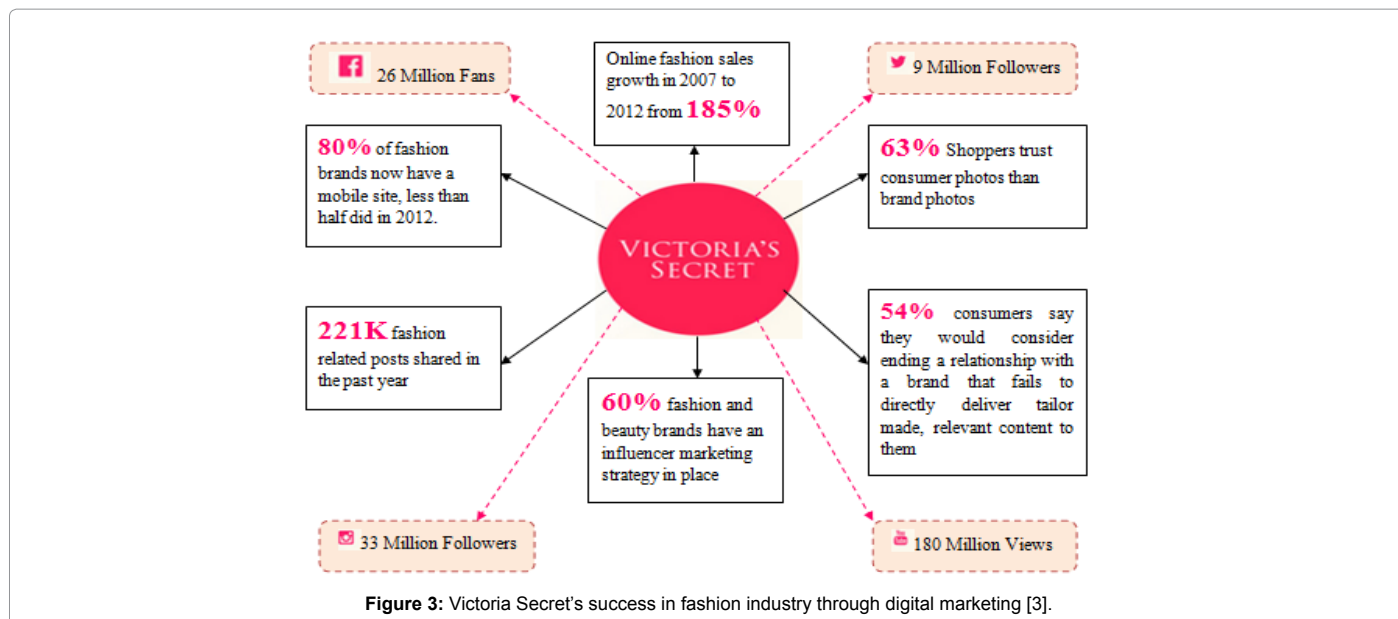


Figure 3: Victoria Secret's success in fashion industry through digital marketing [3].

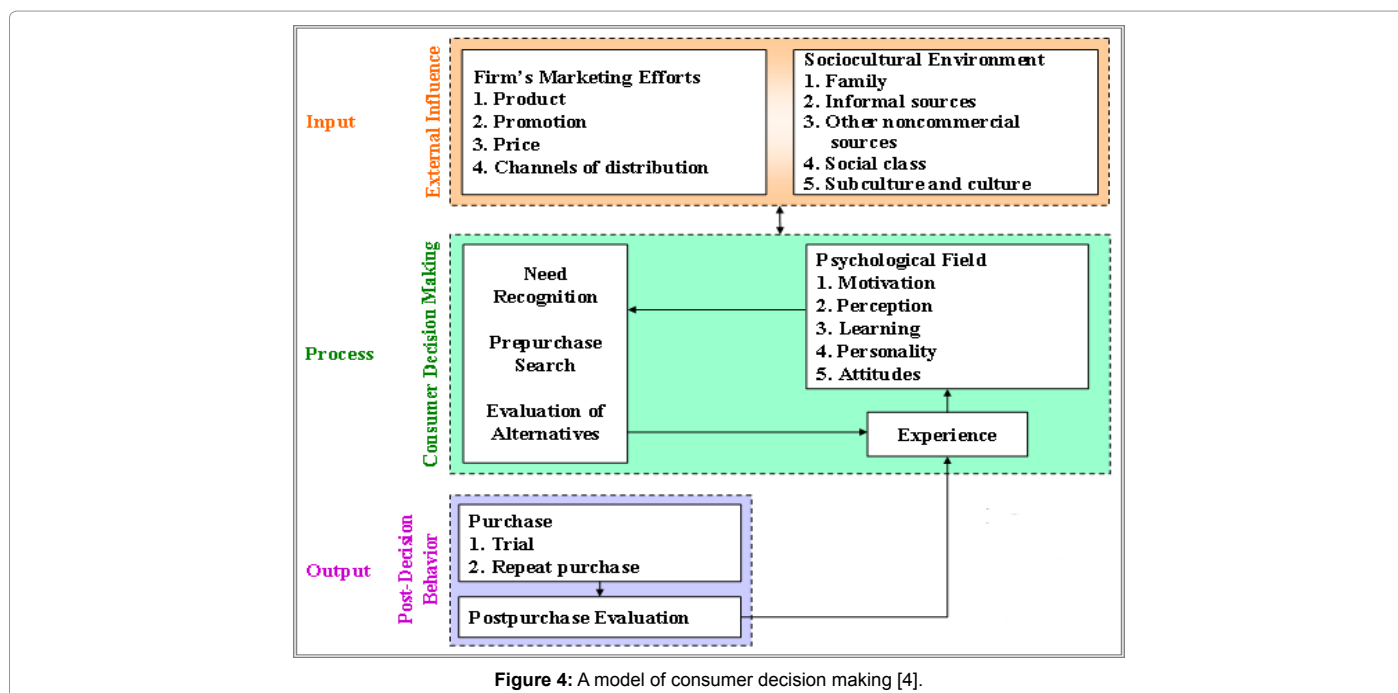


Figure 4: A model of consumer decision making [4].

and adapt to satisfy the consumers. When it comes to the fashion industry, consumers are finding new ways and means of experiencing the fashion buying rather than purchasing products or services what they need. As today consumers experiencing the choice of a greater range of online and offline channels than earlier, the marketers should be able to arouse the fashion shoppers with the optimum use of digital media. In the context of retail fashion, the industry has developed within the day to day changing trends of fashions in the world. Within the digital marketing culture in fashion industry, identification of consumer preferences and the changes are much complex and important.

- Setting standards: Customers are no longer tend to compare

and contrast brands with the direct competitors in fashion industry, rather it requires to benchmark and oversee the best and modern ways of consuming. Fashion brands are being against supermarket chains. Consumers go for the purchase decision which matches to their preferences and needs from all the elements. So it's very important to ensure active online presence and make available the needed content.

- Customer tolerance: Less tolerance level can be seen in the digital culture where as if the consumer doesn't meet his satisfaction he/she will tend to spread the bad image through media.
- Customers are always experimenting: In past, consumers used



Figure 5: Customers features.



Figure 6: Internet as a hub for digital marketing.

to trust the feedback provided by the experienced consumers before trying new products. But in the current world, consumers are welcoming new experiences, products and services with good quality features.

- Customer dialogue: Social media became the destination for

build or destroy a brand and brand reputation can stand or fall within a night.

- Loyalty: The customers in digital culture are open to switch, less loyal, demand superiority and ready to pay for it.
- Promotion: Traditional promotions no longer works, instead

of that it requires to maintain a balance between online and offline promotions in a 360° point of view.

- Information: Consumers are handful of product knowledge and no need of planning what information to be handed on consumers.
- Multichannel communication: Brands no longer need to decide the communication methods reach to consumers. Based on the interaction they involved, brands need to select channels without giving a costly and priceless exposure for the customer through channels.

### Strategizing the relationship marketing to respond the revolution of retail fashion industry

Customer is the decisive factor that defines the success or the failure of a business. Although ample of technologies and the development undertaken by today's competitive business world, the core concentration for the customer has still remained as same or higher than earlier times. In the context of fashion industry in the digital era, the behavior of the consumer has changed to a digital culture where they became more knowledgeable and informative with the extensive access for the information and as a result of that, the consumer becomes a free bird in which has the ability to switch and fly to another competitor as soon as they feel good with the competitor. So it became a huge challenge for the businesses to retain customers loyal for a long period of time. As they always love to experiment new products and

services, the word of mouth recommendations will no longer works. It needs to create the personalize customer dialog with a striking content.

3.3.1. *Transactional marketing to the relationship marketing:* In order to response for the changing behaviour of the customers in fashion industry in the digital era, it is recommended to apply the strategic mode of customer relationship marketing as the strategic response to induce the customer retention and loyalty through a better customer engagement where the philosophy of marketing has converted from transactional marketing to the relationship marketing as shown in Figure 7.

Customer relationship marketing can be identified as a business process where customer relationships, customer loyalty and brand value are developed through marketing strategies and the activities.

CRM allow businesses to create and maintain a long term relationships with existing and new customers while streamlining the corporate performance of the organization [5]. Modern relationship marketing has based on the technology driven society [6] and internet is the key for relationship building [7] and the organizations should be able to strategize the relationship marketing as a valid reason for the customers to select a particular brand [8]. Relationship marketing is a result of customer relationship management and it can be achieved through a better customer management as graphically shown as shown in Figure 8.

**Key factors of enhancing the relationship marketing in the retail context:** According to the Berry and Gresham [9], the degree of personal interaction and the customer service is essential to create and develop a proper relationship with the customers. Also there are three factors that have identified to enhance a relationship as follows:

- Providing customer satisfaction: This is the first key element for executing and enhancing the relationship marketing. High quality of product and service will help to achieve a better customer satisfaction and to generate the positive word of mouth from the customers and there by to increase the loyal customer.
- Ensure a high standard customer services: Quality of the customer service is very important where as it help to enhance the relationship with the customers. According to the Berry et al. [10], the quality of the customer service is the heart of the relationship marketing.
- Develop the segmentation technique: Proper segmentation

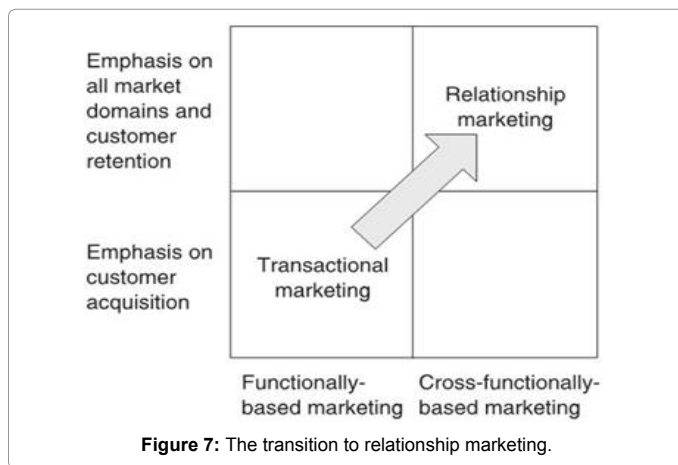


Figure 7: The transition to relationship marketing.

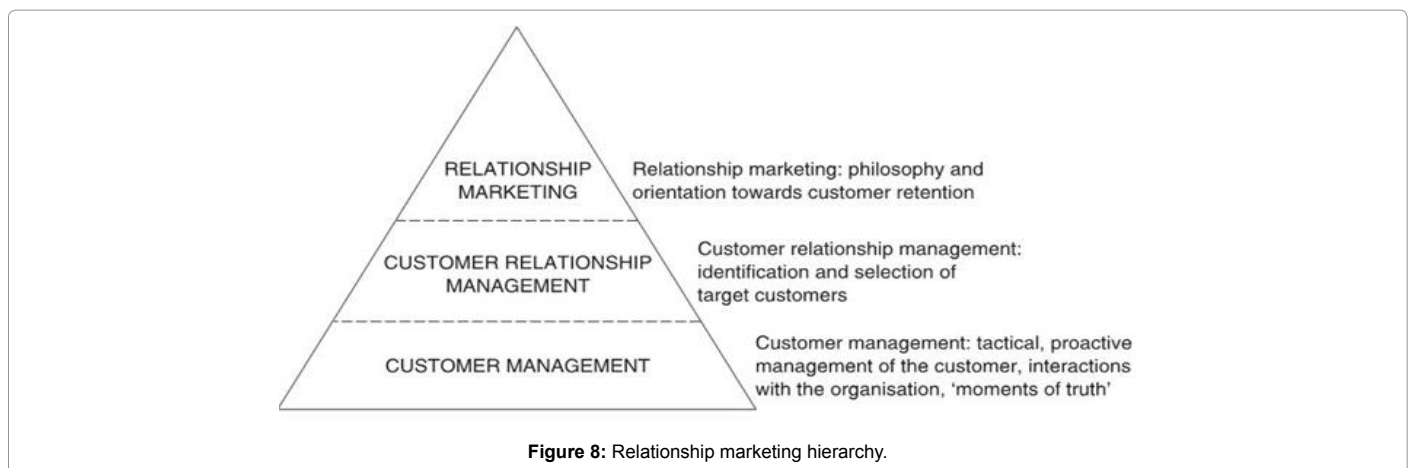


Figure 8: Relationship marketing hierarchy.

can better identify the customer needs in more personalised manner so the real needs and wants of the customers are going to be served. As a result of that, the customers are being more familiarised with the personalised services they receive and as a result of that they're going to be emotionally attached with the brand.

**The upshot of successful implementation of relationship marketing:** In today's competitive business world, only the product or the service quality is not adequate to achieve the competitive advantage for an organization. According to Day and Wensley [11], it is important to build relationships with the customers because it will help to differentiate the offering according to the customer expectation where it enables the opportunity to keep them loyal to the organization [12] (Figure 9).

According to the model, prospect is the starting point to initiate the relationship with the company. In the business, if an individual transact with the company he or she become the customer but in relationship marketing if the customer receive some significant benefits in return, and do business again and they become client for the company. This

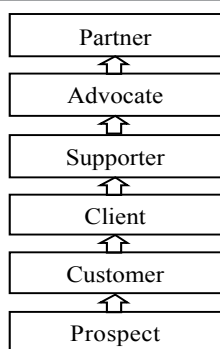


Figure 9: The customer loyalty ladder [12].

is a crucial stage where customers become supporters once they still purchases and become advocates and finally the partners for the company.

- Better customer engagement: In the digital era, the bargaining power of the customers are very high and at the same time their switching cost from one fashion retailer to another has also become low. So, in order to retain the customers, it needs to manage the customers strategically. In order to manage customers, it requires to engage with the customers and to know their expectations. In that, networking (Facebook, LinkedIn, Twitter, etc.) is the best way to enhance the customer engagement for a retail fashion store and it is the responsibility to increase the customer interactions and the engagement through continuous presence and activation within the online environment where the retail fashion store will get noticed and popularized among the community. Create and maintains a high quality website is also matters where it should be easily accessed, user friendly site which is not mislead the visitors. Customer communications and sustain customer events (such as fashion shows of community clubs) also help to increase the customer engagement.
- Better focus on personalization: Proper identification and selection of target customers will leads to develop a customer relationship management where the consumers in the digital culture expect and satisfy with personalization where they have number of alternatives around and interact with them. Personalization is one of the best applications operationalized in the fashion industry where customer needs to show their personality for the community from their outfits that they expected to show. Based on the past purchasing behavior and the other considerations, the customer base can be categorized and those should be approached by customized products, services and through celebrations on special days for those as well as through customized communication with the aid of the digital media (Figure 10).

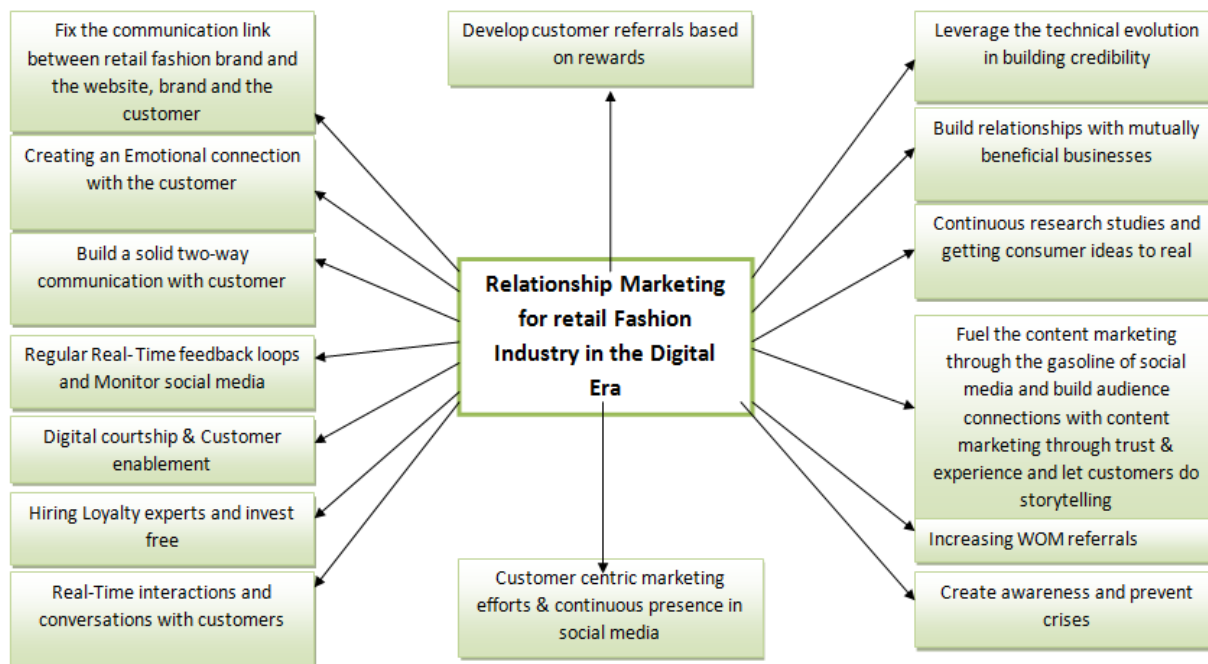


Figure 10: A mind map: Strategizing customer relationship marketing for retail fashion industry in the digital age.

## Redefine the marketing professionals to the strategic response in terms of skills, attitudes and behaviors

Customer relationship marketing is an advanced formation of customer relationship management which is a result of customer management.

**Skills:** In order to have a better customer management, it needs to increase the customer engagement through customer interactions; it requires technical skills (digital engineering, mathematics, statistics, analytics and computing) for a marketer in order to study the digital consumer behavior and past purchase data patterns and to develop the technical visualization and the content of the digital media. Since it requires to get the passing visitors attraction time to time and to offer a personalized service it requires the skills on creativity. The most important skills that a marketer need in customer relationship marketing is about people skills as the modern day consumer expect a sincere, submissive and emotional relationship with the brand apart from the core product and service that they normally expected for.

**Attitudes:** Marketing was about winning the strategic competition in the market over the competitors. But in today's marketers need to have a mutually beneficial attitude with the competitors where digital media is a platform where a customer can create and betting the power of a brand or tarnish the brand image in a little time where it is open to appraisals and the criticisms. Also it is required to marketers to convert the attitude on profit orientation to a relationship oriented attitude and focus on long term profitability.

**Behavior:** In order to win the market in terms of the digital culture, a relationship oriented skills and attitudes leads to a behavioral intention of the marketers become an essential constituent. Behavior of the marketers represents the strategic visualization of values and the salience of the brand for the digital customer where as it enables creating and maintaining an emotional content and intent in an every interaction made with the customer. The behavior of the marketers should be strategically locate in the digital environment with the real time interactions and campaigns in order to identify and shape the behavior of the customers that will eventually build a loyal customer base as a result of building an untouchable emotional bond with the brand via the online environment.

## Discussion of Conclusions from Research Results

Fashion retaining industry, is an emerging industry which has a very short life cycle. In today's digital culture, social media becomes the trend setter for the society as far as it display, share comment and revolutionize the fashion trends for the people. Identifying customer needs and wants and satisfying them through developing an extensive offer will no longer work where in the present digital era, the marketers are in the process of creating and delivering customer value in a personalised way. Increased internet penetration, busy life schedules, status concernity and access for global brands and trends have reasoned for the today's consumer to go online. It is worthless of staying until customers are coming for repeat purchases as they

are being considered as free birds as they are free to fly for any of the brand as they can fly. It has become a huge threat for the marketing to build life long loyal consumer base as it needs to incur a huge cost and the concentration for it. In that, the customer requires real time interactions with them through online media, active presence in social media in order to create an emotional attachment for the brand with the customer. The behaviour of the consumer in the digital era has changed where they are being identified as less tolerance, experimenting, less loyal customers where they are in to access for a any information of the world just in time and rather concentrate on one channel, it worth for approach customers through multi channels. Strategizing customer relationship marketing in the digital culture will help to attract and retain a loyal customer base. In return to that, traditional marketer skills, attitudes and the behaviours are no longer valid and instead of that, they have to sharp some specific skills such as technical, creative, people skills with the attitude of relationship oriented and mutually beneficial relationship with competitors and it is expected a personalised behaviour for the customers.

## Conclusion

With the transformation of transactional marketing to relationship marketing in the digital era the role of the marketer is to gain and reinforced with an appropriate set of skills, attitudes and behaviours to be capitalised the informational and social characteristics of digital environment with the ultimate focus of achieving a loyal consumer base by remarking an above average performance over the competitor.

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