

**THE IMPACT OF DIGITAL MARKETING STRATEGY ON
BUSINESS COMPETITIVENESS : A CASE OF STUDIES
AMAZON UK**

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Chapter 1: Introduction

Background of the topic

The prevalence of the digital era has opened new opportunities for businesses and marketers to directly connect with global consumers. Besides, the widespread use of internet connectivity and technological advancements has favoured the exchange of information through digital platforms. E-commerce giants such as Amazon are strongly relying on digital marketing strategies to reach different consumer segments in the global arena. Broadly, diverse online channels such as web-based mediums, websites, mobile applications, social media, and paid advertisements are employed by the company to maximize its reach (Tabuena et al. 2022). Consumers across the globe are consuming digital content on a daily basis, which compel marketers to rise above traditional marketing strategies and shift towards the digital ones.

Figure 1: Annual advertising spending of Amazon

(Source: Statista 2024)

A statistical study has pointed out that Amazon's annual spending on marketing amounted to 44 billion U.S. dollars in 2023, indicating the necessity of an advertising strategy to stay competitive in the market (Statista 2024). The e-commerce sector is dynamic and competitive in nature, thereby; establishing an emotional association with consumers and gaining their trust is of utmost importance to witness a competitive edge.

Significance of the topic

With the help of this research work, a thorough understanding of the advantages and challenges associated with a digital marketing strategy can be obtained. The information can act as a boon for marketers to address pre-determined limitations and curate a strategy which positively affects the company's revenue. In addition, attributes which strongly influence the success rate of a digital marketing strategy can be explored through this research study. The information is beneficial to comprehend the extent to which digital marketing is impacting consumer buying intentions and helping Amazon to stay ahead of its competitors. Further, analysing the impact of digital marketing strategy can help marketers allocate resources which align with long-term marketing targets.

Purpose of the research

The purpose of conducting a research on the selected topic is to gain insights into how Amazon can navigate the competitive landscape of the e-commerce industry and still gain an advantage. Besides, insights derived from the study can help Amazon optimise its efforts and enhance the effectiveness of a digital marketing strategy to compete in the online marketplace.

Research Aim

The current study examines the impact of digital marketing strategy on business competitiveness using Amazon as a case study.

Research Objectives

- To explore the advantages and limitations of digital marketing strategies in today's business landscape
- To explore the attributes affecting the successful implementation of a digital marketing strategy
- To explore the influence of digital marketing strategy on business competitiveness in Amazon
- To suggest strategies that can elevate the effectiveness of a digital marketing strategy for Amazon

Research Questions

RQ1: What are the advantages and limitations of digital marketing strategies in today's business landscape?

RQ2: What are the attributes affecting the successful implementation of a digital marketing strategy?

RQ3: What is the influence of digital marketing strategy on business competitiveness in Amazon?

RQ4: What suggestions can help Amazon elevate the effectiveness of its digital marketing strategy?

Chapter 2: Literature Review

Digital Marketing

Digital marketing refers to the method of promoting products or services with the help of online channels. In other words, it is an umbrella term that includes marketing through email, social media, search engine optimisation (SEO), creating online advertisements, setting up a website and mobile applications (Goyal et al. 2021). Setting up an effective digital marketing strategy helps to place a brand in front of online audiences and enhance its visibility. The ultimate motive behind developing a digital marketing strategy is to increase consumer engagement through direct conversations and click-through. Statistical studies have indicated that 98% of the UK's population uses the internet, which increases the likelihood of consuming digital content (Statista 2024). Besides, the evolution of digital technologies widens opportunities for companies to leverage and develop a strong brand image, which consumers can easily trust and associate with.

Advantages

Online channels help a brand to reach a wider section of its audience as compared to traditional marketing methods. For instance, social media platforms such as Facebook and Instagram are used by 48.5 billion and 34 billion individuals, which enables a firm to reach its targeted demographics (Statista 2024). Contrarily, as opined by Kingsnorth (2022), digital marketing strategies provide access to more data and aid in analysing consumer liking. Broadly, brands can use consumer data to navigate through their pain points and understand their preferences. Marketers can incorporate all the gathered information to curate a marketing strategy that aligns with the expectations of

consumers. On the other hand, according to Pattanayak et al. (2023), developing a digital marketing strategy is cost-effective, in comparison to traditional marketing channels such as print advertising, television and others. With the help of digital marketing, brands can develop targeted campaigns with a better return on investment and reach their business goals.

Limitations

One of the major limitations associated with digital marketing is the fact that it is time-consuming. As stated by Kaur and Kumar (2022), unorganized tactics and strategies consume a lot more time, making it challenging for the marketer to debate the desired time for the campaign. In the long run, this can lead to negative results and diminish the effectiveness of the strategy. Contrarily, as commented by Qiu, Xu and Omojokun (2020), security issues and online marketing go hand-in-hand, further emerging as one of the prominent issues. A lack of effort from the marketers to ensure that the website is protected can have adverse consequences on the brand. It becomes extremely important to take the necessary steps to establish encryption, which otherwise can lead to data theft and fraud.

Factors affecting digital marketing strategy

Deciding on the target audience is one of the crucial factors that lay the foundations of a digital marketing strategy. As opined by Chopra, Avhad and Jaju (2021), determining the characteristics and preferences of target demographics decides the message of the advertisement and its relevant aspects. It is not feasible for marketers to randomly curate a promotional strategy and release it, rather thorough research on the targeted audience needs to be conducted to develop a strategy that connects with the right audiences. On the contrary, engaging content has been considered the heart of digital marketing. As per Zhao et al. (2020), developing high-quality and informative content is important to capture the attention of consumers. This can be done with the help of attractive visuals, blogs, videos, infographics and others. Brands are required to stay consistent with their content to foster trust and build long-term associations with their targeted audience. However, setting a well-defined budget is another factor that affects the effectiveness of a digital marketing strategy. It needs to be noted that marketers are required to set financial resources for both organic and paid promotions.

Business competitiveness

Business competitiveness refers to the ability of a company to achieve more sales or consumer loyalty over its competitors. As stated by Darmawan and Grenier (2021), in order to gain a competitive edge in the market, one factor that plays a key role is the quality of the product or service offered by the firm. Offering quality products is one strategy that helps build trust with potential consumers and ensures they repeatedly engage with the items. In addition, the quality of products or services sets apart a company from its competitors and fuels word-of-mouth recommendations. In contrast, according to Jung, Kim and Kim (2020), marketing efforts put in by companies have a steady role to play in developing a loyal consumer base. Businesses focus on hiring skilled marketers to develop campaigns that differentiate the content from its competitors and align with consumer interests.

Theoretical Underpinning

Chaffey's theory outlines that human networking and communication are the essential components of consumer behaviour. Marketers are required to invest time in monitoring and facilitating consumer interactions with a brand. As influenced by Kihn and O'Hara (2020), digital platforms set the stage for marketers to directly interact with consumers and identify their pain points. Besides, when digital content is aligned with the preferences of targeted audiences, it helps a business develop long-lasting relationships with customers and gain a competitive advantage in the market.

Chapter 3: Research Methods and Methodology

Research Philosophy

For carrying out research work, a set of principles, beliefs and assumptions are required that guide a researcher at the initial stage. Research philosophy is one aspect that deals with the nature, source and development of knowledge and has three distinct branches, which are ontology, epistemology and axiology (Al-Ababneh 2020). Here, the researcher will be adhering to the ontological view to carry forward with the study. An ontological view is significant as it deals with the existence of entities and the nature of reality which aligns with qualitative research work. Considering

qualitative research focuses on subjective experiences, the ontological view will be the appropriate one considering it relies on experiences and interpretations of different phenomena.

Research Paradigm

A research paradigm is often described as a philosophical framework that guides a research work towards completion, mainly it is of four types which are positivism, realism, interpretivism and pragmatism. In light of the research work, the interpretivism paradigm will be applied since it considers reality to be subjective and socially constructed. Broadly, this paradigm emphasises reality being shaped by human experiences and historical perspectives (Pandey and Pandey 2021). Implementing this paradigm will help the researcher dive deep into the perceptions of individuals regarding the influence of digital marketing on business competitiveness.

Research Approach

A group of steps that are implemented to identify and analyse relevant information regarding a specific topic is recognised as a research approach. As opined by Verma, Verma and Abhishek (2024), abductive, deductive and inductive are the three classes of research approaches that are commonly used. Here, the inductive approach will be implemented by the researcher since its ultimate motive is to develop a theory. Besides, the inductive approach enables the researcher to investigate the underlying ideas and concepts related to digital marketing strategy and business competitiveness in Amazon. Through the inductive approach, the researcher can explore patterns or trends in relation to the influence of digital marketing on business competitiveness, and present it in a condensed format.

Research Methodology

Qualitative, quantitative and mixed methods are the three categories of research methodology, out of which the researcher will adhere to a qualitative research methodology to dive deep into the experiences and perspectives of individuals, regarding the variables of interest. Implementing the selected methodology is beneficial for understanding a topic from multiple perceptions and supporting the objectives with rich descriptions and explanations (Newman and Gough 2020). Lastly, the qualitative research method facilitates understanding and interpretation of societal

interactions which is important to understand the extent to which digital marketing strategies influence consumer behaviour.

Research Strategy

For this research work, a primary qualitative research strategy will be implemented where the researcher will interview the selected participants. Interviews have been considered as a valuable way to gather information about the experiences and opinions of individuals. Besides, it facilitates the researcher in collecting elaborative first-hand information, which is feasible to uncover new insights (Nayak and Singh 2021). The application of this strategy is significant to draw conclusions from personal experiences and non-verbal views, further reducing the ambiguity of data.

Sampling Method

A purposive sampling strategy will be implemented, where the researcher gets to select the participants of the interview by referring to a set of pre-determined characteristics. The researcher will adhere to this sampling technique to select 5 managers working at Amazon, who are well aware of the digital marketing strategy and its influence on sales. This sampling strategy is essential to collect specific data sets that align with the objectives of the study.

Data Collection Method

A set of 7 open-ended questions will be presented to the selected managers and adequate time will be allocated for them to present their views. Broadly, 5-7 minutes of time will be provided to answer each question and share their thoughts on the influence of digital marketing on business competitiveness in Amazon.

Data Analysis

The interview transcript will be thoroughly reviewed to identify relevant codes, followed by merging them into relevant themes. A thematic analysis will be conducted to summarise the data collected and bring out the patterns and trends identified, in a concise manner. A thematic analysis is helpful in getting an in-depth view of a subject and understanding different aspects by making connections (Dubey and Kothari 2022)

Research Timeline

Activity	Time period							
	MONTH 1		MONTH 2		MONTH 3		MONTH 4	
	Week 1-2	Week 3-4	Week 1-2	Week 3-4	Week 1-2	Week 3-4	Week 1-2	Week 3-4
Introduction								
Aims and Objectives								
Literature Review								
Primary Qualitative Data collection								

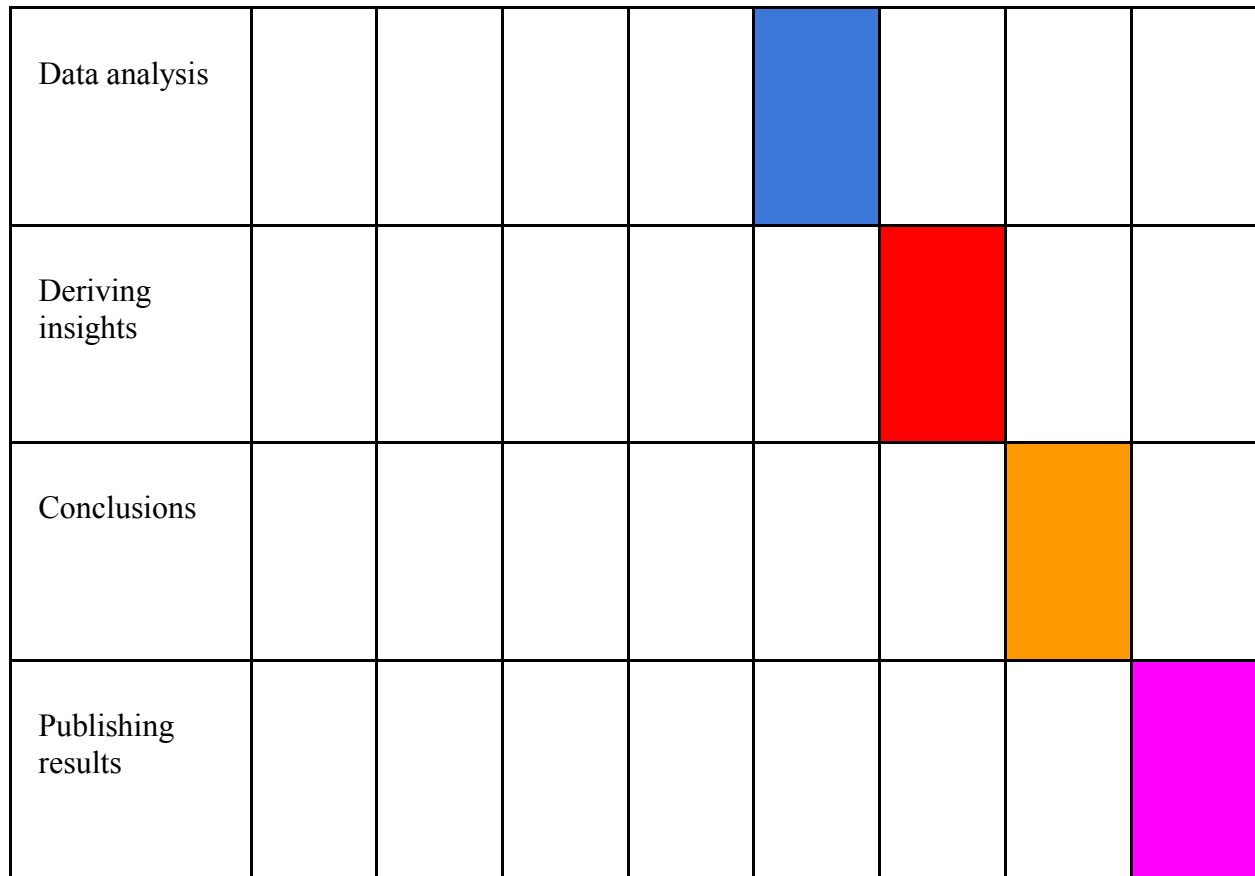


Figure 2: Gantt Chart

Ethical consideration

The researcher will ensure to keep the personal details of the interview participants confidential and maintain anonymity throughout the study. A consent form will be presented to all participants which points out that no reason will be required in case they decide to leave the data collection process. Besides, the collected data will be recorded in a password-generated locker to limited third-party access, followed by adhering to guidelines of Data Protection Act.

Chapter 4: Conclusion

In conclusion, the research work is important to understand the extent to which digital marketing strategies are affecting the sales of Amazon and aiding it to stay competitive in the market. The research work aims to rely on qualitative data collected from 5 interview participants and understand their perceptions on the specific topic.

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