

Digitalization Strategies for Marketing Communications to Build Relationship Marketing: Modern Solutions in Brand Management

VALENTYNA MOROKHOVA¹, ZHYLDYZ BATYRBEKOVA^{2*}, OLENA BONDARENKO³,
TETIANA USTIK⁴, MARIIA SAIENSUS⁵, VITALII TRAVIN⁶

¹Department of Marketing,
Lutsk National Technical University, Lutsk,
UKRAINE

²Adam University,
Bishkek,
KYRGYZSTAN

³Department of Marketing,
Kyiv National University of Trade and Economics, Kyiv,
UKRAINE

⁴Department of Marketing and Logistics,
Sumy National Agrarian University, Sumy,
UKRAINE

⁵Department of Tourism and Hotel and Restaurant Business,
Odessa National Economics University, Odessa,
UKRAINE

⁶Department of Finance and Digital Economy,
Zhytomyr Polytechnic State University, Zhytomyr,
UKRAINE

**Corresponding Author*

Abstract: - The content presented in this article explores the emergence and progression of digital marketing on a global scale. This article aims to elucidate the primary drivers behind the evolution of digital marketing, tracing its origins from the inception of early information transmission technologies to the establishment of high-speed Internet platforms operated by prominent companies and the proliferation of online resources offering diverse products and services. Furthermore, this work encompasses a comprehensive chronicle of the evolutionary trajectory of marketing strategies employed by enterprises for engaging with their consumers and prospective buyers. Within the scope of this article, an overview is provided on the contemporary landscape of digital marketing, highlighting its various forms and their utilization within the scientific and theoretical domain as well as practical applications within a diverse spectrum of companies. Additionally, the article presents empirical research findings on the multifaceted interactions between marketing initiatives and their target audience, employing diverse communication channels and methodologies. Statistical metrics and graphical representations are employed to elucidate the growth and maturation of the digital marketing field, offering insights into industry-specific trends, geographical variations, and the financial investments committed to this evolving domain. This article also delves into various Internet platforms that have significantly influenced the evolution of digital communications within the realm of commerce. The author systematically elucidates the distinctive approaches adopted by these platforms in advancing digital marketing strategies. Moreover, the article underscores the manifold advantages of digital marketing, with particular emphasis on the substantial reduction in transaction costs and the mitigation of governmental regulatory interference in economic activities. This reduction in regulatory influence is attributed to the emergence and consolidation of novel formal and informal protocols governing both domestic and international online transactions. Furthermore, it is observed that the digitalization of trade has hastened the globalization of economic relations,

simplifying trade interactions and eradicating geographical boundaries between nations, particularly in the context of promoting branded products. In addition, the author underscores the critical importance of adhering to specific guidelines to gain a competitive edge through the utilization of digital communication technologies and tools. These guidelines encompass comprehensive knowledge about consumer and buyer behavior, analytical processing of sales data, rigorous assessment of key performance indicators against financial expenditures, optimization of return on invested capital and intellectual resources, and the development of a crisis model that encompasses challenges related to the synergy between financial operations, resource allocation, and marketing activities. Methodologically, this study employs a range of research methodologies including historiographic description, comparative analysis, synthesis of information and opinions, forecasting, tabular and graphical data representation, as well as modeling to elucidate strategic objectives and development trajectories.

Key-Words: - Online marketing, Marketing communications, Digital marketing, Internet marketing, Brands, E-commerce.

Received: April 17, 2023. Revised: September 21, 2023. Accepted: November 14, 2023. Published: December 22, 2023.

1 Introduction

In the second decade of the twenty-first century, digitalization has emerged as the predominant vector of transformation, heralding what is often characterized as the next phase of the industrial revolution, referred to as the digital revolution. This evolution supersedes the earlier computer revolution, which had its roots in the late twentieth and early twenty-first centuries. Alignment with the viewpoints of researchers such as by, [1], underscores the significance of digital transformation across various facets of socio-economic life. It is instrumental in setting novel trends and establishing fundamental principles governing interactions between business entities and consumers. The ongoing processes of digitalization, coupled with the advent of new business paradigms within the context of the fourth industrial revolution, necessitate the formulation of new paradigms and strategies within the economic sphere. Remarkably, marketing stands out as one of the domains experiencing profound changes under the influence of these transformative processes. Traditional or classical marketing tools and technologies are progressively giving way to digital counterparts, [1]. In practical terms, this necessitates a pragmatic shift towards adapting marketing communications to conform with contemporary realities and imperatives, [2].

2 Literature Review

Thus, [3], evaluates the prospects for the development of work from remote locations using the latest computer technologies. Research by the team of authors, [4], defines the application of

computer technologies in the process of making management decisions in the cluster. The authors in, [5] and [6], draw parallels to the potential development of digital communications and business structures, business entities, indicating the effectiveness of such application.

In, [7], it is studied the issue of expanding the technical capabilities of electronic commerce as a result of pandemic quarantines in the world. In, [8], it is revealed the potentials of China as a leader in e-commerce in the world. The work of the team of authors in, [9], determines the possibilities of work using digital technologies at enterprises and the, [10], defines the advantages of electronic commerce in the modern world. Authors, [11], in their work immerses us in the details of software management of electronic commercial flows. The, [12], evaluates the prospects of e-commerce in the future based on the indicators of 2021.

The study, [13], is aiming to outline the main directions of digital marketing development in the era of scientific and technological progress and the formation of new services in trade. Authors, [14], highlight the advantages of digitalization of the professional environment in conditions of remote employment and in, [15], the authors solve problematic issues of information asymmetry in the decision-making process. Nevertheless, in, [2], new possibilities of digital marketing in the theoretical plane are evaluated and in, [16], the collective work forms elements of both theoretical and practical answers to questions of ESG work.

Given the nascent nature of this emerging domain, the objective of our study is to contribute to and deepen the ongoing scholarly discourse initiated by the aforementioned authors.

3 Research Aims

The study's primary objectives encompass the identification of digital marketing strategies that are both effective and efficient in facilitating brand-consumer communication.

4 Methods

The research methods are divided into general ones, among which the synthesis of opinions and definitions, the description of features when describing the concepts of digital marketing are actively applied; a method of comparison when determining the effectiveness of classical and digital methods of product promotion, a method of grouping information when forming analytical data of leadership in the promotion of digital marketing, a method of historiographical description and selection of primary and secondary when studying the stages of e-commerce implementation. The chronological method of presenting information and its analytical processing is also used.

Among the special methods of research, the range of analytical methods should be emphasized, namely: tabular and graphic grouping of information on indicators of the development of electronic trade and turnover by countries and continents; analysis of statistical data, analysis of survey data and their comparison with other data and own observations when studying the problems of the spread of electronic commerce in Ukraine and foreign countries; forecasting communication links and their application in e-commerce through various social communication channels.

5 Results

Traditionally, digital marketing is presently construed as the utilization of the Internet, mobile devices, engagement on social media platforms, utilization of search engines, and various other communication channels, primarily to engage with consumers, particularly within the realm of commerce and profit generation. Also referred to as "internet marketing," it entails the strategic promotion of goods or services through digital conduits to achieve outreach to a broader and more diverse audience. The term "digital marketing" encompasses a comprehensive spectrum of methods, which extend beyond email, social media, and online advertising, to also encompass the transmission of text and multimedia messages.

The historical origins of digital marketing have been a subject of debate. Some contend that its

inception can be traced back to as early as 1897 when Guglielmo Marconi invented the radio. Alternatively, certain researchers posit that the era of digital marketing commenced in 1971 when Ray Tomlinson transmitted the inaugural email via electronic mail. However, it is our viewpoint that the definitive evolution of digital marketing commenced at a juncture when technology had advanced to a level enabling the storage of substantial volumes of information, specifically within databases. A pivotal milestone in this trajectory occurred in 1981 when IBM introduced the first personal computer. Concurrently, during the 1980s, Robert Kestenbaum and Robert Shaw initiated the process of marketing automation, ushering in an era of database-centric marketing practices. This shift marked a significant transformation in the landscape of digital marketing, as it hinged on the strategic utilization of databases and automation processes. This development enabled companies to begin monitoring consumer behavior, albeit through manual processes. The term "digital marketing" made its debut in 1990, coinciding with the launch of Archie, recognized as the world's inaugural search engine equipped with search engine optimization capabilities, which involved enhancing a website's visibility for specific queries. The onset of the digital era within society is inextricably tied to the advent of the Internet and the establishment and evolution of the Web 1.0 platform. Web 1.0 provided users with the capability to access the information they sought; however, it did not facilitate online information sharing and discussion. During the 1990s, the prominence of CRM (Customer Relationship Management System) software surged, and after the Internet's emergence, this evolved into e-CRM. In 1993, the Internet witnessed the introduction of its inaugural clickable banner. Subsequently, AT&T conducted the very first digital advertising campaign, wherein a notable 44% of consumers who were exposed to the banner advertisement interacted with it, [17].

Businesses initiated the development of their websites during this period. In 1994, the launch of Yahoo marked a significant milestone, as it rapidly amassed one million views within a year. This surge in viewership prompted businesses to strategically optimize their websites to secure prominent placements on Yahoo's platform. Concurrently, the widespread adoption of cookies facilitated companies in distinguishing between individual users, tracking their online activities, and compiling statistical data based on user behaviors. In the year 2000, the dot-com bubble burst, resulting in a

substantial depreciation of shares in Internet-based companies. Consequently, only industry giants with revised business models survived this tumultuous period. Google played a pivotal role in this evolving landscape by introducing products such as AdWords (three-line advertisements prominently displayed at the top or right of search results) and AdSense (a revenue-generation tool based on displaying ads on websites). Furthermore, Google pioneered targeted advertising based on user interests, thereby positioning itself as a major market player. This period also witnessed the advent of Web 2.0, transforming content consumers from passive users into active participants. Web 2.0 fostered user interactions, not only among themselves but also with businesses. Social networks emerged as a hallmark of Web 2.0, with the establishment of platforms such as LinkedIn (2002), Facebook (2004), Gmail (2004), YouTube (2005), and Twitter (2006). These developments heralded the inception of social media marketing. In August 2006, Facebook commenced the sale of advertising space on its social network pages. Within a year, Facebook afforded advertisers the capacity to target users based on demographic data. Consequently, advertisements began appearing in the news feeds of numerous social networks. Furthermore, social media platforms facilitated consumers in forging closer relationships with brands. They could now voice complaints online, engage in online purchases, and wield influence over other users through reviews of products and services, both positive and negative.

Consequently, the term "digital marketing" encompasses all advertising endeavors conducted through electronic means of communication. Some marketing professionals perceive digital marketing as an entirely novel domain necessitating fresh approaches to information consumers and a simultaneous reevaluation of consumer behavior in conjunction with conventional marketing practices. Digital transformation has already started to play a significant role in helping EU countries achieve sustainable values by promoting environmental, social, and governance (ESG) performance, [16]. The prominence of digital marketing has surged in concert with the heightened accessibility of digital platforms. A multitude of digital marketing modalities, spanning from social media to text messaging, facilitate direct engagement with the target audience. Additionally, digital marketing is characterized by comparatively low overhead costs, rendering it an appealing option for nascent and smaller enterprises. Subsequently, we shall explore

the various types of digital marketing along with their associated attributes.

1. Internet Marketing: The cornerstone of all digital marketing endeavors, internet marketing serves as a resilient channel and a prominent tool for a diverse array of online marketing activities. A fundamental aspect of Internet marketing is the website, which assumes a pivotal role in representing the brand, products, and services lucidly and memorably. An effective website should possess attributes such as speed, mobile-friendliness, and user-friendliness.

2. Pay-Per-Click Advertising (PPC): Pay-per-click advertising enables marketers to access internet users across diverse digital platforms through paid advertising campaigns. Digital marketers can configure PPC campaigns on platforms including Google, Bing, LinkedIn, Twitter, Pinterest, and Facebook, leveraging these platforms to display advertisements to content consumers based on relevant keywords and tags associated with the respective products or services. PPC campaigns offer the capability to segment users according to their demographics, encompassing factors such as age, gender, profession, industry, and even target audiences with specific local interests or locations. The most widely utilized PPC platforms include Google Ads and Facebook Ads.

3. Content Marketing: The primary objective of content marketing is to engage with potential customers through the dissemination of content. Typically, this content is published on a website and subsequently promoted through various means, including social media, email marketing, search engine optimization (SEO), and, in certain cases, pay-per-click (PPC) campaigns. The arsenal of content marketing tools encompasses a diverse range of media, including but not limited to 1) blogs, 2) e-books, 3) online courses, 4) infographics, 5) podcasts, and 6) webinars.

4. Advertising Newsletters: Within the realm of digital marketing, email marketing remains one of the most efficacious channels for online engagement. It is worth noting that email marketing should not be misconstrued as spam; rather, it serves as a legitimate means to establish contact with potential customers or individuals exhibiting an interest in a particular brand or product. Many digital marketers leverage an array of other digital marketing channels to expand their prospect lists through email marketing initiatives. Subsequently, they employ email marketing as a mechanism to establish new avenues for consumer engagement and conversion, thereby transforming prospects into leads.

5. Media Marketing: The primary objectives of social media marketing encompass the establishment of brand awareness and the cultivation of social trust. When executed with a high degree of professionalism, this level of marketing empowers brand proprietors to confidently employ it as a robust tool for direct sales and the acquisition of new customers in an assertive manner.

6. Affiliate Marketing: Affiliate marketing represents one of the oldest forms of marketing, and it was the advent of the Internet that breathed new life into this time-honored resource. In affiliate marketing, well-recognized individuals undertake the promotion of products and services, receiving a commission for each successful sale of these products or the acquisition of new customers. Prominent retailers, such as Amazon, have instituted affiliate programs that disburse substantial sums of money each month to websites responsible for facilitating the sale of their products.

7. Video Marketing: Currently, YouTube stands as the second most widely utilized search engine globally. A substantial user base routinely turns to YouTube channels as a precursor to making purchasing decisions, seeking information, perusing product reviews, or simply engaging with content for leisure. Various video marketing platforms, including the notably popular Facebook, Instagram, and TikTok, have been established and have integrated video marketing into their campaigns. Retailers have achieved considerable success with video marketing by incorporating it into their strategies for search engine optimization, content marketing, and broader social media marketing initiatives.

8. SMS Marketing: Both for-profit enterprises and nonprofit organizations have harnessed text messaging as a means of disseminating pertinent information regarding their latest promotions and opportunities to interested customers. Moreover, political candidates vying for public office have leveraged text messaging campaigns to propagate affirmative messages through their dedicated platforms. In tandem with technological advancements, many SMS campaigns have evolved to enable direct payments and facilitate the transmission of concise text-based messages.

A diverse array of digital marketing resources exists, encompassing any Internet-based marketing tool. However, it is often the case that individuals are unaware of the full spectrum of digital marketing resources at their disposal. Here are some illustrative examples:

1. Video Content: This category includes video advertisements and product demonstrations. Notably, research conducted by S. Brooke underscores the significance of email, with "nearly 60% of consumers indicating that email plays a pivotal role in influencing their purchasing decisions", [13].

2. Website: A fundamental digital marketing resource.

3. Brand Assets: This incorporates elements such as logos, icons, and abbreviations.

4. Images: This encompasses diverse visual content, including infographics, product photographs, and corporate images. To illustrate, consider a scenario where a consumer is interested in purchasing athletic footwear. If the company integrates a pay-per-click (PPC) campaign into its digital marketing strategy, potential customers can readily click on the ad displayed on the first page of Google without having to navigate through competitive websites, [13].

5. Written Content: This category comprises diverse written materials, such as blog posts, e-books, product descriptions, and reviews.

6. Online Products or Tools: This classification includes Software as a Service (SaaS) offerings, calculators, interactive content, and similar digital tools.

7. Customer Reviews, Opinions, and Experiences: Valuable sources of user-generated content that can significantly influence consumer perceptions and decisions.

8. Social Media Pages: Notably, research by S. Brooke highlights the prevalence of social media usage, with consumers maintaining an average of approximately eight social media accounts. Furthermore, the average adult dedicates roughly 2 hours and 22 minutes daily to social media engagement. This extensive engagement window offers companies an opportunity to effectively communicate with their target audience and attract new consumers, [13].

Digital marketing presents distinctive challenges to those engaged in this field. Digital channels are in a state of rapid evolution, necessitating that digital marketers possess a profound understanding of their mechanisms, consumer utilization patterns, and effective strategies for promoting products, services, and brands. Furthermore, it is imperative to acknowledge that the target audience is inundated with an increasing volume of promotional content from various companies, rendering it arduous to capture their undivided attention. In this context, digital marketers confront the formidable task of distilling meaningful insights from the vast

reservoirs of data they collect, subsequently employing this data in the development of novel marketing campaigns. The intricacies associated with data collection and utilization underscore the imperative for digital marketing strategies founded upon a comprehensive comprehension of human behavior. For instance, a company may find it essential to conduct an in-depth analysis of the behavior patterns exhibited by new customers, thereby facilitating a more nuanced approach to engagement and marketing strategies.

A digital communication marketing strategy designed for brand promotion delineates a suite of activities harnessed by online marketing channels to attain diverse objectives. These channels encompass those classified as owned, paid, and earned media. With a digital marketing action plan, a customer can successfully create and implement an online marketing strategy with strategies that are constantly expanding. Some digital strategies that most businesses use are pay-per-click advertising; paid search advertising; SEO search engine optimization; paid advertising in mass media; traditional marketing using mass media; conversion rate optimization; content marketing; native advertising; advertising mailing on communication networks; partner marketing planning (Figure 1). Hence, it is discernible that the development of a comprehensive digital marketing framework within a corporate entity necessitates adherence to a specific sequence of actions, the cultivation of a customer-centric and competitive behavior strategy, and the recognition

that the competence of digital marketers is continually advancing.

Presently, a discernible trend in the domain of marketing is the burgeoning prominence of Internet marketing. Nonetheless, it is noteworthy that even within Western literature, descriptions of Internet marketing remain fragmented, and the majority of domestic authors do not delineate Internet marketing as a distinct field of study. Remarkably, online channels now account for approximately 10% of global trade, with certain countries, including China, Japan, and the United Kingdom, witnessing the e-commerce sector's contribution to GDP surpassing the 20% mark. Equally noteworthy is the remarkable growth dynamics exhibited by the e-commerce segment, with annual increments of up to 30% (Figure 2), [19].

Internet marketing assumes a pivotal role within the framework of the contemporary economy, serving as the principal conduit for all virtual interactions between a company and prospective customers. Nevertheless, it is noteworthy that a comprehensive theoretical framework for Internet marketing remains conspicuously absent. Notably, in his seminal work "Marketing Management," revered American marketing scholar and classic figure in the field, F. Kotler, devotes merely a single paragraph to Internet marketing. Within this limited scope, the author offers a cursory overview of the phenomenon and underscores the transformative impact of e-commerce on the discipline of marketing, [20].

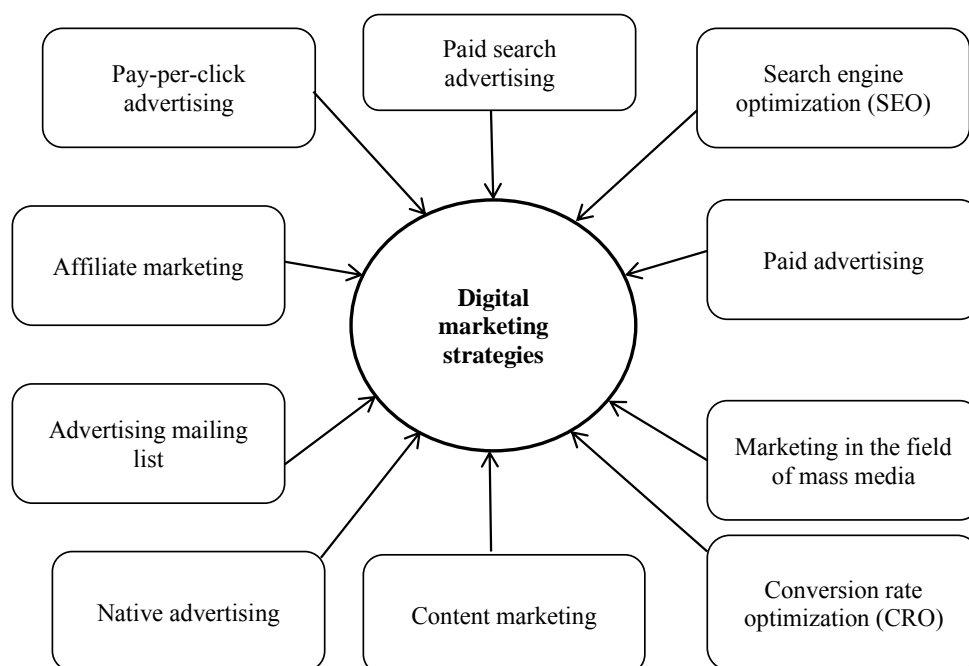


Fig. 1: Digital marketing strategies for a business company.

Source: compiled by the author based on, [18].

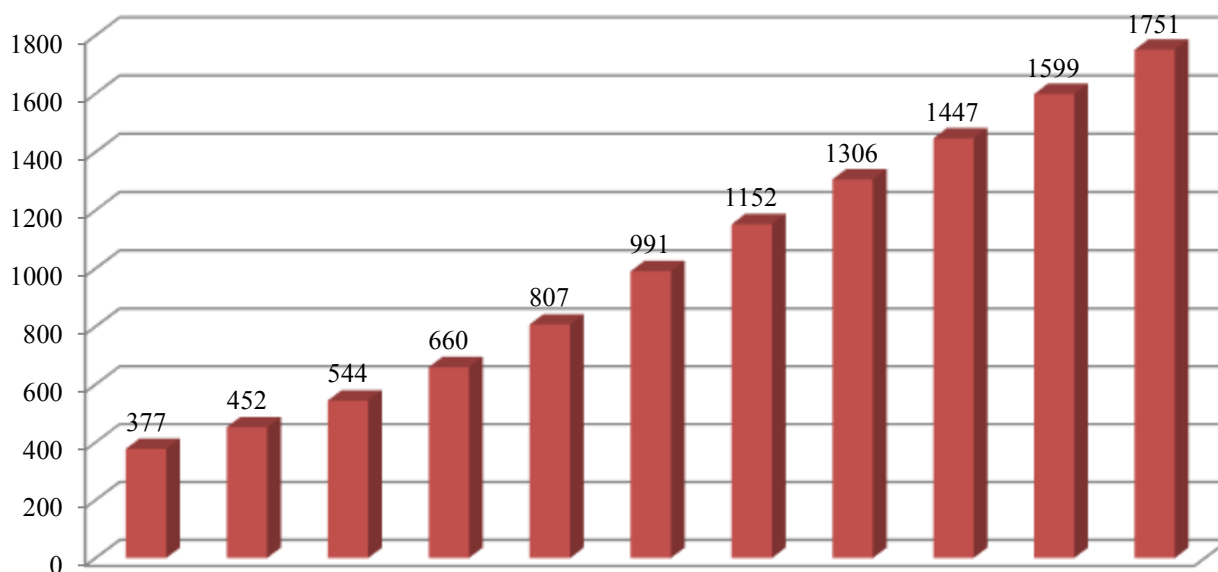


Fig. 2: E-commerce turnover in the world from 2010 to 2020, was \$ billion.
 Source: compiled by the author based on, [19].

Within his work titled "Value-Based Marketing," the American scholar, [21], presents his unique taxonomy of the evolutionary stages in the field of marketing. Doyle differentiates Internet marketing as an autonomous scientific domain, situating it as the fourth phase in the progression of marketing evolution – termed "individual customer relationship management." This is juxtaposed against the preceding phase, "marketing as brand management," which primarily emphasizes the product rather than the consumer. Notably, customer-centric Internet marketing facilitated by e-commerce technologies enables a personalized approach to engage with each specific customer or target demographic, [21]. Consequently, personalization stands out as a salient hallmark of contemporary Internet marketing. Moreover, as A. Kwilinski, O. Lyulyov, and T. Pimonenko cogently underscore, "digital inclusion pertains to equitable access and active participation in digital technologies and services", [16].

The inception of digital marketing finds its historical roots intertwined with the ascendance of the Chinese economy. Approximately two to two-and-a-half decades ago, brand proprietors exerted control over the distribution channels for their products, while relocating production to nations where labor and resources were more cost-effective. Nevertheless, these strategic decisions did not afford them access to foreign markets, which primarily pertained to countries within the Asia-Pacific region, [22]. The advent of e-commerce initiated a transformative shift, affording Asian manufacturers unrestricted entry into global markets. E-commerce

and Internet marketing technologies revolutionized the logistics of product delivery to end consumers, thereby engendering the emergence of a novel "Asian approach" to marketing organizations. However, as articulated by, [15], "the objectives of distinct participant groups within this dynamic are variegated and seldom align harmoniously. These divergent interests among market participants engender information distortion or its uneven dissemination concerning the same subject matter", [15].

A distinctive attribute of this approach lies in its capacity to curtail transaction costs significantly. Goods no longer traverse a traditional intermediary chain; instead, they are directly conveyed to the end consumer through Internet-based channels. This phenomenon, in part, underpins the remarkable resurgence of the Chinese economy. In the 1980s, Deng Xiaoping initiated sweeping economic reforms in China, resulting in substantial improvements in the nation's economic landscape. To illustrate, China's GDP per capita stood at 195 yuan in 1980, escalated to 318 yuan in 1990, and reached 960 yuan by the year 2000. However, the ascent of China's economy often hailed as the "Chinese economic miracle," materialized predominantly after the turn of the millennium. Notably, the growth trajectory of e-commerce in China is nothing short of impressive. Commencing in the latter half of the 2000s, the e-commerce market in China has experienced an average annual growth rate of approximately 30%, [8]. As of present, China boasts the highest e-commerce growth rate globally.

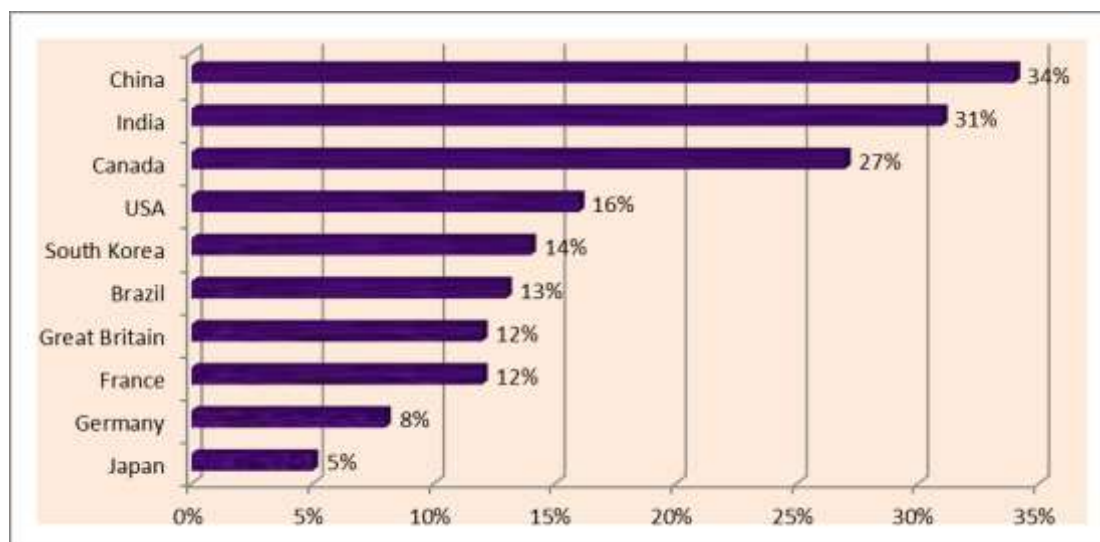


Fig. 3: Growth rates of e-commerce markets in the world in 2017-2018.

Source: compiled by the author based on, [19].

However, the aforementioned dynamics are not exclusive to China. Countries such as Japan and the United States also exhibit e-commerce sectors that surpass the 20% threshold. The top five nations, in terms of the highest e-commerce turnovers, comprise the United Kingdom, Germany, France, South Korea, and Canada. E-commerce markets in various countries display noteworthy growth rates, such as up to 34% annually in China, 31%, 27%, and 20% in India, Canada, and the United States, respectively, when measured in terms of US dollars (Figure 3).

In the year 2015, several trends gained traction in the realm of digital marketing, including predictive analytics, smart clothing, and content marketing. Content marketing represents the strategic dissemination of product-related information to consumers, serving as a mechanism to enhance brand recognition. With the advent of new content formats and the burgeoning popularity of video content, content marketing has transcended the realm of textual blog posts and lists. The production of unique and informative content has assumed paramount importance within the spectrum of digital marketing strategies. This approach bestows several noteworthy advantages. The consistent publication of high-quality content contributes to an augmented level of brand visibility, thereby potentially attracting new customers. It also facilitates the attainment of elevated search engine rankings, kindles user engagement with the brand, and imparts intangible value to the company's product offerings.

It is judicious to assert that the evolution of e-commerce technologies has significantly reshaped the overarching trajectory of the global economy.

Foremost among contemporary trends are the mitigation of transaction costs and the diminishing influence of government regulatory measures on the economy. This transformation has been catalyzed by the emergence and consolidation of both formal and informal regulations governing domestic and international online transactions.

As articulated by the eminent American economist, [3], a seminal figure in the field of new institutionalism, "...in the absence of transaction costs, regardless of the legal system: people can always agree, acquire, divide, and combine rights for free in a way that will increase the value of production", [3]. This assertion holds particularly true within the realm of e-commerce, where geographical barriers are virtually non-existent, and transaction costs remain low. The impact of e-commerce technologies is precipitating significant global institutional transformations within the economic landscape. In, [23], underscored that "traditional marketing strategies may no longer suffice for ensuring the effective operations of companies across diverse industries". Consequently, with the burgeoning accessibility of sales technologies, an increasing number of transactions occur directly between consumers and producers, thereby diminishing the necessity for intermediaries. This transformation serves as a boon for both end consumers and product manufacturers.

Statistics unequivocally underscore the magnitude and transformative nature of these developments. As reported in the Global Digital 2019 study, an analysis of the global digital market conducted by the We Are analytical agency in collaboration with the prominent SMM platform

Hootsuite, "the year 2019 witnessed a surge in the number of Internet users, culminating at 4.39 billion individuals, constituting over 57% of the world's population. Additionally, the tally of users engaging with social media platforms soared to 3.48 billion, representing 45% of the global populace", [24]. Considering that online commerce contributes to 10% of the total global trade, with developed nations often exhibiting figures twice as substantial, it is indisputable that virtual markets and e-commerce technologies currently serve as catalysts for economic advancement. The, [25], underscore the notion that "...the realization of many synergies necessitates time and due consideration of certain effects, which may not be immediately apparent during the phase of stable growth".

The worldwide proliferation of the COVID-19 pandemic has instigated noteworthy transformations in the landscape of e-commerce. As observed in,

[11], "the imposition of restrictions on social mobility and economic activities in response to the rapid spread of COVID-19 has engendered a multitude of economic and societal repercussions. The economic ramifications, in particular, have been adverse, characterized by diminished production levels and logistical challenges in the distribution of goods and services. Estimates of the economic losses incurred at the national and global levels exhibit disparities; however, these losses have been disproportionately substantial when compared to preceding economic crises", [11]. Concurrently, the lockdown measures, which disrupted individuals' customary routines, conferred significant advantages and yielded remarkable profits for proprietors of e-commerce networks. After all, they offered consumers everything: from essential goods to entertainment and educational programs right from home.

Table 1. Forecast of e-commerce growth in the world, %.

Country	2018 / USD billion	2023 / USD billion	Five-year growth rate
China	636,1	1806,1	70,3 %
USA	504,6	735,4	45,7 %
France	49,4	71,9	45,6 %
Australia	18,6	26,9	44,6 %
Canada	39,9	55,4	38,8 %
Germany	70,3	95,3	35,6 %
UK	86,5	113,6	31,3 %
Japan	81,7	103,6	26,8 %
East Korea	63,7	80,2	25,9 %

Source: compiled by the author based on [12].

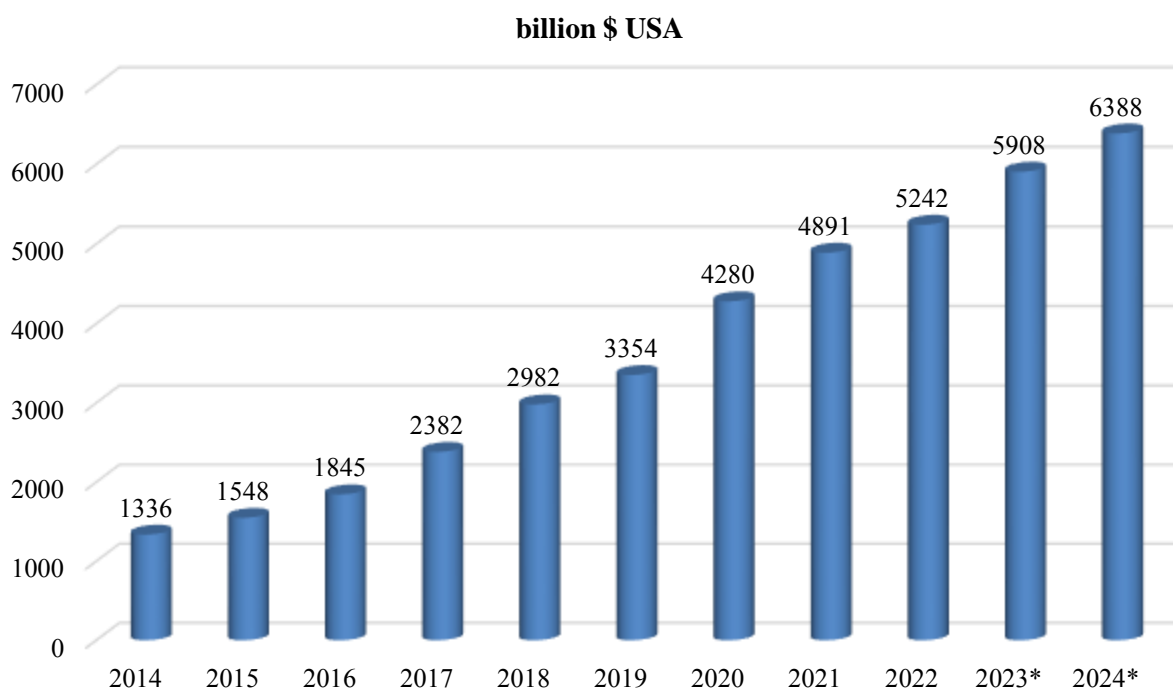


Fig. 4: E-retail sales, billion USD.
 Source: compiled by the author based on, [12].

In 2020, over two billion individuals engaged in online purchases of goods or services, and during the same year, global e-retail sales surpassed \$4.28 trillion. By 2021, these metrics escalated to \$4.89 trillion, with projections anticipating a figure of \$6.3 trillion for the year 2024 (Figure 4).

As per the projections concerning the growth dynamics of e-commerce in retail sales for the year 2023, the forefront is anticipated to be led by countries including China, the United States, France, and Australia (Table 1).

As we can see from Table 1, the forecast for the growth of e-commerce is set for China at 70.3% by the end of 2023, as it is recognized as the leader in this direction of trade and marketing. China is purposefully forming a new direction of marketing promotion of goods - digital, which can be seen from the growth indicators of its online sales.

Several countries with growth rates of 40-50% from 2018 can be ranked second in the use of digital marketing. These are the USA (+45.7%), France (+45.6%), Australia (+44.6%). What these countries have in common is the openness of oceanic ports and airfields, which can receive goods from customers and buyers.

In the third place in terms of the growth of turnover from the use of electronic commerce methods, we put those countries, which by the end of 2023 are predicted to increase the indicators to 40%. These include Canada (+38.8%), Germany (+35.6%), Great Britain (+31.3%), Japan (+26.8%), East Korea (+25.9%).

The dominant entity in terms of web traffic, as per the global ranking of retail websites, is the e-commerce behemoth, Amazon. This platform is headquartered in Seattle and offers an extensive array of products and services encompassing e-

commerce, computer services, consumer electronics, and highly sought-after digital content. As of June 2020, the company had garnered a staggering 5.2 billion unique visits, as measured by gross merchandise value (GMV). Remarkably, Amazon stands at the third position in this ranking, trailing behind Chinese competitors Taobao and Tmall. These platforms are under the aegis of the mega-corporation Alibaba Group, a foundational purveyor of e-commerce goods and services in the Asian market. Figure 5 provides an illustrative depiction of the ranking of the world's most frequented retail websites in 2020, quantified by average monthly traffic (in millions of visits).

The influence of COVID-19 pandemic has had a discernible impact on consumer behavior regarding the online procurement of goods and services. Digital channels have witnessed a surge in popularity compared to traditional brick-and-mortar stores, owing to the inherent advantages of convenience, independence, and security associated with online shopping. In the year 2020, the global e-commerce landscape witnessed an unprecedented milestone, recording a staggering 22 billion monthly visits. This surge in online activity was particularly pronounced in the demand for essential commodities such as food, apparel, and retail technology products. The effects of the COVID-19 pandemic on online sales traffic are notably reflected in an augmented preference for supermarket, media, and television-related e-commerce platforms. Furthermore, an examination of the impact of the pandemic on trading volumes, as reported by Contentsquare. com, reveals a substantial upswing within the retail, banking, cosmetics, and health insurance sectors (Figure 6).

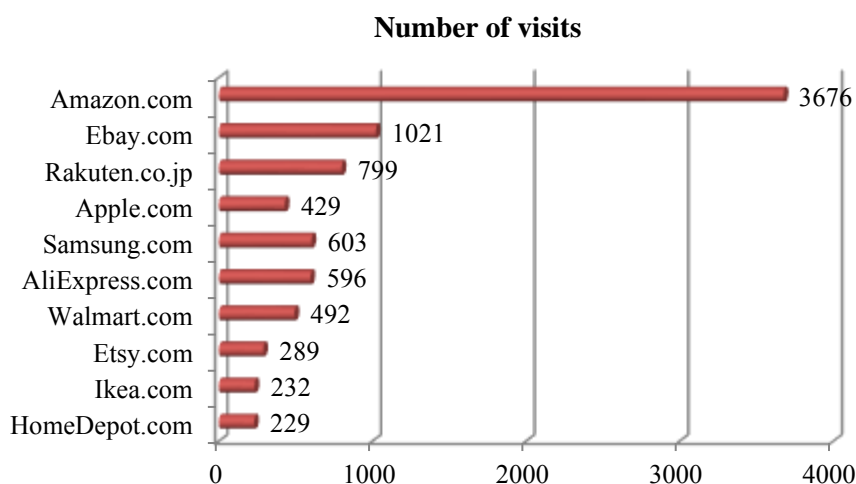


Fig. 5: Dynamics of visits to retail websites by average monthly traffic.
 Source: compiled by the author based on, [12].

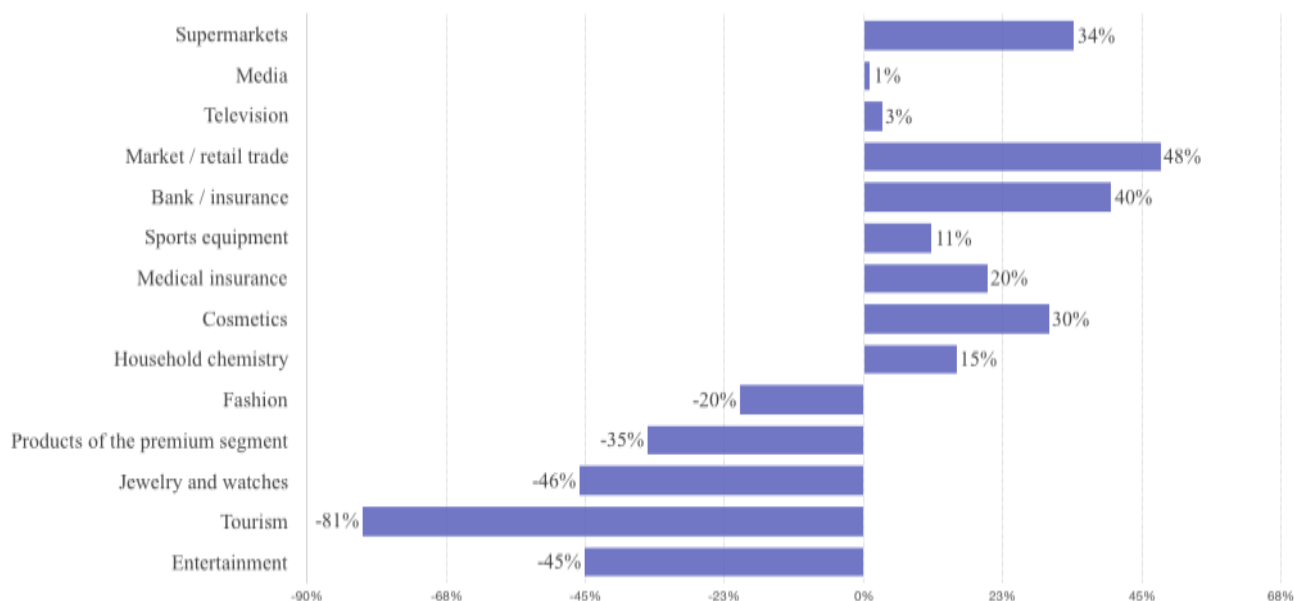


Fig. 6: Impact of the COVID-19 pandemic on transactions in terms of sales volumes.

Source: compiled by the author based on, [26].

Throughout the COVID-19 pandemic, there was a notable 60% increase in the average number of items per order, [10]. Additionally, 44% of consumers ventured into trying new brands during this period (Arlington Research). The pandemic also witnessed a significant shift in consumer behavior, with 43% of shoppers expressing newfound confidence in online shopping, while 40% of consumers reported feeling more at ease with digital technologies compared to the pre-quarantine period (Wunderman Thompson Commerce). In the context of Ukraine, data from the EVO group of companies indicates that the total expenditure on physical goods and services purchased online by consumers in 2020 amounted to UAH 107 billion, marking a substantial 41% increase compared to 2019, [27].

Online payments have experienced a notable 50% increase during this period. Nearly 9% of all transactions are now conducted online, encompassing marketplaces, online stores, and social media platforms. In 2020, there was a substantial 42% surge in orders placed on EVO's platforms, including Prom.ua, Bigl.ua, Crafta.ua, Shafa.ua, IZI.ua, and Prom.ua company websites. Simultaneously, there was a discernible 10% decrease in the average order value. Consumers have significantly augmented their online purchases, particularly in categories such as clothing, household goods, food, pet supplies, and personal protective equipment, including masks, [7]. The Covid-19 pandemic has had a profound impact on global trade, resulting in substantial disruptions. However, it has also led to a diversification of e-commerce activities worldwide, characterized by

varying growth patterns and expansion dynamics across different countries.

In summary, contemporary e-commerce trends underpinning digital marketing can be delineated as follows:

1. Shifting Marketing Orientation from Products to Customers: A distinguishing characteristic of online marketing is its emphasis on personalization. Traditional marketing primarily targets mass consumers, whereas the internet, to some extent, tailors its approach to the unique characteristics of each customer.

2. Multichannel Approach: At this juncture, traditional marketing and online marketing exhibit more similarities than disparities. Traditional marketing has long necessitated engagement with customers through various communication channels that are interconnected and mutually reinforcing.

3. Mobility: The widespread adoption of mobile internet and smartphones has brought about novel transformations in online marketing. Each year, there is a growing number of transactions conducted through mobile devices, prompting online marketers to explore fresh strategies for effectively engaging recipients through mobile communication channels.

4. Interactivity: Online marketing harnesses interactivity, automating processes that once required sociological surveys. Internet users willingly engage in various business activities, including surveys, reputation building, audience creation, and customer acquisition through methods like recommendations, word of mouth, and viral marketing.

5. Reach and Recipient Attitude: Internet marketing provides round-the-clock access to a vast recipient pool.

6. Opportunities for International Trade: The advancement of e-commerce technologies has removed international trade barriers, ushering in fresh sales opportunities and horizons.

In the current landscape, it is imperative to address issues about the new economy, digitalization, e-commerce, and Internet marketing. The ongoing societal transformations associated with e-commerce development have become permanent fixtures and warrant comprehensive research. As pointed out by authors, [28] "E-commerce in Ukraine, when compared to EU countries, exhibits lower prevalence and contributes a smaller percentage to GDP. According to their assessment, the primary impediments to e-commerce development in Ukraine include deficient infrastructure and limited Internet access in certain regions, consumer apprehension regarding online purchases, a preference among buyers to physically inspect goods before purchase, fraudulent activities such as fictitious online stores, cybercrime, insufficient state support for new enterprises, lack of funding, and other factors", [28]. Authors in, [29], have highlighted that "Ukrainian enterprises currently face challenges in bridging the gap between recommendations and the existing statistics concerning the digitalization process". Nonetheless, the researchers of this study underscore that the potential for e-commerce development in Ukraine remains substantial. This is attributed to the presence of a skilled workforce and a sizable population of young individuals with entrepreneurial inclinations capable of readily embracing and generating innovations and ongoing research and technology advancements. Moreover, Ukraine boasts the widespread availability of innovative technologies such as blockchain, big data, and cloud computing, among others, that can be harnessed for the advancement of e-commerce, [28].

Hence, it is evident that digitalization catalyzes advancing marketing endeavors aimed at promoting products, goods, and services offered by both established and emerging companies. In this context, the dynamics of digital communication processes assume a central role, permeating every phase of a company's brand execution, from conception to the consumer's or buyer's acquisition and utilization of a product or service. Consequently, [5], assert that "Relationship marketing serves as a practical mechanism for implementing the concept of collaborative value

creation within modern institutional frameworks of interaction within the innovation system (including innovation networks, virtual networks, international clusters, and alliances). Therefore, relationship marketing holds a pivotal position within the innovation system", [5].

In both theoretical and practical contexts, the communication system is comprehensively regarded as a unified and structured framework established to facilitate regular information exchange within an enterprise and between the enterprise and its external entities. Communications represent a fundamental structural framework that mirrors the nature of interactions between the enterprise's internal environment and its interactions with the external environment. Consequently, the business communication environment of an enterprise is shaped, within which various communication facets are dynamically structured and evolved. These encompass internal and external organizational communications characterized by upward, downward, and horizontal communication channels, information processes, and systems, as well as interpersonal communications within the organization, featuring established interaction patterns. Management theory characterizes the communication process as the exchange of information, a dynamic process that subsequently shapes the information flows within the enterprise due to the communication-related business processes within the organization. This insight has been emphasized in, [6]. Furthermore, scholars like, [4], assert that "the factors within the microenvironment and the internal environment of the enterprise wield the most significant influence on the criteria for operational management within the organization". Consequently, the primary objectives of brand promotion via digital marketing tools and strategies encompass attracting new customers, optimizing cost and revenue ratios, launching innovative products, fostering brand reputation, and augmenting overall company visibility, [13].

To effectively pursue the objectives of digital marketing in the context of promoting a brand amid competition and their respective strategic approaches, the following guidelines and principles should be adhered to:

1. Gain a comprehensive understanding of customer behavior, encompassing their preferences and inclinations.

2. Implement rigorous analytical monitoring of the company's performance concerning its digital strategies. In support of this, researchers such as, [14], drawing from their research findings, assert

that "financial resources play a pivotal role in achieving a high level of remote work management, influencing a company's capacity to organize remote work effectively and enhance employee motivation through increased compensation for overtime".

3. Leverage a holistic approach informed by the research of digital content scholars, such as, [9], who have devised a method that assesses crises while incorporating the principles of the Balanced Scorecard (BSC), encompassing financial, operational, human resources, and marketing crises.

4. Proactively outpace competitors by adopting the methodological framework put forth by authors, [30], which entails several key stages of analysis: a) determining the company and brand's level of autonomy within the external environment; b) identifying potential risks associated with brand promotion and assessing their impact on the achievement of objectives in terms of timeliness and comprehensiveness; c) pinpointing sources and strategies to enhance overall operational efficiency, management, and the utilization of digital marketing communications; d) scrutinizing the outcomes of the organization's endeavors, [30]. For each stage and the economic analysis results obtained, researchers specify the areas of further investigation, information sources, and data processing methodologies.

6 Discussion

In summary, digital marketing holds the potential to facilitate a company's expansion, diversify revenue streams, identify prospective clientele, and enhance online sales. However, it is essential to acknowledge that there is no universal, one-size-fits-all strategy applicable to all brands. The realms of e-commerce and the promotion of a competitive, desirable website demand distinct approaches, a willingness to experiment, and a vigilant focus on emerging trends within the domains of marketing and digital technology. This necessity arises from the dynamic nature of consumer preferences and behaviors, which continually adapt to their ever-evolving circumstances. Consequently, corporate marketers must remain adaptable and receptive to the integration of novel tools to maintain a competitive edge.

The application of critical digital marketing models in the context of Ukraine's current business challenges during the war raises certain controversies. Although many global brands have maintained a presence in the Ukrainian retail landscape, there has been a significant decline in consumer demand. Consumers are increasingly

shifting towards more affordable goods, services, and products that cater to their basic needs. Furthermore, challenges related to internet access persist in areas affected by or recovering from hostilities. As a result, the process of digitalizing the promotion of goods and services should encompass more than just the virtual distribution of advertising and product information. Marketers in specific industries, such as construction, food, clothing, and household appliances, should seize the opportunity to adapt, as products from these sectors are likely to experience higher demand among the population at present. This adaptation necessitates the implementation of additional strategic measures by companies operating in each respective industry.

For example, to expand the circle of consumers in light industry, and trade, it is advisable to use social networks and communication channels more widely, as well as: the creation of target, interested groups of buyers in dialogue systems Viber, Messenger, Telegram, Instagram, and Facebook. Groups in these networks cannot control the statistics of the site or page visits, and the number of clicks, analyze sales conversion rates from online and offline sales funnels, and determine their effectiveness.

7 Conclusions

The examination of the process, potential, and challenges associated with the digitalization of marketing strategies for brand promotion in the marketplace allows us to conclude that digital marketing emerged in the 1970s. By the early 21st century, it transitioned from the phase of gathering information about products and services to the online distribution of products and services by well-established companies with substantial financial resources. Marketing strategies encompassed elements such as logos, advertisements, slogans, distinct color schemes, and text choices, direct mail advertising, reminders to consumers to make purchases, customer registration on websites, discount offerings, and promotional campaigns, among others. This is how consumers became adept at recognizing brands, posting reviews about them on dedicated platforms, and endorsing or critiquing products or services to other consumers or competitors.

The emergence of global challenges such as the COVID-19 pandemic, the conflict in Ukraine, and political instability in other regions has prompted companies to forge stronger connections with consumers through social media channels and to market their products through online platforms.

Presently, digital marketing strategies are not only fulfilling their conventional role of disseminating information about products and bringing them closer to consumers for consumption or use but are also evolving rapidly in practical terms, in tandem with technological advancements amid the context of the 21st century's fourth industrial revolution.

The formation of e-commerce skills in Ukraine is at a very low level. The study of all the possibilities of social communication channels, which are already developed in the dialogue systems Viber, Messenger, Telegram, Instagram, and Facebook, and, with their active use and analytical calculation of efficiency, the identification of needs in sales and product promotion, should influence software developers to improve these sources of distribution of communication and sales.

References:

- [1] Shpak, N., Rebilas, R., Kulyniak, I., Shulyar, R., Horbal, N. (2023). Trends in Digital Marketing Research: Bibliometric Analysis. *CEUR Workshop Proceedings*, 3403: 449-465.
- [2] Kisiólek, A., Karyy, O., Kulyniak, I. (2022). The Concept of a Digital Marketing Communication Model for Higher Education Institutions. *Lecture Notes in Networks and Systems*, 458: 75-89.
- [3] Coase, R. (1988). The Firm, the Market, and the Law. Chicago, London, *The University of Chicago Press*.
- [4] Hrosul, V., Kovalenko, S., Saienko, V., Skomorovskyi, A., Kalienik, K., & Balatska, N. (2021). Research of logical contradictions in the conditions of cluster management of the enterprise. *Journal of Management Information and Decision Sciences*, 24(1), 1-4.
- [5] Prokopenko, O., & Omelyanenko, V. (2018). The marketing aspect of the innovation communications development. *Innovative Marketing*, 14(2): 41-49. [http://dx.doi.org/10.21511/im.14\(2\).2018.05](http://dx.doi.org/10.21511/im.14(2).2018.05).
- [6] Prokopenko, O., Kazanska, O., Deineha, I., Butenko, N., Omelyanenko, V., & Bovkun, O. (2020). Communication Business Processes of Industrial Enterprises in the Conditions of Globalisation. *International Journal of Management*, 11(5), 884-895. <https://doi.org/10.34218/IJM.11.5.2020.081>.
- [7] Berger, A. D., Galeta, A. S. (2022). Global trends in the development of electronic commerce take into account the crisis conditions of the COVID-19 pandemic.
- [8] Chen, Y., Hui, D., Seong, J. (2012). Click by click: How consumers are changing China's e-commerce landscape. *Consumer and Shopper Insights*. McKinsey & Company. <https://cbsobserver.dk/sites/default/files/mckinsey-china-ecommercetrends.pdf> (Accessed Date: September 1, 2023).
- [9] Halkiv, L., Kulyniak, I., Shevchuk, N., Kucher, L., Horbenko, T. (2021). Information and Technological Support of Enterprise Management: Diagnostics of Crisis Situations. *11th International Conference on Advanced Computer Information Technologies, ACIT 2021, Proceedings*, pp.309-312.
- [10] Kulach, K. (2021). 10 significant ecommerce statistics you need to know in 2021. <https://www.webinterpret.com/au/blog/ecommerce-statistics/> (Accessed Date: August 15, 2023).
- [11] Kwilinski, A., Lyulyov, O., Dzwigol, H., Vakulenko, I., Pimonenko, T. (2022). Integrative Smart Grids' Assessment System. *Energies*, 15, 545. <https://doi.org/10.3390/en15020545>.
- [12] Michael, K. (2021). Global E-commerce Explained: Stats and Trends to Watch in 2021. <https://www.shopify.com/enterprise/global-ecommerce-statistics> (Accessed Date: August 15, 2023).
- [13] Brooke, S. (2023). The Art of Digital Marketing: Your Strategy for Success in the Digital Age. *Claspo*. <https://claspo.io/ua/blog/mistetstvo-digital-marketing-vasha-strategiya-usphu-v-tsifrovu-epohu/> (Accessed Date: September 16, 2023).
- [14] Chychun, V., Chaplynska, N., Shpatakova, O., Pankova, A., & Saienko, V. (2023). Effective management in the remote work environment. *Journal of System and Management Sciences*, 13(3), 244-257. <https://doi.org/10.33168/JSMS.2023.0317>.
- [15] Ivashchenko, A., Sybirianska, Y., Polischuk, Y. (2017). Information and communication platform as a complex approach for solving information asymmetry problems. *CEUR Workshop Proceedings*, 1844: 111-126.
- [16] Kwilinski, A., Lyulyov, O., Pimonenko, T. (2023). Unlocking Sustainable Value through Digital Transformation: An Examination of ESG Performance. *Information*, 14(8), 444. <https://doi.org/10.3390/info14080444>.

- [17] McKambley, J. (2013). The first-ever banner ad: why did it work so well? *The Guardian*. <https://www.theguardian.com/media-network/media-network-blog/2013/dec/12/first-ever-banner-ad-advertising> (Accessed Date: September 9, 2023).
- [18] Raymond, M. (2022). Digital Marketing: Definition, Types and Strategies. *Businessyield*. December 25th. <https://businessyield.com/uk/marketing/digital-marketing/> (Accessed Date: July 20, 2023).
- [19] Ukraintsiv, D. V. (2020). The evolution of marketing in the digital economy. *Ideas and ideals*, 12(3): 363-375.
- [20] Kotler, F. (2011). *Marketing Management*, Kyiv, pp.816.
- [21] Doyle, P. (2000). *Value-Based Marketing*. Chichester, New York, Wiley, pp.480.
- [22] Zhudzhun', D., Kovalev, M. M., Novik, V. V. (2008). The phenomenon of China's economic development (Fenomen ekonomicheskogo razvitiya Kitaya). Minsk, *BSU Publ.*, 270-282.
- [23] Prokopenko, O., Rusavska, V., Maliar, N., Tvelina, A., Opanasiuk, N., & Aldankova, H. (2020). Digital Toolkit for Sports Tourism Promoting. *International Journal of Advanced Research in Engineering and Technology*, 11(5): 84-96. <https://doi.org/10.34218/IJARET.11.5.2020.010>.
- [24] Digital-2019: Global Internet Use Accelerates. *Special Reports*. <https://wearesocial.com/uk/blog/2019/01/digital-in-2019-global-internet-use-accelerates/> (Accessed Date: August 10, 2023).
- [25] Kwilinski, A., Slatvitskaya, I., Dugar, T., Khodakivska, L., Derevyanko, B. (2020). Main Effects of Mergers and Acquisitions in International Enterprise Activities. *International Journal of Entrepreneurship*, 24: 1-8.
- [26] Moore, K. (2023). Create an App for Your Store: How to Use No-code Ecommerce App Development. <https://www.abetterlemonadestand.com/ecommerce-app-development/> (Accessed Date: August 18, 2023).
- [27] Pandemic Boost: How Ukraine's E-Commerce Sphere Developed in 2020. <https://ukraineworld.org/en/articles/ukraine-explained/how-ukraines-e-commerce-sphere-developed-2020> (Accessed Date: August 16, 2023).
- [28] Verbivska, L., Zhuk, O., Ievsieieva, O., Kuchmiiova, T., & Saienko, V. (2023). The role of e-commerce in stimulating innovative business development in the conditions of European integration. *Financial and credit activity-problems of theory and practice*, 3(50), 330-340. <https://doi.org/10.55643/fcaptop.3.50.2023.3930>.
- [29] Roieva, O., Oneshko, S., Sulima, N., Saienko, V., & Makurin, A. (2023). Identification of digitalization as a direction of innovative development of modern enterprise. *Financial and credit activity-problems of theory and practice*, 1(48), 312-325. <https://doi.org/10.55643/fcaptop.1.48.2023.3968>.
- [30] Morgulets, O. B., Hryhorevska, O. O. (2016). Methodological approaches to the analysis of university management efficiency. *Actual Problems of Economics*, 182(8): 323-333.

Source Base of Research

The article partially includes the results of the international research project of the Scientific and Technical Organization Teadmus OÜ (teadmus.org) "Marketing and Brand Management in the Digital Age: Enhancing Customer Relations".

Contribution of Individual Authors to the Creation of a Scientific Article (Ghostwriting Policy)

The authors equally contributed to the present research, at all stages from the formulation of the problem to the final findings and solution.

Sources of Funding for Research Presented in a Scientific Article or Scientific Article Itself

No funding was received for conducting this study.

Conflict of Interest

The authors have no conflict of interest to declare.

Creative Commons Attribution License 4.0 (Attribution 4.0 International, CC BY 4.0)

This article is published under the terms of the Creative Commons Attribution License 4.0 https://creativecommons.org/licenses/by/4.0/deed.en_US