


# Digital Marketing and Role of Blockchain in Digital Marketing Industry

Dr. Atul Kumar <sup>\*</sup>, Dr. Vinaydeep Brar <sup>†</sup>

Email Correspondence\*: [atulk.singh@yahoo.co.in](mailto:atulk.singh@yahoo.co.in)

Associate Professor, Siddhant Institute of Business Management, Pune, Maharashtra, India

Professor, SNG Institute of Management and Research, Pune, Maharashtra, India

## Abstract:

Digital marketing is any form of advertising, which utilizes digital mediums to offer goods or services to customers. Therefore, the businesses utilize the internet for the promotions of their products and services, they are engaged in digital marketing. As we know, nowadays, no company can get success without digital marketing. As all of us recognize, the marketing industry is pretty dynamic and liable to change. By its very nature, it has to evolve to new technologies and consumer wishes. And now, we have a large alternate on the horizon that promises to shake up the advertising enterprise from top to bottom, along with several other industries as properly. We're talking about the Blockchain. Technology has already made a few critical waves within the international economy. This article is an attempt to explain the role and impact of Blockchain in the digital marketing industry.

**Keywords:** Digital marketing, Online marketing, Blockchain, Advertising, Digital marketing industry.

## 1. Introduction

As all of us recognize, the marketing industry is highly dynamic and subject to change. By its very nature, it has to evolve with new technologies and consumer needs. And now, we have a significant change on the horizon that promises to shake up the marketing industry from top to bottom, along with several other industries as well. We are talking about Blockchain. Technology has already made some serious waves in the financial world, and the Blockchain market is predicted to reach 20 billion dollars by the end of 2024, according to Transparency Market Research (Suthar, 2018).

You're probably wondering what all the fuss about Blockchain is... But let's start from the beginning—what exactly is Blockchain? While technology may seem too technical for some to fully grasp, it's a straightforward concept. As the authors of the "Blockchain Revolution" explain, Blockchain is a public ledger that stores and distributes information. Furthermore, anyone who utilizes Blockchain can both use and share all its data, and therefore, everyone plays a role in keeping the Blockchain updated and transparent.

The system keeps all the data stored in a chain-like pattern and its transaction history in so-called blocks – hence the name, Blockchain. The interesting thing about Blockchain is that you can only add information to it. You cannot copy it or change it. And if someone tried to hack the system or change something, the ledger would be updated on every user's device. Considering just how many users are in a Blockchain, hacking the network is essentially impossible. This makes technology very secure. Now, Blockchain is slowly

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\*Associate Professor, Siddhant Institute of Business Management, Pune, Maharashtra, India.

†Professor, SNG Institute of Management and Research, Pune, Maharashtra, India.

entering the arena of digital marketing. A recent report from Epstein revealed that more than thirty marketing apps now use Blockchain technologies to a certain extent.

## 2. Review Of Literature

Chaudhary and Sharma (2018) explained that improvement in technology through the years has impacted the world in all aspects. Significant technological development has resulted in a series of evolutionary steps as breakthroughs. This advancement can be well described through the example of computers and steam engines. The evolution of marketing from traditional advertising to digital marketing is such that the entire world is at the doorsteps of the consumer in a single click.

Saarijärvi et al. (2018) mentioned that consumer-to-consumer (C2C) digital commerce (e-commerce) is shaping contemporary retailing. Despite the fact that a significant amount of C2C e-commerce is conducted in social media-based platforms (e.g., Facebook), it has remained an unexplored area of research, though social media as a business platform can result in differing consumer value and, therefore, has the potential for customer experiences that lie beyond the reach of traditional C2C e-commerce actors.

Macchion et al. (2017) analyzed whether the adoption of e-commerce improves company business, innovation, and operational performance and whether sales internationalization may moderate this relationship. The research is based on a survey in the fashion industry and a multi-step linear regression model investigating the relationships between e-commerce and performance. Results show that e-commerce improves innovation performance but has no significant relationship with business and operational overall performance.

Bressolles et al. (2015) studied the service-profit chain (SPC) on e-service quality dimensions, online customer value (CV) dimensions, e-satisfaction, and e-loyalty in an e-commerce context. A total of 2,813 internet customers filled in an online questionnaire after completing a detailed task on one of 28 wine websites from seven countries. The results highlight the impact of the dimensions of e-service quality (information, aesthetics, ease of use, security/privacy, and reliability) on the dimensions of online CV (functional, financial, and social value) as they affect e-satisfaction, which in turn affects e-loyalty.

Garrido Azevedo and Carvalho (2012) explored the deployment of RFID technology in fashion supply chain management (FSCM). It highlights the contribution of RFID to FSCM, supporting faster logistics activities, with more product quality, cheaper, and with more responsiveness, improving customer satisfaction. An inductive concept building approach is used to develop a conceptual model for RFID deployment in the FSCM context. Secondary data analysis from a sample of six companies supports the identification and discussion of the real benefits, disadvantages, and limitations felt by companies in a style supply chain when RFID technology is introduced. The logistics activities in the fashion supply chain where RFID technology is most widely deployed are delivery operations, tracking of raw materials, semi-finished components, and finished garments, collecting finished goods, handling processes, tracking containers, tracking products from factory to store, receiving operations, tracking, and sorting of merchandise.

Kim and Forsythe (2010) investigated the factors affecting the adoption of product virtualization technology (PVT) for online shopping small consumer electronics by applying a modified electronic technology acceptance model (e-TAM) and tested model invariance male/female customers in the standard adoption process. Online surveys are completed by a US national panel of online shoppers. The data are analyzed using single and multiple group structural equation modeling. The results provide empirical support for e-TAM in the context of PVT acceptance for online small consumer electronics shopping.

Herhausen et al. (2015) tested the impact of online-offline channel integration (OI), defined as integrating access to and knowledge about the offline channel into an online channel. Although channel integration has been acknowledged as a promising strategy for retailers, its effects on customer reactions towards retailers and across different channels remain unclear. Drawing on technology adoption research and diffusion concepts, the authors conceptualize a theoretical model where perceived service quality and perceived risk of the internet-store mediate the effect of OI while the internet shopping experience of customers moderates the impact of OI.

### **3. Objective**

To understand the impact of Blockchain in the digital marketing industry.

### **4. Digital Marketing**

According to Convertful (2020), broadly speaking, "digital marketing is all marketing activities that use a digital device or the internet." According to Convertful (2020), the different types of digital marketing can be explained as follows:

- Social Media Marketing
- Content Marketing
- Search Engine Optimization
- Search Engine Marketing
- Pay-Per-Click Advertising
- Affiliate Marketing
- Email Marketing
- Radio advertising
- Television advertising
- Mobile Phone Advertising
- Instant Messaging Marketing

### **5. Impact Of Blockchain On Digital Marketing**

#### **Search Engine Marketing**

To say that Blockchain will disrupt SEO might be an understatement. For starters, paid search advertising and PPC run through a middleman. As an example, you have the Google display network. But, once all transactions are confirmed through Blockchain, we'll be able to eliminate the intermediary nearly completely. Publishers and marketers will be able to communicate and interact with each other directly, all while limiting potential frauds.

When it comes to Search Engine Optimization, things are also about to change. As organizations across the globe begin adopting Blockchain, they'll need to integrate the technology into their websites. Of course, this involves web developers and SEO specialists as well. SEO professionals will work closely with web

developers to solve certain compatibility issues with specific internet platforms and content management systems.

## **6. Content Marketing**

Seeing how you can use Blockchain to protect your data and show the origin of a product, service, or a piece of content, it has significant implications for content marketing. Just imagine a world where you can write a blog post, coin a new word, and ensure that nobody claims your work as theirs. With Blockchain, you can easily protect your intellectual property, because you'll be able to provide simple proof of origin. That's not the only way marketers can use Blockchain to enhance their content strategies.

For example, just look at ClearPoll, a polling app that uses a Blockchain system to record votes. Once the votes are cast, they cannot be tampered with. What's more, every user can access the results at any time. Even though the app doesn't directly tie content marketing and Blockchain together, marketers can purchase some POLL tokens and get access to advances in consumer metrics. In other words, you can use the app to analyze your target demographic closely. Plus, the app also lets you sponsor polls and gain valuable insights to improve your content strategy, marketing campaign, or even business operations.

## **7. Social Media Marketing**

Over the past few years, social media marketing experts have wondered what role Blockchain will play in their future business models. The technology will change some existing social media networks – including Facebook and Twitter – but that's not all. According to recent market analysis from Peerity, we're likely to witness a variety of new social media networks in the next few years.

In theory, social media networks built on Blockchain will be more secure, since there's no central hosting server. The data recorded on these social networks can never be deleted, which is a significant advantage for proponents of free speech. To stay one step ahead of their competitors, marketers need to be aware of these networks and invest in them early. That way, they'll have access to a large customer base that many of their competitors will likely miss.

## **8. Influencer Marketing**

As you're about to see, even the world of influencer marketing will undergo some changes once people start implementing Blockchain technology. As mentioned in a Bitcoins article, some of the issues that almost every influencer marketing campaign faces are:

- Numerous fraud cases
- Inconsistent prices
- High entry barrier

Fortunately for marketers, the new technology can potentially address all of these problems. For starters, Blockchain will eliminate the need for managers in the process, and therefore, allow social media influencers and smaller businesses to connect and cooperate more easily.

Considering that Blockchain allows you to easily verify any data – for example, see if a certain influencer has real followers or not – and determine whether or not you should work with certain influencers. Last but not least, the digital ledger will guarantee that each influencer is paid for their services. With fewer scams out there, marketers will likely begin spending more money and time on influencer marketing than ever before.

## 9. Conclusion

Of course, the technology is not perfect by any means, as it's still in its infancy. Even the largest Blockchain at the moment – the one that supports Bitcoin – is starting to suffer due to its size. However, the technology is still quite exciting. What's more, all of these trends and opportunities we mentioned above indicate that Blockchain is the future of marketing. While we cannot be certain if Blockchain will conquer the world of digital marketing – one thing is certain – it will significantly change the landscape of advertising over the next few years.

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## 11. Conflict of Interest

The authors declare that there are no conflicts of interest regarding the publication of this article.

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