

COMPARATIVE ANALYSIS OF FEATURES AND ADVANTAGES OF TRADITIONAL AND DIGITAL MARKETING DEVELOPMENT

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Abstract

This article discusses the stages of development and directions of digital marketing, which is one of the important areas of the digital economy in modern conditions. As well as a comparative analysis of the concepts of digital marketing and traditional marketing, its advantages and possible harm. The article examines digital marketing strategy and its importance in tourism development. The history of the development of the digital economy, types of digital marketing and priority directions for its development are also covered.

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INTRODUCTION

Today, the digital economy and a number of related technologies, including e-business and e-commerce, are rapidly entering our lives. At the same time, in order to accelerate the development of the state and society, the leadership of our republic made several important decisions.

The Republic of Uzbekistan is implementing comprehensive measures for the active development of the digital economy, the widespread introduction of modern information and communication technologies in all industries and areas, primarily in public administration, education, healthcare and agriculture.

In particular, the implementation of more than 220 priority projects aimed at improving the e-government system, further developing the local market for software products and information technologies, creating IT parks in all regions of the republic, as well as providing the industry with qualified personnel. began.

In addition, a comprehensive program “Digital Tashkent” is being implemented, which provides for the launch of a geoportal integrated with more than 40 information systems, the creation of an

information system for managing public transport and municipal infrastructure, digitalization of the social sphere, and the subsequent implementation of this experience in other regions [1].

Based on the strategy “Digital Uzbekistan - 2030”, the following measures will be implemented in order to develop digital technologies in the real sector of the economy:

- harmonize programs for the introduction of modern information technologies at industrial enterprises with programs for the technological re-equipment of these enterprises;
- ensuring automation and management of all stages of supply of the enterprise, as well as reducing the costs of logistics and procurement due to this;
- improving the quality of products and services, reducing their costs, production interruptions, increasing the transparency of financial and economic activities through the introduction of modern information systems and software products;
- improving the legislative framework for the implementation of innovative automated control systems and software products;
- gradual automation of jobs and robotization of production processes, as well as the introduction of artificial intelligence technologies;
- improving mechanisms for interaction with buyers (clients) in order to increase sales volumes and improve customer service;
- improvement of the management information support system, including the implementation of a business analysis system in real time [1].

In the Development Strategy of the new Uzbekistan for 2022-2026, approved by Decree of the President of the Republic of Uzbekistan No. PF-60 dated January 28, 2022, it is necessary to make the digital economy the main “driver” of the industry and carry out work aimed at increasing its size by at least 2.5 times, recognized as one of the conditions [2]. This, in turn, gives rise to the need to study digital marketing on a scientific basis, which is a necessary part of the development of the digital economy.

The world today is characterized by a stark difference between non-digital and hyper-digital countries. For example, four out of five people in developed countries and one in five people in less developed countries use the Internet. The development of the Internet and its role in the life of society has given rise to many different virtual resources. At the same time, it also contributed to the emergence of social networks that are popular today. The World Tourism Organization recognizes the important role of social media in tourism. Tourists and business people use smartphones and tablets to provide feedback about their destination or wherever they are. World Travel Monitor found that 40 percent of international tourists travel with smartphones. They have access to the Internet via a smartphone: 40% use it for tourist information, about 26% of tourists, 34% for booking hotels and other travel services.

Digital transformation is becoming increasingly important today, especially in today's era of rapid change. Realizing the role of the digital economy in the economies of countries and its importance in global economic development, creating a regulatory framework for the digital economy in our country, creating the necessary infrastructure for the digital economy, first of all, connecting areas with limited or no access to the Internet system and preparing the necessary specialists for the digital economy, it is desirable to improve the operation of the system.

ANALYSIS OF LITERATURE ON THE SUBJECT

American economist Philip Kotler conducted scientific research on digital marketing and gave the following definition: «Digital marketing is the process of advertising products or services of companies using digital technologies available on the Internet, including mobile phones, display advertising, Google and Facebook advertising, form direct marketing that electronically connects consumers with sellers» [3].

Russian economist O.M. Mokhalina stated that “the development of the digital economy and the use of new information technologies, as well as the need to collect, process, store and exchange big data have led to a change in traditional marketing in the changed conditions of the external and internal environment” and developed the main directions of development financial digital marketing in Russia: increasing the quantity and quality of training of specialists in the field of marketing activities, developing diversification strategies, mastering the production of new goods, services and markets, developing and improving marketing technologies, increasing the technical equipment of marketing services, improving marketing activities [4].

According to experts, the definition of traditional marketing can be easily adapted to digital marketing, which is considered as a set of strategies and tactics implemented through digital channels to achieve corporate goals within a certain time and budget.

RESEARCH METHODOLOGY

By applying the method of empirical analysis based on international experience, the stages of development and directions of digital marketing, which is one of the important areas of the economy in the context of digitalization, were determined. Using the method of comparative analysis, the concepts of digital marketing and traditional marketing, its advantages and possible disadvantages are studied. Also in the research process, methods such as analysis, synthesis, observation, monographic analysis, system analysis were used.

ANALYSIS AND RESULTS

Main stages of development of the digital economy:

If we assume that the development of the digital economy conditionally began in 1990, then it can be noted that it has the following stages:

- 1990-2005: the period of formation of the digital economy. We see that this period consists of four parts. That is, the development of new markets for electronic services, the emergence of e-business and e-commerce;
- 2005-2010: the period of growth of the digital economy - during this period, the provision of electronic services began and new types of electronic products were created;
- 2010-2015: the period of formation of the digital economy, when online opportunities appeared and digital technologies began to slowly penetrate traditional business;
- 2015-2020: digital penetration into unexpected areas, transformation of traditional business models and the emergence of several new e-business models;
- 2020-2030: implementation of a systemic transformation of digital technologies, i.e. implementation of digitalization based on a systematic approach, bringing them to a qualitatively new level, integrated with cryptosystems [5].

Manifestations of the digital economy appear in the following cases:

1. This is the creation of new personnel and new jobs.
2. This is the creation of a new corporate culture.
3. This is the emergence of new methods of management and control.
4. It's about big data and accuracy.
5. We are talking about the formation of artificial intelligence and intelligent control systems.
6. This is the introduction of virtualization processes in education, production and management.
7. This is in the widespread use of the Internet of Things and distance learning.
8. This is an implementation of the blockchain and various processes carried out through it.
9. This is the process of May and the emergence of the possibility of independent business.
10. This is a new monetary system and expansion of banking activities.
11. This is an implementation of the ICO (initial coin offering) process, which allows you to attract large volumes of investment.
12. It is an independent currency, and cryptocurrencies are included in practice.
13. This is due to the development of e-commerce and e-business and the emergence of other great opportunities [6].

Let's take a look at virtual currencies, which are widely used in e-commerce and e-business and are becoming increasingly popular nowadays.

Virtual (digital/electronic) currency is money that is not embodied in physical form, but can be used as a full-fledged monetary token.

Cryptocurrency is a type of emission currency based on the use of cryptographic algorithms in special forms.

Block Chain is a methodology for creating distributed data sets in which each data record consists of information about its ownership history, which severely limits the possibility of its forgery. Blockchain is used to perform virtual currency transactions and store their history.

Bitcoin is the first and most widely used cryptocurrency among existing virtual currencies. Bitcoin was created for use in blockchain technology.

Currently, cross-border payments made using the currencies of countries with traditional payment systems face some unique challenges. These include:

- pay the high commission set by banks when making payments;
- that the full details of the parties (address, account number, name, etc.) must be known to a third party (bank), with the exception of persons trading with each other;
- centralized payment management for some organizations.

In some cases, the seller will need to ask for more information to be sure, as this can also be canceled after payment.

E-business, which is an integral part of the digital economy, has also become a very convenient area for conducting economic activities. E-business models are divided into the following main segments depending on the stage of the company's development life cycle and the market segment of goods or services for which it is planned:

- Business to business (B2B);
- Business to consumer (B2C);
- Consumer-to-consumer (C2C);
- Business-Government (B2G);
- Government-Business (G2B);
- Government-to-citizens (G2C – Government to Citizens);
- State-to-State (G2G);
- Business partners (B2P – Business to Partners);
- Business-Employees (B2E – Business for employees);
- Business-Business-Consumer (B2B2C – Business to business for the client) [6].

These are the most popular market segments in which most companies operate, and each market has its own characteristics. For example, the B2B market is several times larger than the B2C market. The B2G market is actively developing mainly due to the government e-procurement system.

Table 1.

Views on the traditional economy and the digital economy [7]

Traditional economics	By industry	Digital economy
Market economy	Economic system	Blockchain technology
Factories	Production	Database
Shops on the main streets	Trade	Web site

Advertisements in newspapers	Marketing	Media Marketing
Transportation	Logistics	E-commerce – digital reception
Banks and ATMs	Finance	Electronic banking services
Schools, textbooks	Education	Electronic (distance, online) education, e-books
Consulting services	Service	Online consulting services
Work in the workplace	Work	Work online from home
Physical assets	Statistics	Google ratings
Construction	Marketing	Website development, design
Real estate	Finance	Network ownership
Cash payment	Finance	Electronic payment, cashless society
Labor and Capital	Economy	Automation
Traveling cities	Tourism	Online museum exhibitions

Stages of development of traditional and digital marketing and comparative analysis: development of the worldwide Internet, especially in the digital economy, innovative marketing technologies in marketing activities: Internet marketing, Internet advertising, individual (relational) marketing, mobile marketing, direct development of directions and forms of marketing, establishment of mutual online relationships between enterprises and buyers, conducting marketing research, using online advertising methods to promote goods and services have led to the improvement of the advertising sphere. Also, in addition to studying the theoretical and practical aspects of the use of Internet advertising in the activities of enterprises, the analysis of problems associated with the implementation of enterprises in market conditions is aimed at forming mutual conclusions and finding their solutions. Therefore, an important criterion is the use of online advertising, which is the closest assistant to digital marketing in promoting goods.

Digital Marketing and Traditional Marketing: the difference between digital marketing and traditional marketing is a result of technological advancements and human achievements. Marketing is a description of all activities, from identifying needs to post-purchase support. Although the concept of marketing remains the same in both senses, the marketing mix or 4Ps (product, place, price and promotion) are crucial. Both are trying to achieve the same goals in attracting customers, creating a brand identity and reaching markets. There is compelling evidence that digital marketing is superior to traditional marketing. However, both strategies are necessary for a firm's success, and the firm must find the right balance between them [8].

Difference between digital marketing and traditional marketing: people are becoming more mobile and adapting to the digital world. Newspapers and magazines have also gone digital. Thus, traditional marketing is being replaced by digital marketing. However, traditional marketing has scale and people trust it more if you reach a local audience. However, finding the right balance between the two is essential when a firm plans marketing campaigns.

Concepts of digital marketing and of traditional marketing:

- traditional marketing is classical advertising methods in which the use of technology is very low or absent altogether;
- digital marketing is the sale of goods or services using technological channels to reach consumers [9].

Price:

- the cost of traditional marketing is higher than digital marketing. Channels such as television, radio or billboards require large investments;
- relatively, the costs of digital marketing are much lower than traditional marketing. Sometimes it can be free.

Coverage:

- In traditional marketing, advertising is published in newspapers or magazines. There are restrictions on the audience's ability to read such printed material. Also, the effect of advertising is short-lived and is not remembered. For example, a read magazine or newspaper is thrown away the next day;
- digital marketing reach can be permanent. For example, a Facebook ad will last forever and the client will remember it whenever he wants.

Monitoring:

- it is difficult to determine the results of traditional marketing, for example, the reaction of the client to it or the number of people it reached;
- thanks to digital marketing, results can be easily analyzed using appropriate software tools. For example, email marketing software may record the number of messages sent and viewed. Such programs can also track products sold as a result of digital advertising.

Time:

- In traditional marketing, customer-oriented messages cannot be delivered to customers immediately. It takes time to print or post. Thus, it is not an instant communication method;
 - messages can be displayed to customers using digital marketing in real time. Immediately.
- The goals of traditional marketing and digital marketing are similar. However, the ways to achieve goals are different. These differences are noted above.

Table 2.

Characteristics of basic concepts in traditional and digital marketing [7]

Indicators	Coating	Monitoring	Time
Traditional marketing	Published only in printed materials in magazines and newspapers	Determining results and customer reactions is difficult	Can't share a message at the same time
Digital marketing	Information is provided on the Internet, social networks, media	Easily determine results using appropriate software tools	Messages are transmitted in real time (instantly)

In the tourism sector, there are also several digital views on the economy. The tourism industry, like all other industries, makes sense to work online to get even closer to the customer. Currently, several online services have been launched in the tourism industry around the world, for example the following:

- ordering and purchasing tickets for air, rail, bus and car routes online;
- online consulting services on tourism;
- online car rental service;
- services for booking and purchasing tours, special tours and exhibitions;
- online services for electronic payment of tickets, tours and various types of trips;
- online hotel booking services;
- services for organizing virtual trips to cities, museums and exhibitions, etc.

The types of services related to online travel include the services of companies that provide information about tourist routes, offer cruises on rivers, seas and oceans, tell weather conditions in tourist places, provide information about conditions in hotels, and explain the situation in restaurants. Examples: **Cruise Specialists, TripAdvisor, VacationsToGo.com** [9].

Types of digital marketing

Currently, there are the following types of online advertising:

1. SEO advertising (Search Engine Optimization).
2. Advertising on social networks.
3. Advertising in the media.
4. Product placement.
5. Viral advertising.

SEO internet advertising

Search Engine Optimization in English – optimization of search algorithms. The goal is to provide a high level of results for queries specified on the site. The most used search sites today are Google and Yandex. To implement search engines, special «Yandex metrics» and «Google Analytics» statistics are used. Its task is to count the number of requests received by the search engine.

Advertising on social networks

Nowadays, there are many social networks, and it is impossible not to take advantage of their opportunities: SMM – Social Media Marketing, “Social Network Marketing”. Social media advertising - constant information about various brands or products on social networks. To achieve this goal, groups are organized on social networks and announcements are made periodically. Its main feature is the constant activity of the brand among the audience.

Banner advertising

The purpose of banner (media) advertising is to place banners on various sites and get quality visitors. For this type of advertising, special graphic ads are created. The main objective:

- coating;
- increase the level of awareness of the enterprise;
- providing the opportunity to create entertaining advertisements.

The word banner comes from the English phrase "banner" and means "flag, board with a slogan." A characteristic feature of this type of advertising is the widespread use of graphic images and animation.

Beautifully designed banners quickly attract people and help create the image of the product. This is probably why most online ads are placed on banners. Banners can be found not only on the Internet, but also on the streets and stadiums.

Product placement

Product placement is a method of hidden advertising in which the props used by the characters in works of art have a real commercial nature. As a rule, the work indicates the logo or packaging of the product. For such advertising, artistic “platforms” can serve: newspapers, films, concerts, video games, etc. With product placement, the logo is simply visible and enhanced, and the characters in the show or film speak about the product or brand.

Product placement is a form of advertising in which a brand's goods and services are presented in products aimed at a large audience. Product placement as a phenomenon in the film industry appeared in the 1930s. It should immediately be borne in mind that by studying the history of hidden advertising, both in the West and Asia, and in Uzbekistan, we can find very ancient examples of its use.

This placement of branded products or services is common in the entertainment industry, especially in film or television. As an example of media, think about movies you have seen. If the lead actor drinks a clearly labeled Coca-Cola drink or uses a clearly labeled Samsung cell phone, this is product placement.

Viral advertising

This type of advertising can produce amazing results on a minimal budget. Its essence lies in the dissemination of information (products or services) that is free and at the same time in demand. For example, you make a video tutorial showing how to start a personal blog. At the end of the video (or during the video) you mention that design is the most important part of the success of any blog and offer your design services. The above types of online advertising differ from other types of advertising in the following aspects:

- advertising in the web environment is targeted, and the number of advertising audiences can be clearly known;
- cheap in price;
- the composition of the audience consists of the population with financial capabilities;
- the Internet itself contains ways to answer all questions and directly contact clients;
- unlike television, advertising time on the Internet is not limited;
- all information about advertised goods or services can be provided on the Internet in an easy-to-read form;
- text, image, sound, video, etc. are provided simultaneously;
- the fact that online advertising is mobile in nature.

The digital marketing market began to take shape in the mid-1990s. By the 2000s, the Internet had become the primary means for consumers to exchange information. Today, the Internet is actively developing in new areas, such as digital technologies, e-business, electronic services, Internet marketing, Internet advertising. Digital marketing or online advertising involves various graphic and text advertising materials posted on the Internet. The objectives of online advertising are to attract customers, increase product sales, maintain a constant image, etc. By attracting buyers, advertising introduces the audience to goods, services and the place of sale. It can also give you an edge over competitors and elevate your brand's position. Nowadays, online advertising is the most popular advertising in the world and companies are attracting their customers through online advertising. This is important for all manufacturing companies.

CONCLUSIONS AND OFFERS

In conclusion, it should be noted that today large-scale digitalization work is rapidly developing in all areas that develop the country's economy. In addition, large projects are being implemented around the world to introduce and improve digital economy platforms. In particular, the development and implementation of online advertising, which is one of the elements of digital marketing and digital advertising, when informing consumers about the company's products and services, serves to save advertising costs, attract customers, increase their number, ensure brand popularity and increase sales.

We believe that the priority areas for using digital marketing tools in Uzbekistan are:

- it is desirable to widely use blockchain technologies in such service sectors as trade, tourism, finance and banking;
- it is recommended to use databases and big data to implement marketing activities based on a broad and in-depth analysis of the actions of potential consumers;
- in the course of marketing activities, it is necessary to use innovative methods, such as websites, marketing on social networks, e-commerce, accepting orders based on digital means, electronic banking services;
- the issue of personnel training is important in the industry; it is recommended to develop and actively implement e-learning, e-books and online learning platforms;
- it is advisable to study the competitive environment when entering international markets and effectively use information technologies and digitalization systems in the broad development of marketing activities, when formulating development strategies.

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