Digital Marketing Strategy to Increase Sales Conversion on E-commerce Platforms

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Abstract. In this digital era, technological developments have significantly changed the business paradigm, especially in the e-commerce industry. E-commerce platforms have become one of the main media for many companies to sell their products and services online. However, the increasing number of competitors on e-commerce platforms requires companies to have an effective marketing strategy to increase sales conversion and gain a competitive advantage. The purpose of this research is to analyse and identify effective digital marketing strategies in increasing sales conversion on e-commerce platforms. The current research type is qualitative. Data collection techniques include listening and recording important information to conduct data analysis through data reduction, data display, and conclusion drawing. The study results show that in an effort to increase sales conversions on e-commerce platforms, digital marketing strategies play a crucial role. By combining various techniques and tactics, you can achieve successful results in increasing traffic, engagement, and ultimately, sales conversions on your e-commerce platform. Here are the core digital marketing strategies including SEO, content marketing, social media, paid advertising, user experience optimisation, customer reviews and testimonials, content personalisation, video usage, incentives, and car optimisation.

Keywords: Digital Marketing, Sales Conversion, E-commerce

1. Introduction

The e-commerce industry has experienced a considerable shift in its business paradigm due to technical advancements in the digital era [1]. E-commerce platforms have emerged as a prominent medium through which several enterprises facilitate the online sale of their products and services [2]. The proliferation of competitors in e-commerce platforms necessitates organisations to have a proficient marketing plan in order to enhance sales conversion rates and attain a competitive edge [3].

Digital marketing is an established methodology that has demonstrated efficacy in enhancing the efficiency and efficacy of marketing endeavours [4]. Digital marketing enables organisations to effectively target potential consumers, enhance the consumer experience, and augment client engagement [5]. Hence, the effective execution of a proficient digital marketing strategy will serve as a pivotal determinant for e-commerce enterprises in attaining sustained expansion and prosperity.

Despite the evident advantages, numerous e-commerce enterprises continue to encounter obstacles in attaining ideal sales conversion rates on their platforms [6]. The contemporary corporate landscape is characterised by a multifaceted and ever-evolving milieu, marked by intense competition, shifting customer preferences, and rapid advancements in technology. Hence, it is imperative for organisations to have a well-structured and quantifiable digital marketing strategy in order to effectively address these obstacles and attain the intended outcomes.

This research aims to analyse and identify effective digital marketing strategies in increasing sales conversions on e-commerce platforms. By conducting this research, it is expected that a deeper understanding will be gained about:

1. Recent developments in the e-commerce and digital marketing industry.
2. Challenges faced by e-commerce companies in increasing sales conversion.
3. What digital marketing strategies have been implemented by e-commerce companies.
4. The relationship between digital marketing strategies and increasing sales conversions on e-commerce platforms.
5. Recommendations for digital marketing strategies that can be adopted by e-commerce companies to achieve business success.

The results of this study are expected to contribute to the field of digital marketing and e-commerce, especially for companies operating on e-commerce platforms. The main benefits include:

1. Gaining insights into digital marketing strategies that are effective in increasing sales conversions, so that companies can optimise their marketing efforts.
2. Provide information for decision-making in planning and implementing marketing strategies on e-commerce platforms.
3. As a reference source for further research in the field of digital marketing and e-commerce.
4. Can provide guidance for e-commerce companies to face existing challenges and compete effectively in the online market.

Based on the above research backdrop, the present study will concentrate on examining digital marketing techniques aimed at enhancing sales conversions for e-commerce enterprises on their respective platforms. By comprehending the impact of digital marketing on customer behaviour and sales outcomes, e-commerce enterprises can enhance their marketing endeavours and attain enduring success in the face of intense competition.

1.1 Digital Marketing Strategy

Digital Marketing Strategy refers to the plans and approaches used by companies or organisations in leveraging digital media and internet technology to promote their products, services or brands, as well as interact with consumers online [7]. The main objectives of a digital marketing strategy are to reach a targeted audience, increase customer engagement, and generate profitable conversions [8]. Some of the key elements involved in a digital marketing strategy include:

1. Search Engine Optimisation (SEO): Efforts to improve the ranking and visibility of a company's website in organic (non-paid) search engine results. SEO involves the use of relevant keywords, quality content creation, and other tactics to increase the chance of appearing on the first page of search results.
2. Content Marketing: The creation and distribution of high-value content, such as blog articles, videos, infographics and more, aimed at attracting and retaining audience interest and building brand credibility.
3. Social Media Marketing: Utilising social media platforms (such as Facebook, Instagram, Twitter, LinkedIn, etc.) to engage with audiences, promote products or services and build a community of followers.
4. Email Marketing: Using email to communicate with potential and existing customers. This can include sending newsletters, special offers, product updates, and so on.
5. Influencer Marketing: Working with influencers or famous people on social media to promote a particular brand or product.
6. Paid Advertising: The use of paid advertising on digital platforms such as Google Ads, Facebook Ads, or banner ads on other websites to increase visibility and get clicks from relevant audiences.
7. Data Analysis: Collection and analysis of data regarding consumer behaviour, online interactions, and performance of digital marketing campaigns to understand what is working and make necessary improvements.

The benefits of a digital marketing strategy include firstly reaching a wider and targeted audience. Second, better interaction with consumers through relevant and popular platforms. Third, more accurate measurement and analysis of the effectiveness of marketing campaigns. Fourth, better flexibility and customisation to changing trends and consumer preferences. Lastly, increased competitive advantage by exploring new and innovative marketing methods. It is important to note that digital marketing strategies should always be linked to the company's business objectives and the relevant market context. Understanding audience behaviour and preferences is key to designing a successful strategy and producing the desired results.

1.2 Sales Conversion

Sales conversion refers to the action or end result of a marketing process in which a prospective customer or website visitor turns into an actual customer by purchasing a product or service from the company [9]. In the context of digital marketing strategies, sales conversion is one of the main goals that e-commerce companies or other online businesses want to achieve. Sales conversion can be measured in various ways, depending on the type of business and the marketing goals set [10]. Some common methods for measuring sales conversion include:
1. Product Purchase: When a potential customer makes a purchase of a product or service offered by the company. This conversion reflects that the marketing process has successfully persuaded the customer to make a purchase action.
2. Newsletter Sign-up: When a website visitor subscribes to a newsletter or email from a company. This is a conversion that shows higher interest and engagement from the visitor towards the brand or product.
3. Filling out a Contact Form: When a visitor fills out a contact form or requests more information about a product or service. This can be the first step towards a sales conversion.
4. App Download: For businesses that have a mobile app, conversions can be measured when someone downloads the app.
5. Subscription Services: If a company offers a subscription service, conversions can be calculated when someone subscribes and pays for the service.
6. Completing a Certain Step in the Purchase: Sometimes, sales conversions are calculated when a person reaches a certain step in the buying process, e.g. adding a product to the shopping cart.

Sales conversion measurement is crucial in understanding how effective a digital marketing strategy is. By knowing conversion rates, companies can evaluate the performance of marketing campaigns and identify areas that require improvement or adjustment. In addition, conversion data also helps in planning future marketing strategies and allocating resources more efficiently to achieve optimal business results.

1.3 E-commerce

E-commerce is a term used to describe trading activities or business transactions conducted electronically over the internet. In e-commerce, the buying, selling, and exchanging of products, services, or information is done online between companies, individuals, or consumers [11] [12]. E-commerce has become one of the most important aspects of digital transformation and has changed the way people shop, do business, and interact with brands [13] [6]. There are several types of e-commerce, including:

1. Business to Consumer (B2C) E-commerce: This model involves transactions between companies and consumers. An example is when a consumer purchases a product or service from an online store or a brand's official website.
2. Business to Business (B2B) E-commerce: This model involves transactions between two or more companies. In B2B e-commerce, companies buy or sell products, services, or other components to other companies as part of their supply chain or business.
3. Consumer to Consumer (C2C) E-commerce: This model involves transactions between consumers without a company as an intermediary. C2C websites or platforms allow consumers to sell their goods or services to other consumers.
4. Consumer to Business (C2B) E-commerce: This model involves transactions where consumers offer their products or services to companies. An example is when an independent photographer offers photography services to a particular company or brand.
5. Business to Government (B2G) E-commerce: This model involves transactions between companies and government agencies, such as when the government purchases products or services from a particular company to fulfill government needs.

While the advantages of e-commerce include firstly accessibility and convenience: Consumers can shop anytime and anywhere without having to go to a physical store. Secondly, global reach: E-commerce allows companies to reach international markets more easily. Thirdly, ease of price comparison: Consumers can quickly compare prices and product features from different sellers. Fourth, data analytics: Data from e-commerce transactions can provide valuable insights to improve marketing strategies and business decision-making. Fifth, lower operational costs: Many online businesses can reduce operational costs as they do not require physical stores or rental fees. However, e-commerce also faces challenges, including data security, intense competition, and online fraud. Therefore, it is important for e-commerce companies to implement reliable security and customer service to create a positive shopping experience for consumers [14].

1.4 Theory of Conversion

One of the theories commonly used in digital marketing strategy research to increase sales conversion on e-commerce platforms is Cialdini's Theory of Conversion. This theory was developed by Robert Cialdini in 1984, a social psychologist, and identifies psychological principles that can be used to influence consumer decisions and increase sales conversions. Cialdini's Theory of Conversion includes six key principles [15]:

1. Authority: Using authority or recognition from influential figures or experts in a particular field to influence consumer decisions. For example, testimonials from experts or experienced users.
2. Consistency and Commitment: Encourage consumers to commit to a small action first, which makes them more likely to follow through and take a bigger action. For example, getting them to sign up for a newsletter or follow your social media accounts.

3. Social Proof: Showing that many other people have done or chosen a particular product or service, thus creating an impetus for other consumers to follow in their footsteps.

4. Scarcity: Make the product or offer appear rare or limited in time or availability, thereby encouraging consumers to take immediate action so as not to miss the opportunity.

5. Liking: Build positive relationships with consumers through common ground, compliments, or personalised interactions, which makes them more likely to buy from you.

6. Authority: Giving consumers a small amount of control or choice in the buying process, which can increase their sense of engagement and make them feel more comfortable making decisions.

By understanding and applying these principles in their digital marketing strategy, companies can optimise their efforts to increase sales conversions on e-commerce platforms.

2. Method

This research aims to analyse digital marketing strategies in increasing sales conversion on e-commerce platforms. In this study, researchers conducted desk research so that they did not need to go directly to the field during the data collection process, but instead reviewed various reference sources that supported this research. The literature was obtained from online media and databases from journal portals that are in accordance with the keywords related to this discussion, namely digital marketing strategies in increasing sales conversions on e-commerce platforms. The author does not focus on specific journal portals or online media in determining relevant reference sources such as referring to the Emerald Insight, ResearchGate, and Elsevier journal portals, but is more flexible. In this article, with a focus on digital marketing strategies in increasing sales conversions on e-commerce platforms, the author makes these keywords the focus of the search so as not to widen the main discussion. The search for journals, articles and publications is mostly in the range of articles published between 2010 and 2023. Not all articles, journals and publications that appear in the search results will be used, but only those related to digital marketing strategies in increasing sales conversions on e-commerce platforms.

This research is a type of qualitative research. Data collection techniques include listening and recording important information to conduct data analysis through data reduction, data display, and conclusion drawing to obtain a picture of the conclusions regarding the literature study that will be developed in this study. Data validation uses triangulation of data sources.

3. Result and Discussion

Digital marketing has become one of the key elements in business success in this digital era [16] [17]. Especially for e-commerce platforms, digital marketing strategies play an important role in increasing sales conversion, which is the comparison between the number of visitors to a website or e-commerce platform and the number of customers who actually make a purchase. In this explanation, we will discuss in depth the various digital marketing strategies that can be implemented in e-commerce platforms to increase sales conversion.

1. Search Engine Optimisation (SEO)

SEO is a technique designed to improve the ranking and visibility of your web page or product on search engines like Google [18]. By improving SEO rankings, your products are more likely to appear on higher search results pages, thus increasing the chances of potential buyers finding and visiting your e-commerce platform. SEO strategies for e-commerce platforms involve keyword research relevant to your products, content optimisation, URL structure, metadata, and site speed improvements. By combining these factors, you can attract more organic traffic to your e-commerce platform, increasing the chances of sales conversion.

2. Content Marketing

Content marketing involves creating and distributing high-value content to attract the interest and engagement of potential consumers [19]. Good content can include informative blog articles, video tutorials, user guides, product reviews, and other engaging content. By providing relevant and useful content, you can build engagement with potential customers, increase brand authority, and drive more traffic to your e-commerce platform.

3. Social Media Marketing
Social media is a powerful marketing channel for e-commerce platforms [20]. By using social media effectively, you can increase brand awareness, interact with potential customers, and drive traffic to your online store [21] [22]. Choose a social media platform that is relevant to your audience and develop engaging creative content. Interact with your followers, respond to questions, and use features such as paid advertising to reach a wider audience.

4. Pay-Per-Click Advertising
   Paid advertising is an effective strategy to get immediate results [23]. E-commerce platforms can use paid advertising on search engines, such as Google Ads, or on social media platforms such as Facebook Ads or Instagram Ads. With paid advertising, you can target specific keywords and audiences, thus ensuring your adverts only appear in front of people who are potentially interested in your products. The use of smart advertising strategies and proper budget allocation can help increase traffic and sales conversions on your e-commerce platform.

5. User Experience Optimisation
   It is important to ensure a good user experience on your e-commerce platform. Make sure your site is easy to navigate, fast to load, and responsive across different devices. Provide easy-to-use search options and an intuitive layout to help visitors find products quickly. A simple and secure payment process will also help increase conversion rates [24].

6. Customer Reviews and Testimonials
   Reviews and testimonials from previous customers have a huge impact on potential customers' purchasing decisions [25]. Make sure to include a reviews and testimonials feature on your e-commerce platform. Positive reviews will help build trust and provide social proof that can increase a potential customer's confidence in purchasing your product.

7. Personalise Content and Product Recommendations
   Utilise customer data and shopping behaviour to provide relevant and personalised product recommendations. The use of artificial intelligence technology and data analysis can help your e-commerce platform provide a more personalised shopping experience, which in turn can increase sales conversion rates [26].

8. Use of Video
   Video is becoming an increasingly popular format in digital marketing. Use videos to showcase your products, give demos, or present the story behind your brand. Videos are more engaging and easily digested by users, so they can help increase engagement and conversions on your e-commerce platform [27].

9. Usage and Incentive Programmes
   Create a loyalty programme or membership programme that provides special incentives for customers who frequently shop or contribute to your e-commerce platform. The incentives can be discounts, reward points, or free shipping [28]. This kind of programme will encourage customers to shop again, increase retention, and eventually increase sales conversion.

10. Mobile Optimisation
    Make sure your e-commerce platform is optimised for mobile devices. More and more consumers are shopping via mobile devices, so it is important to provide a smooth and responsive experience on mobile platforms [29].

   The focal aspect to emphasise is that an e-commerce platform's endeavour to enhance sales conversions through a digital marketing strategy necessitates the utilisation of a diverse array of techniques and tactics [30]. These encompass search engine optimisation (SEO), content marketing, social media engagement, paid advertising, optimisation of user experience, solicitation of customer reviews, implementation of personalization strategies, incorporation of video content, establishment of loyalty programmes, and optimisation for mobile devices. By adopting a complete and integrated strategy, it is possible to enhance the volume of website visitors, level of user interaction, and ultimately, enhance the rate at which sales are converted on an e-commerce platform [31]. It is imperative to acknowledge that there is no singular technique that can yield optimal outcomes. Incorporating a synthesis of these diverse methods and customising them to align with the specific requirements and attributes of one's target audience can lead to enhanced outcomes.

   In addition to the implementation of a digital marketing plan, it is imperative to sustain the practise of monitoring and assessing data. It is imperative to consistently evaluate the performance of your campaign and discern patterns that could potentially impact the rate of sales conversions. This dataset will facilitate the refinement of your strategic approach and the optimisation of your marketing tactics in order to attain superior outcomes.
Several key variables to consider in the investigation encompass conversion rate, bounce rate, duration of visit, and average order value. By systematically monitoring and comprehending this data, one can discern areas that necessitate enhancement and thereafter implement the requisite modifications to augment the efficacy of their efforts [32]. Furthermore, it is crucial to acknowledge the significance of adjusting to technological advancements and staying abreast of prevailing trends in the realm of digital marketing. The field of digital marketing is characterised by its dynamic nature, wherein staying abreast of current trends is essential for maintaining relevance and effectively competing in an intensifying market [33]. Lastly, it is crucial to acknowledge the significance of fostering a great client experience. Enhancing sales conversions entails more than merely drawing clients to one's platform; it also necessitates the provision of a gratifying and enjoyable buying experience. Ensuring product quality, delivering exceptional customer service, and optimising the buying process are crucial factors in fostering consumer satisfaction and cultivating repeat patronage.

An efficacious digital marketing strategy for enhancing sales conversions on e-commerce platforms encompasses a range of interrelated strategies [34] [35] [36]. By strategically leveraging search engine optimisation (SEO), content marketing, social media engagement, paid advertising, and enhancing user experience, while prioritising data-driven approaches and analytics, one can effectively enhance sales conversions on an e-commerce platform. It is vital to bear in mind that digital marketing is an ongoing endeavour, whereby the potential for exploration and ingenuity persists in order to attain sustained triumph.

In addition to the previously described strategies, there are some additional elements that can strengthen your digital marketing strategy and increase sales conversions on e-commerce platforms:

1. Re-targeting and Personalisation of ads
   Use re-targeting techniques to remind potential customers who have previously visited your e-commerce platform but have not made a purchase. By re-targeting them through relevant and personalised ads, you can increase the chance of converting them into buyers.

2. Use of Influencer Marketing
   Collaborating with influencers or well-known figures in your industry can help increase your brand awareness and product credibility. Through influencers, marketing messages can reach a wider and more trusted audience, increasing the likelihood of sales conversion.

3. Email Marketing Campaigns
   Don't underestimate the potential of email marketing. A well-planned email campaign sent to relevant customers can have significant results in increasing sales. Use personalisation techniques, offer special discounts, or provide exclusive content to get customers' attention and encourage them to shop on your e-commerce platform.

4. Expand Product Diversification
   Presenting a variety of products on your e-commerce platform can attract customers from different market segments. By expanding product diversification, you can reach more consumers and increase the chances of sales conversion.

5. Live Chat and Customer Support Features
   Provide a responsive live chat or customer support feature to help potential customers understand your products, answer questions, and resolve issues. This ease of communication can help remove their doubts and concerns, making them more likely to make a purchase.

6. Use of Augmented Reality (AR) and Virtual Reality (VR) Technology
   If your product allows it, consider implementing AR or VR technology in your e-commerce platform. These technologies allow customers to experience the product virtually before purchasing, which can increase consumer engagement and trust.

7. Evaluate the Competition
   Always keep an eye on the marketing activities and strategies of your competitors. Evaluate their strengths and weaknesses, and learn if there are opportunities to differentiate yourself from the competition through unique offerings or better services.

8. A/B Testing and Optimisation
   Conduct A/B tests on various elements of your e-commerce platform, such as page layout, ad text, CTA buttons, or even product pricing. By testing and optimising these elements, you can find the most effective combination to increase sales conversions.

9. Use Analytics Data Wisely
   Use analytics data effectively to identify trends and patterns in customer behaviour. This information can help you make better decisions in directing your marketing strategy.

10. Evaluate and Reevaluate
Finally, it is important to always evaluate and re-evaluate the results of your digital marketing strategy. If any strategy is not delivering the results as expected, evaluate and find out why it is happening. Make adjustments and adapt quickly to achieve higher sales conversion goals.

So, by incorporating the right digital marketing strategies and following the latest trends, you can achieve significant results in increasing sales conversions on your e-commerce platform. Stay creative, flexible, and keep learning in order to compete effectively in this ever-evolving market. Remember that digital marketing is an ongoing journey, and your success will depend on your constant efforts in improving your marketing performance.

Here is a positive explanation of how digital marketing strategies can increase sales conversions on e-commerce platforms from the perspective of Cialdini’s Conversion Theory: 1) Authority: By leveraging the authority and recognition of influential figures or experts in a particular industry, digital marketing strategies can give consumers confidence that the products or services offered are of high quality and value. Testimonials from experts or experienced users can help build trust and motivate consumers to take action on a purchase. 2) Consistency and Commitment: Getting consumers to commit to small actions such as signing up for a newsletter or following on social media can help create initial engagement with a brand or platform. By feeling pre-engaged, consumers will be more likely to follow through with larger purchase actions, as they want to maintain consistency in their actions. 3) Social Proof: Displaying positive reviews, testimonials, or number of products sold creates the impression that the product or service on the e-commerce platform has been recognised and valued by many others. This can reduce consumer hesitation and give them confidence that they are making the right decision by making a purchase. 4) Scarcity: Limiting the time or availability of products with visual displays or statements that emphasise scarcity can encourage consumers to act quickly. They feel compelled to make a decision for fear of missing out on a rare opportunity or product, which can ultimately increase sales conversions. 5) Liking: By building positive relationships through social media interactions or testimonials from individuals respected by the target audience, digital marketing strategies can strengthen consumers’ liking for a brand or product. A sense of closeness and a positive relationship will make them feel more comfortable and likely to choose the product or service offered. 6) Authority: Giving consumers choice in the buying process gives them a sense of control and freedom. This can increase consumers’ confidence in making purchasing decisions, as they feel they have a role in shaping their choices. In order to increase sales conversion on e-commerce platforms, combining Cialdini’s principles with relevant digital marketing strategies will help companies build positive interactions with consumers, stimulate purchase actions, and increase conversion rates effectively.

4. Conclusion

When it comes to increasing sales conversions on e-commerce platforms, digital marketing strategies play a crucial role. By combining various techniques and tactics, you can achieve successful results in increasing traffic, engagement, and ultimately, sales conversions on your e-commerce platform. The study arrived at the following suggestions:
1. Use an integrated approach by combining multiple digital marketing strategies to get maximum results.
2. Always monitor and analyse your campaign performance data to identify trends and changes that need to be made.
3. Keep yourself updated with the latest developments in digital marketing and implement the latest relevant technologies for your e-commerce platform.
4. Keep the focus on a positive customer experience, both before, during and after the purchase.
5. Adapt to the competition and look for ways to differentiate yourself from competitors through unique offerings and better services.
6. Use A/B testing to optimise key elements of your e-commerce platform.
7. Keep creativity and flexibility in your marketing strategy, as the world of digital marketing is constantly changing.

By implementing the above suggestions and a commitment to continuous learning and adaptation, you can increase sales conversions on your e-commerce platform effectively and sustainably. Remember that digital marketing success takes time and effort, but with the right strategy, you can achieve great results in your business growth in the ever-evolving digital world.

References


