

Future of digital marketing: Navigating trends and addressing challenges

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Abstract

Digital Marketing can be explained as a component of marketing that aims to promote brands, product and/or services using the internet and/or online based technologies such as websites, email, search engines, social media etc.

The evolving technological advancement and changing customer expectations and demand, has a huge impact on the future of Digital marketing. Technologies such as AI and Big data are revolutionising the way business interact with customers and clients and at the same time enhancing their experience. Meanwhile, this advancement in technologies has instilled trust issues and potential bias and the growing awareness of data privacy has made businesses to implement more accountable and transparent marketing strategies.

This paper explores the significant trends and challenges transforming the digital marketing landscape.

Keywords: *Digital marketing, Trends, Challenges, Artificial Intelligence, Innovation, Gig data, automation, Analytics-driven strategies.*

I. Introduction

Back in the 80s, before Digital Marketing was conceived, businesses relied on traditional (offline) approach to reach and communicate their audiences and clients. Methods such as mass communication (TV), physical advertisement (Billboard, Print Ads etc), Word-of-Mouth, door-to-door sales etc were the only means available.

The rise of internet and the invention of World Wide Web in the early 1990s encourage businesses to shift from traditional to digital mode. The introduction of digital

device such as smartphones made it available for people to engage themselves in seamless shopping from home without visiting the physical store. This made marketing businesses aware that digital marketing campaigns are becoming more prevalent and efficient.

The modern world of business is shifting into a rapid transformation towards increased convenience and efficiency which is spice up and supplemented by the embracing of AI in the late 1990s.

The future of Martech (Marketing Technology) and Adtech (Advertising Technology) is convergence such that marketers who embraced integrated platform to streamline their technology stocks are likely to excel and achieve greater competitive advantage in the evolving business landscape.

2. Literature Review

The literature review highlights a comprehensive analysis of the contemporary digital marketing landscape, examining current trends, challenges and strategic framework essential for effective implementation.

Baranikumar et.al. (2024) in their studies showed that “the current trends and challenges in digital marketing emphasize the need for agility, innovation and strategic investment”. They found that tackling the complexity of executable change, cross-platform supervision and data confidentiality will be a solution to carry on achievement in the powerful digital marketing aspect.

Bhuvaneswari et.al. (2024) provided a detailed investigation of the different ways AI revolutionize e-marketing, inclusive of data mining, customization, chatbots, forecasting modeling, content development, algorithmic advertising, web optimization, speech recognition and automated marketing. They concluded that “as AI continues to evolve, it will play an important role in shaping the future of digital marketing, empowering businesses to achieve their marketing objectives more efficiently in a rapidly changing landscape”.

Heydarli (2024) focused on the impact of customization on consumer contentment and yardsticks such as currency exchange, average basket size and withholding tax. The study argues that for an enterprises looking to fruitfully acquire customization, obstacles like data integrity, moral implications and the technological hitches of handling personalized strategies

cause significant impediments. To assure that customization enterprises promote worth and credence, the issues need to be resolved. Enterprise that succeeded to be inventive, however simultaneously, are accountable and enhance confidence will obtain the upper hand in the digital vibrant economy.

Juriah and Susilastuty (2024) studied the employment of AI in web-marketing between MSME proponents in Indonesia. The impact denotes that 72% of responder have primary comprehension of AI; nevertheless, only 44% have executed AI based equipment in their marketing tactics. The research also discovers that the utilize of AI device such as textbooks and motorized copywriting can boost customer involvement.

Kumar et.al. (2024) explored the opportunities and challenges associated with AI adaptation in Indian businesses offering insights into how these issues can be addressed to maximize AI benefits within the Indian market. The studies highlight that the major challenges associated with AI adoption include infrastructural constraints, skill shortages and ethical concerns. It suggested that a collaborative approach involving businesses, policymakers, and educators will be essential in ensuring that AI contributes positively to India's socio-economic development.

Devichandrika and Rajeswari (2023) in their research delve into the multifaceted world of digital marketing, examining its trends, pivotal strategies, and the intricate interplay between technology and consumer behaviour in Coimbatore city. The dominance of social media as the preferred platform with 53.3% of respondents favouring it, underscores its pivotal role in engaging audiences. Search engines, content marketing and email marketing also hold their places, with 11.1%, 17.8% and 13.3% of respondents respectively, reflecting a diversified approach to strategy. The studies recommend that businesses should capitalize on the prevalence of social media platforms while being mindful of cultural nuances and also recommend that leveraging AI-driven technologies should be accompanied by strategies that preserve the human touch.

Holmi (2021) conducted a research to find the impact of AI on digital marketing and predict its future. The key findings included enhanced automation that assists marketers carry out to a higher extent and also construct the task to some degree more entertaining as one is capable of emphasizing on the more innovative and story impulsive work that do not need doing the same things frequently. Two topics were focused regarding what the time ahead will appear line with AI in e-marketing: prospects for confidentiality and equipment and the

unpredictability of AI. The study showed that factors to be considered before implementing AI is that it will possibly require a while to get familiarize and grasp the methods to utilize it.

Discussion

This paper explores the remarkable trends and challenges towards transforming the modern digital marketing landscape.

Key themes for the future of digital marketing include:

1. Embracing AI and Personalization

Digital marketing landscape is undergoing a rapidly unprecedented pace since the adoption of AI. Nowadays AI is no longer optional, it is an essential.

AI personalization works by collecting customer data , analysing it using a technique known as Machine Language algorithm, segmenting them based on how they act, interact or engage with a brand in spite of their demography and delivering customised experiences in real time.

Behavioural segmentation involves:

- What the users are browsing
- What are they buying
- Their buying frequency
- How the users respond to email, ads etc
- Their brand loyalty
- Their usage pattern.

As AI tools progress, using AI marketers can create highly targeted contents, optimise ads campaigns with a short span of time. Since AI can analyse data and generate these actual insights with speed, accuracy, and at a scale that goes way beyond human capabilities, it is easy to target their customers and deliver them highly personalized and relevant marketing communications.

In fact, many enterprises that have previously implemented AI accept it is significant to their achievement. This AI revolution is incredibly fast paced. Dissimilar to human-being, AI

is not worn out or devoid of motivation. It can incessantly stimulate insights without encountering an innovative collapse.

In e-commerce platform like Amazon, using machine learning, users are recommended products based on their search and purchase history. While streaming services like Netflix and Spotify personalize contents and playlist based on users' preference.

Creating great web marketing propaganda is as much about analysing data as it is about creative execution.

Even though AI has a huge impact in modern marketing and enhance data-driven decision making, there are flaws and difficulties that many businesses faced such as integrating AI into an existing system due to high implementation cost and the need for high-quality data and it can create privacy concerns and negative feelings to the customers. So, AI should be implemented responsibly and strategically.

2. Immersive Experiences with AR and VR

Another major trend which is moulding the hereafter in web-marketing is the growth of immersive innovation. It constitutes artificial intelligence and extended reality which are amongst the fastest growing and fascinating technologies today.

So what is immersive innovation?

Basically, immersive innovation generates or lengthen real which is carry out by immersing the customer in a virtual universe acquiring implementations in varying fields.

This innovation is fast earning impetus as time goes on and is reshaping and assisting us re-imagining the hereafter.

So, what is Virtual Reality? It utilizes VR headphones to generate a feigned man-made setting and enables a person to engage into it to undergo a completely alternate reality. A lot of enterprises are funding billions of dollars in the VR area. Some of the top-notch VR products are **Meta Quest, Nintendo Labo VR kit, Sony Play station Vr, Lenovo Mirage** and a lot more.

It is commonly believed VR is all regarding gaming, but the prospect of VR doesn't end there, it is restructuring many other service production like pedagogy, defence, medical science, sports etc.

Next, we have AR, **Augmented Reality** is a technology that projects computer-generated augmentations on top of reality helping us perform tasks better and efficiently. AR is used to render real-world data and present it spontaneously so that virtual elements resemble the present reality.

Using this technology, we can fit any furniture using the IKEA APP and let customers to virtually place furniture in their house and experience a seamless virtual interaction with 3D models. Augmented reality has come across heated recognition and fame in recent years and the reformation is persistently going. AR is also implemented in **Google maps** which locate remote navigation on the forefront of reality and exhibits you the real-life directions and also in **Google lens**, which is another software that intensifies the search interaction.

These applications are broad and its chief applications includes the area of teaching and learning, coaching, sports, health system, lunar expeditions and even establishment though several use cases are in the testing phase but due to high development cost and content creation challenges and due to the hardware limitations, many businesses will not be able to implement AR and VR in their products.

Immersive technologies are rapidly ingrained in our daily routine and they are here to dwell, besides enhancing human encounters, however helps brands to sell their products valuably and beneficially to captivate their potential customers.

3. The Role of Authenticity and Influencers

While social media is a powerful channel, it is more about **authentic engagement**. In the landscape of digital marketing, there is one strategy that is proving to be both impactful and innovative, it is called influencer marketing. So what is it and why has it become such a dominant force in the online world.

Influencer marketing is about partnering with influential people like prominent persons and celebrities in particular occasions or industries to boost a brand product or service. This influencer with their cultivated followers has the authority to influence belief, fuel trends and immerse participation. The logic behind this is very simple, people believe in

others and rather than directly selling to consumers, companies purchase influencers who already have the confidence and recognition of their potential customers.

Social media platforms This is where it all happens!!

Primarily on social media platforms like Instagram, TikTok, YouTube and Twitter have become ideal platform for influencer marketing. Each platform offers a distinct environment and audience profile allowing influencers to customise their content accordingly. Companies can target certain influencers and create marketing campaigns directly on their platforms of choice. It is essential to understand that not all influencers are Hollywood celebrities or Global icons, there are essentially four types of influencers according to their audience size :

Mega influencers: These are top-tier social media personalities with over 1 million followers. They are celebrities, athletes and creator with massive reach and are ideal for high –awareness campaign.

Macro influencers: With a large, broad, or semi-targeted audience i.e 100,000–1 million followers, Macro influencers effective for increasing brand awareness and driving traffic.

Micro influencers: These creators have a dedicated followers , 10,000-1,00,000, they offer a strong balance of high engagement rates and significant reach.

Nano influencers: Influencers who have 1k to 10k followers are known as Nano influencers. They are everyday consumers or niche expert with small but highly engaged communities.

Marketing is NOT just a trend, it's a reflection of a deeper shift in the way consumers connect with brands in the digital age. When executed with authenticity and strategic alignment, it can bring remarkable results.

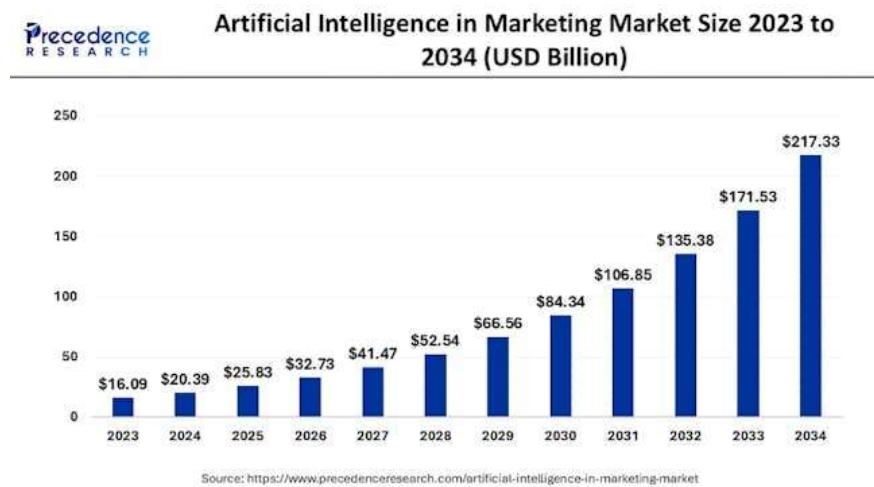
Conclusion:

To conclude, Digital Marketing brings about transformative approaches to reaching and engaging with audiences in today's interconnected world. It is the future of marketing and will continue to progress with time. It's synergy with AI is powerful and is dynamic and is a "Tema del momento" which will change the overall landscape of the future of Business and its marketing.

Even though there are many obstacles and challenges that marketers are facing in order to enhance Digital marketing and inculcate AI into their system, the success lies upon the effective high-quality data, tactical alignment of human-centric adoption, and purpose-built infrastructure, rather than just mere up-gradation of technology.

According **digitalmarketinginstitute.com**, a leading global standard in digital marketing training and certification, experts predict that the ‘**AI in marketing**’ market is envisioned to progress at a CAGR of 26.7% by 2034 and studies show that the market size is expected to reach a value of \$217.33 billion by 2034.

This enormous rate of expected expansion illustrate that AI will become an progressively leading force in web-marketing as time marches on.



By understanding how to work in harmony with AI and use it to enhance our digital marketing processes now, we may future-proof our skills and move seamlessly with the changes.

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BIO NOTE

Mr. Laldingliana Sailo is a working professional with a strong academic interest in Commerce and Digital Marketing. He has completed PG in Computer Applications and Commerce. He is particularly interested in exploring how technological advancements are transforming modern business practices and customer engagement. The main aim of his contribution to this article is to impart meaningful insights to the evolving field of digital marketing and business innovation.

Ms. Lalmangaihsangi is a working professional with a strong academic interest in Commerce. Alongside her faculty role, she is currently a Research Scholar at Mizoram University. Her academic work and primary research interests centred on Services Marketing, where she explores the evolving dynamics of service-based economies