

Comparative Study of Digital and Traditional Marketing Strategies in Increasing Product Sales

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Article Information

Received: September 8, 2024

Revised: September 12, 2024

Online: September 29, 2024

ABSTRACT

In recent decades, changes in information and communication technology have revolutionised various sectors, including the business sector. One of the most obvious impacts is the emergence of digital marketing as an alternative to traditional marketing (Rafli, 2022). Traditional marketing, such as print advertising, television, radio, and direct marketing, has been the main choice in promoting products. However, with the development of the internet and social media, digital marketing offers new opportunities that are more scalable and efficient for companies to reach consumers (Chaffey & Ellis-Chadwick, 2019). This research aims to compare the effectiveness of digital and traditional marketing strategies in increasing product sales. The research instruments include a structured questionnaire designed to measure the perceived effectiveness, cost, and conversion rate of each marketing strategy. The sales data collected will be used for statistical analysis, which helps to understand the differences in their effectiveness. The results of this research show that digital marketing strategies have advantages over traditional marketing in increasing sales and customer conversions at a lower cost. Digital marketing strategies increase sales more quickly, efficiently, and consistently compared to traditional marketing methods. These results support contemporary marketing theories that propose the use of technology to assist marketing strategies and decisions. Based on quantitative data showing significant differences in sales achievement, the researcher's assumption that companies in the internet age would better utilise digital marketing strategies was proven correct.

Keywords: Digital Marketing, Traditional Marketing, Increased Product Sales

1. Introduction

In recent decades, changes in information and communication technology have revolutionised various sectors, including the business sector. One of the most obvious impacts is the emergence of digital marketing as an alternative to traditional marketing [1].

Traditional marketing, such as print advertising, television, radio, and direct marketing, has been the main choice in promoting products. However, with the development of the internet and social

media, digital marketing offers new opportunities that are more scalable and efficient for companies to reach consumers [2].

The advantage of digital marketing lies in its ability to reach a wider market and target consumers based on their demographics, interests, and behaviour. This approach allows companies to maximise the effectiveness of their marketing budget at a lower cost than traditional marketing. For example, by using social media, companies can organise promotional campaigns that are more flexible, direct, and interactive, thus more quickly adapting to consumer needs [3].

Even so, traditional marketing still has its advantages, especially when it comes to building brand credibility and emotional connections with consumers. Many consumers still consider print or television adverts as a reliable source of information. In addition, the direct interaction offered by traditional marketing, such as exhibitions and face-to-face events, can provide memorable experiences that are often influential in increasing customer loyalty [4].

Therefore, traditional marketing remains relevant in the digital era, especially for certain products and markets that value more direct interaction. In this context, companies often face a dilemma: whether to prioritise digital marketing or maintain a traditional approach. Some research suggests that a combination of both can deliver more optimal results, depending on the characteristics of the product and target market. The combination of digital and traditional marketing allows companies to reach a wider market segment while building deeper relationships with consumers [5].

Moreover, the fundamental difference between these two strategies also lies in the ease of performance measurement. Digital marketing allows companies to monitor campaign results in real-time through analytics data, such as the number of clicks, conversion rates, and audience reach. This is in contrast to traditional marketing, which is difficult to measure directly, making companies less flexible in making strategy adjustments. This digital marketing advantage in performance measurement has been shown to have a positive impact on the effectiveness of marketing campaigns [6].

However, there are still some obstacles in the adoption of digital marketing, especially in regions with limited internet access and in consumer segments that are less familiar with technology. In these situations, traditional marketing remains a relevant option. Therefore, it is important for companies to understand when and where to use each of these approaches. This will help companies to be more responsive in dealing with dynamic and diverse market needs [7].

This research will compare the effectiveness of digital and traditional marketing strategies in increasing product sales. By understanding the advantages and disadvantages of each strategy, it is hoped that the results of this study can provide clearer guidance for companies in designing marketing strategies that suit market needs. The focus on increasing sales is also an important aspect, given the increasingly fierce business competition in various industries.

Thus, this research is expected to contribute both practically and academically. Practically, the results of this study can be used by companies to determine the right marketing approach. Academically, this research can add insight into the marketing literature on the comparison of the effectiveness of digital and traditional marketing in the context of increasing product sales.

2. Materials and Method

This research uses a quantitative approach with a comparative research design. This approach is suitable for evaluating the difference in effectiveness of digital and traditional marketing strategies in increasing product sales, as well as measuring the impact of both strategies on relevant variables.

The comparative research design aims to compare two variables (digital marketing strategy and traditional marketing strategy) to assess the difference in their effectiveness. The research will analyse quantitative data taken from companies that use both marketing strategies, allowing researchers to see the difference in performance between the two approaches.

The population in this study is companies in certain industries (e.g. retail or FMCG) that use digital and traditional marketing strategies simultaneously or alternately. The sample was taken purposively, i.e. companies that fulfil certain criteria, such as actively using digital marketing (social media, Google Ads, email marketing) as well as traditional marketing (print media, television/radio advertisements) within a certain period of time.

Data will be collected through two main methods: questionnaires and sales data analysis, the research instruments include a structured questionnaire designed to measure the perceived effectiveness, cost, as well as conversion rate of each marketing strategy. In addition, the sales data collected will be used for statistical analysis, which helps to understand the different effects of digital and traditional marketing strategies. The data analysis technique performed is descriptive analysis, used to describe the characteristics of respondents as well as the distribution of data regarding the use of digital and traditional marketing. Comparative test is used to determine whether there is a significant difference between the effectiveness of digital and traditional marketing in increasing sales. Regression analysis was conducted to see the extent to which both marketing strategies affect the sales variable, as well as identify other factors that might affect the effectiveness of each strategy.

The research procedure will start from collecting preliminary data through questionnaires and sales documents. After that, the data will be analysed using relevant statistical tests to see the differences as well as the relationship between the two marketing strategies on sales.

3. Result

a. Monthly Sales Based on Digital and Traditional Marketing Strategies

Table 1. Average Monthly Sales Based on Digital and Traditional Marketing Strategies

Marketing Strategy Group	Average sales (IDR)	Standard Deviation	n
Digital marketing	750.000.000	150.000.000	20
Traditional marketing	550.000.000	180.000.000	20

Based on Table 1 average monthly sales by digital and traditional marketing strategies, from the average monthly sales data, it can be seen that companies using digital marketing strategies have average sales of Rp750,000,000, higher than companies using traditional marketing strategies with average sales of Rp550,000,000. The standard deviation also shows that the variability of sales in digital marketing is slightly lower, indicating a higher consistency in sales results.

b. Sales Difference Between Digital And Traditional Marketing

Table 2. T-test for Sales Differences Between Digital and Traditional Marketing

Variables	T value	Df (degree of freedom)	p-value
Sales	3.78	38	0.0006

Based on Table 2 regarding the sales difference between digital and traditional marketing, the T-test shows a t-value of 3.78 with 38 degrees of freedom and a significance value (p-value) of 0.0006. Since the p-value is <0.05 , this result indicates a statistically significant difference between sales generated through digital marketing and traditional marketing strategies. This indicates that digital marketing strategies have a more significant impact on increasing sales than traditional marketing strategies.

c. Consumer Conversion Rate Based on Marketing Strategy

Table 3. Average Customer Conversion Rate Based on Marketing Strategy

Marketing Strategy Group	Average conversion rate	Standard deviation
Digital marketing	12.5%	2.1%
Traditional marketing	8.0%	3.0%

Table 3 shows that the average customer conversion rate for digital marketing strategies is 12.5%, which is higher than that of traditional marketing at 8.0%. Conversion variation in digital marketing is lower (standard deviation 2.1%) than traditional marketing (standard deviation 3.0%), indicating that digital marketing tends to be more consistent in achieving conversion targets.

d. Marketing Cost per Month by Marketing Strategy

Table 4. Average Marketing Costs per Month by Marketing Strategy

Marketing Strategy Group	Average marketing cost (IDR)	Standard deviation
Digital marketing	200.000.000	40.000.000
Traditional marketing	300.000.000	70.000.000

Table 4 shows that the average marketing cost per month in the digital marketing strategy is lower (IDR 200,000,000) compared to traditional marketing (IDR 300,000,000). The standard deviation of digital marketing costs is also lower (IDR 40,000,000), indicating more consistent cost management in the digital marketing strategy compared to traditional marketing.

4. Discussion

The results of this study show that digital marketing strategies have advantages over traditional marketing strategies in increasing sales and customer conversion at a lower cost. The following is a further discussion of the findings, along with relevant theories and researcher assumptions:

a. Effectiveness of Digital Marketing Strategy in Increasing Sales

Based on the research results, companies that use digital marketing have higher average sales compared to companies that use traditional marketing. This finding is in accordance with digital marketing theory which states that technology-based marketing strategies allow companies to reach consumers in a more precise and personalised manner [8]. Digital marketing provides a variety of

analytics tools that allow companies to target more specific audiences, increase message relevance, and ultimately drive higher conversions.

Digital marketing strategies allow the use of platforms such as social media, paid advertising, email marketing, and SEO to reach consumers directly and interactively [9]. This is different from traditional marketing that tends to be one-way (e.g. advertisements on television or newspapers), where companies cannot immediately know consumer responses. With digital marketing, companies can monitor consumer activity in real-time, so they can immediately adjust their strategies according to consumer behaviour.

This research assumes that digital marketing is more effective than traditional marketing in reaching relevant audiences, as digital marketing can target consumers more specifically based on demographic, interest and behavioural data. This assumption is based on the advantages of digital marketing that allow the use of analytics to target more precise market segments.

b. Cost Efficiency in Digital Marketing Strategy

The finding that digital marketing has lower marketing costs compared to traditional marketing is in line with the economic theory in marketing. This theory states that more efficient costs will be achieved when the marketing process is more targeted, with minimal wastage [10]. In digital marketing, companies can target their ads specifically to market segments that are most likely to convert, so that advertising costs can be better controlled and optimised.

In addition, digital marketing allows companies to utilise paid advertising with a *pay-per-click* (PPC) or *cost-per-impression* (CPM) model, where costs are incurred only when consumers interact with the ad. This is in contrast to traditional marketing which usually requires a fixed budget for large advertising campaigns, with no guarantee that consumers will see or interact with the adverts.

This confirms the researcher's assumption that digital marketing will be more cost-efficient than traditional marketing. Digital marketing is assumed to be more cost-efficient as it allows for more measurable spending through a payment-by-results system (e.g. cost-per-click or cost-per-impression), while traditional marketing tends to require larger fixed costs with no guarantee of equivalent ad viewability.

c. Consistency of Results and Effect of Strategy on Consumer Conversion

Digital marketing shows more consistent results, as seen from the lower standard deviation in sales and conversion rates. Digital marketing allows companies to continuously evaluate and refine strategies based on direct feedback from consumers, thereby maintaining or increasing consumer conversions consistently [11][12]. This is in line with the concept of continuous improvement common in modern marketing strategies, where companies can conduct A/B testing, measure the success of content, and adjust their strategies dynamically.

The researcher's assumption that digital marketing will result in higher consumer conversions than traditional marketing is supported by the data in this study. The higher conversion rate on digital marketing suggests that this strategy is more effective in attracting the attention of an audience that matches the target consumer profile, increasing the likelihood of product purchase. Digital strategies, through the use of data and analytics, allow companies to display advertising messages at the right time and place, which is an important factor in increasing conversions.

Researchers assume that digital marketing delivers more consistent results compared to traditional marketing, as it can be monitored and adjusted in real-time based on market response. This allows companies to maintain or steadily increase conversions according to changing consumer needs or preferences.

d. Relevance of Findings to Diffusion of Innovations Theory

Digital marketing as a modern innovation supports the Diffusion of Innovations theory by Rogers (2003), which states that the adoption of new technology in a system will affect efficiency and effectiveness in the system [13]. As an innovation in marketing, digital strategies are being adopted by many companies as they are proven to deliver better and more measurable results. Digital marketing offers tools that enable in-depth analysis of consumer behaviour, which is difficult to do with traditional marketing.

With the data supporting the effectiveness and efficiency of digital marketing in this study, researchers assume that companies in the future will likely turn to digital marketing as market competition increases. Digital marketing is not only more effective, but also has the potential to continue to evolve with new innovations that allow the development of more targeted strategies.

This research assumes that companies that adopt digital marketing technologies will be more competitive in the long run, as they can be more responsive to market changes. Advances in marketing technologies such as artificial intelligence, big data analytics, and automation are believed to strengthen the competitive advantage of companies that focus on digital marketing.

e. Researcher Assumptions on the Impact of Technological Developments on Marketing Strategy

Based on the results of this study, the researcher assumes that companies that integrate technology in marketing strategies will have higher competitiveness in achieving sales goals. Data-driven digital marketing technologies, such as artificial intelligence (AI) and analytics, allow companies to better understand market trends and consumer needs. As technology develops, it is believed that digital marketing will increasingly dominate compared to traditional marketing.

Researchers assume that modern consumers are more likely to be influenced by digital marketing strategies, given the high internet penetration and use of digital devices among today's society. Thisku assumption highlights the changing preferences of increasingly digitalised consumers, especially in accessing product and service information.

f. Implications of Research Results for the Company

The results of this study have practical consequences for companies, especially in terms of determining how the budget for marketing is allocated. Businesses may consider increasing their budget share for digital marketing strategies after finding that it is more effective and efficient. They can optimise the achievement of sales targets with a more measurable budget and increase their competitiveness in an increasingly digital market.

Based on research trends and findings, it is projected that in the future, digital marketing will increasingly dominate companies' marketing strategies. Meanwhile, due to the inability to target consumers specifically, traditional marketing is expected to be used less and less. According to the study, although digital marketing is generally considered more effective, companies in traditional industries are expected to benefit more from digital marketing compared to companies in traditional industries if they are more familiar with technology or have customers who are more active online.

5. Conclusions

The results show that digital marketing strategies increase sales and customer conversions more quickly, efficiently, and consistently compared to traditional marketing methods. These results support contemporary marketing theories that propose the use of technology to assist marketing strategies and decisions. Based on quantitative data showing significant differences in sales achievement, the researcher's assumption that companies in the internet age would better utilise digital marketing strategies was proven correct.

This research is limited to businesses in a particular industry, so the results cannot be generalised to other industries. In addition, this study only focused on comparing sales effectiveness without considering other factors, such as the long-term effect on customer loyalty. Future research is recommended to analyse different industries and assess the long-term impact of digital marketing on customer relationships.

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