INTERNET MARKETING IN THE CONDITIONS OF DIGITALIZATION: THEORETICAL FUNDAMENTALS AND DEVELOPMENT TRENDS IN MOLDOVA

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Abstract

Digital technologies and their rapid development have a significant impact on all spheres of modern society. The impact of digitalization on economic relations, in particular on the development of e-commerce, has become particularly noticeable. In recent decades, electronic commerce (e-commerce) has firmly taken an important place in the structure of trade relations, gradually replacing traditional sales channels. Internet sales have ceased to be just an alternative to offline stores and have become the main tool of interaction between companies and customers.

In the new reality, it is no longer enough for a business to be simply represented on the Internet. Modern conditions require active and competent use of digital technologies to achieve commercial goals and strengthen market positions. Online sales have become a priority not only for large companies and global brands, but also for small and medium-sized businesses that seek to remain competitive in the digital environment. A key tool in increasing the effectiveness of online sales is digital marketing (internet marketing), which encompasses a wide range of tools and methods for promoting products and services online. Despite the obvious advantages, digital marketing involves a number of difficulties. Many companies, especially in the small and medium-sized business segment, face problems with the selection and proper use of digital tools due to the lack of qualified specialists, limited budgets and insufficient information on digital marketing. Digital marketing (Internet marketing), which encompasses a wide range of tools and methods for promoting products and services online, is a key tool for increasing the effectiveness of online sales. Despite the obvious advantages, digital marketing involves a number of challenges. Many companies, especially in the segment of small and medium-sized businesses, face problems with the selection and proper use of digital tools due to the lack of qualified specialists, limited budgets and lack of awareness of modern trends and approaches. This leads to the fact that a significant proportion of businesses continue to use outdated and ineffective methods of promotion, ignoring the opportunities that the digital environment offers. This study provides a comprehensive examination of digital marketing and identifies the most effective tools and strategies for increasing online sales.

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Introduction

Digital technologies and their rapid development significantly influence all spheres of modern society. The impact of digitalization on economic relations, particularly on the development of e-commerce, has become especially noticeable. [1] In recent decades, e-commerce has strongly placed an important position in the structure of trade relations, gradually replacing traditional distribution channels. Online sales have become the main tool for interaction between companies and customers, no longer just an alternative to offline stores.

In the new business reality, it is no longer enough for a business to simply be present online. Modern conditions require active and competent use of digital technologies to achieve commercial goals and strengthen market positions. Online sales have become a priority not only for large companies and global brands but also for small and medium-sized businesses, which strive to remain competitive in the digital environment. [4]

Digital marketing (internet marketing), encompassing a wide range of tools and methods for promoting products and services online, is a key instrument in increasing the effectiveness of online sales.

Despite obvious advantages, digital marketing is associated with a number of complexities. Many companies, especially in the small and medium-sized business segment, face problems in choosing and correctly using digital tools due to a lack of qualified specialists, limited budgets, and insufficient awareness of modern trends and approaches. [18] This leads to a significant part of businesses continuing to use outdated and ineffective promotion methods, ignoring the opportunities provided by the digital environment.

In this regard, there is an urgent need for a comprehensive study and systematization of knowledge about digital marketing, as well as for identifying the most effective tools and strategies for increasing online sales. It is important not only to describe existing approaches but also to analyze them in detail using specific examples of successful companies, determine the conditions for their maximum effectiveness, and formulate practical recommendations for businesses. [19]

Results obtained and discussions

The Evolution of Online Sales and Consumer Behavior in the Digital Environment

The development of internet technologies and their integration into daily life have fundamentally changed the process of consuming goods and services, leading to a significant transformation of traditional trade models. Online sales, initially considered merely an additional sales channel, have gradually become the dominant form of trade in many economic sectors of the economy. [8]

One of the key features of online sales is the changed consumer behavior. In the digital environment, buyers gained the ability to quickly compare prices and product characteristics, read reviews from other users, choose the most advantageous offers, and make purchases at any convenient time. This has increased consumer expectations regarding service quality, delivery speed, and the availability of information about goods and services. [21]

Another important trend has been the change in the purchase decision-making process. In traditional retail, the buyer, in most cases, made a decision under the influence of a limited amount of information and advertising seen directly in the store or in traditional media. In the digital environment, the decision-making process has become more complex and multi-stage. The concept of a "sales funnel" emerged, describing the stages a consumer goes through before making a purchase: from the first contact with the brand to the final purchase decision. Now, companies are forced to consider and track customer behavior at each stage of this funnel, adjusting marketing efforts to increase sales effectiveness. [12]

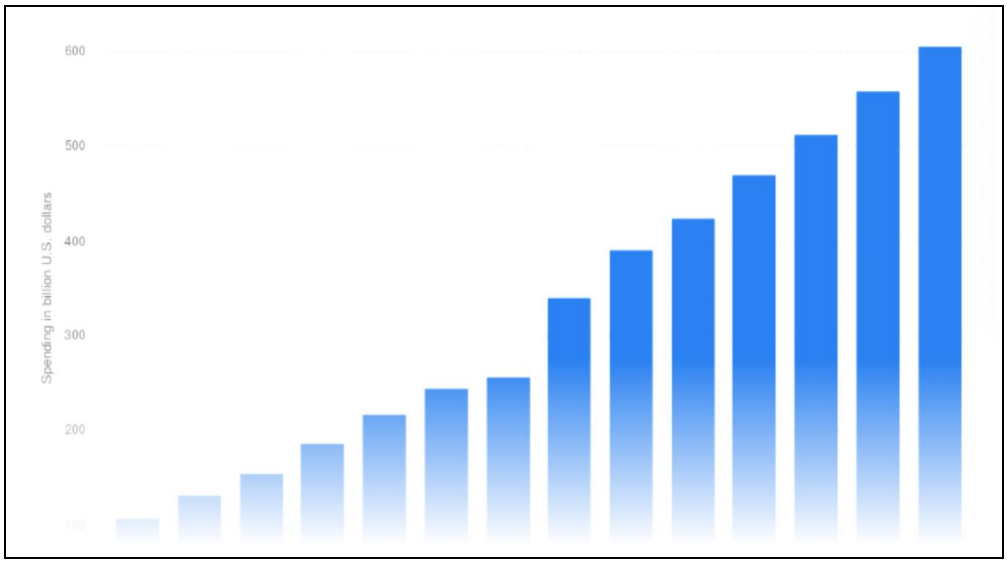


Figure 1. Digital advertising expenditure worldwide 2014-2027, *billion U.S. dollars*
Source: Statista [12]

Generational affiliation also significantly influences consumer behavior. For example, representatives of generations Y and Z, who grew up in the digital environment, show greater involvement in online purchases, preferring mobile applications and social media platforms for making purchasing decisions. In contrast, older generations (X and baby boomers) are more likely to use traditional websites and are more careful about the security of their personal data online. [8]

A crucial component of consumer behavior has also become the growing influence of recommendations, reviews, and user-generated content (UGC). Consumers more often trust the opinions of other buyers than advertising, and this encourages companies to actively work with feedback, stimulate customers to leave reviews, and recommend products to other users. [6]

Thus, the evolution of online sales and changing consumer behavior require companies to constantly study new trends and adapt their strategies. Companies capable of promptly responding to changes, considering the preferences of various audience segments, achieve significant success and strengthen their market positions.

A significant milestone in the development of e-commerce was the spread of the internet in the late 1990s – early 2000s, when the first online stores, such as Amazon and eBay, were able to offer consumers a new level of convenience and speed of purchases. [8]

Over the next two decades, online sales underwent significant changes, gradually covering almost all product categories and demographic groups of buyers. The COVID-19 pandemic provided a particularly powerful impetus for the growth of e-commerce, forcing millions of people to switch to online shopping due to restrictions on physical store visits. According to an eMarketer report, during the pandemic, the growth rates of online sales accelerated several times, and the share of e-commerce in global retail reached record levels. [14]

The modern stage of economic development is inextricably linked with intensive digital transformation, which affects almost all aspects of doing business. Marketing as a discipline and applied field found itself at the epicenter of these changes, due to the specificity of its customer focus and the need for constant adaptation to new models of consumer behavior.

Digital technologies not only modify existing marketing tools but also form fundamentally new strategies for interacting with the market, based on data analysis, process automation, and communication personalization.

History and Evolution of Internet Marketing in the Digital Age

Internet marketing, as an independent discipline, began to form at the turn of the 1990s – a period of active spread of personal computers and the emergence of commercial internet. The first steps in this direction were electronic mailings (email), banner advertising, and simple websites designed to represent companies and their products online. Already in 1994, the first banner appeared on the HotWired website, which marked the beginning of the era of internet advertising. From this moment, marketing in the digital space began to develop rapidly, adapting to new technological capabilities and consumer behavior.

The late 1990s – early 2000s were marked by a rapid increase in the number of internet users and the launch of search engines such as Yahoo, AltaVista, and, later, Google. It was during this period that the active development of search engine optimization (SEO) began, as well as contextual advertising. Google AdWords (now Google Ads), launched in 2000, was a breakthrough in promotion methods – advertisers gained the ability to pay only per click (PPC model), which made internet advertising accessible and measurable. [6]

With the development of social networks in the mid-2000s, internet marketing gained a new growth vector. The emergence of Facebook (2004), YouTube (2005), Twitter (2006) opened up wide opportunities for targeted promotion, creating viral content, and building communities around a brand. During the same period, the importance of content marketing increased: companies began to actively publish articles, blogs, videos, and other valuable content aimed at engaging and retaining customers. It was then that the concept of "inbound marketing" actively began to form, the essence of which was not to impose advertising, but to attract the client through useful information.

The 2010s were marked by accelerated automation and personalization. Thanks to the development of analytical platforms, user behavior tracking technologies (cookies, pixels, device identifiers), CRM systems, and Big Data, companies began to build more targeted communications with clients. Retargeting tools, dynamic content, triggered mailings, and automated sales funnels appeared. Simultaneously, the role of mobile marketing increased, as a significant part of users switched to smartphones. According to a Statista report, already in 2019, more than 52% of global internet traffic came from mobile devices. [10]

The 2020s marked a new round of internet marketing development – at the intersection of technology, ethics, and creativity. On the one hand, marketers gained access to tools for artificial intelligence, machine learning, voice assistants, virtual and augmented reality. On the other hand, requirements for personal data protection, transparency of information collection, and honesty of advertising communications intensified. Users became more sensitive to excessive advertising and increasingly prefer brands with which they have a personalized and transparent dialogue. [4]

In modern reality, internet marketing is no longer a set of tools, but a holistic digital ecosystem, including SEO, PPC, SMM, email, content, analytical platforms, automation, neural networks, and creative approaches. It covers not only the client acquisition stage but also all phases of their life cycle: from the first session on the site to continuous interaction through loyalty and UGC (user-generated content).

Thus, the history of internet marketing represents an evolutionary path from experimental emails and first banners to a high-tech digital communication system based on data, technologies, and human values. Understanding this history is important for the correct choice of future strategies and for realizing how marketing transforms in response to changes in the digital environment.

The development of digital marketing at the turn of the 2020s is influenced by several factors simultaneously: increased competition in the online space, changes in user behavior, the development of mobile technologies, and stricter regulation in the field of personal data. As a result, digital marketing as an industry is undergoing profound transformations aimed at increasing the effectiveness, accuracy, and transparency of advertising communications.

One of the most significant trends in recent years is the growing influence of personalized content. According to McKinsey research, over 71 percent of consumers expect companies to provide individualized offers, and 76 percent are frustrated when this does not happen. [2] This means that marketing strategies built on universal messages are gradually losing their relevance. Instead, behavioral analysis technologies, predictive algorithms, and real-time content generation automation are coming to the forefront.

In parallel, there is active development of voice search and voice interfaces. The spread of intelligent assistants such as Google Assistant, Siri, and Amazon Alexa is changing the ways information is searched for and consumed. This requires companies to adapt SEO strategies to so-called "conversational queries" and optimize content taking into account new forms of user interaction. [5]

Mobile marketing plays a special role in the transformation of the digital environment. By 2023, the share of mobile traffic in the global internet exceeded 60 percent, and in some countries – more than 75 percent. [4] This led to a rethinking of website design, advertising formats, and user journey logic. The development of adaptive interfaces, mobile applications, geo-marketing, and push communications has become a prerequisite for companies striving to remain competitive in the digital environment.

Along with this, video content is rapidly developing as one of the most effective ways to transmit information. Short vertical video formats (Reels, Shorts, TikTok videos) have captured audience attention due to their visual richness and high level of engagement. According to HubSpot, in 2024, over 86 percent of marketers stated that video brings them a positive return on investment, and the average conversion rate when using video on landing pages increases by 34 percent. [17]

Another key trend is the integration of digital marketing with artificial intelligence systems. The use of neural networks allows predicting customer behavior, generating text and graphic elements of advertisements, and managing automatic bids in advertising auctions. Platforms like ChatGPT, Midjourney, and Google Gemini significantly accelerate the processes of creating advertising content, which provides an advantage in conditions of high competition and limited campaign deadlines. [18]

An important vector of change has also been the tightening of regulatory requirements in the field of personal data processing. GDPR laws in the European Union and similar acts in other countries have strengthened requirements for the transparency of collecting, storing, and using user information. This has led to a transition from cookie-oriented models to more sustainable identification formats, such as first-party data, as well as a growing interest in privacy-first strategies that ensure user trust in the brand. [7]

In the coming years, experts predict further automation of digital marketing processes, an increase in the importance of content marketing, and the emergence of new interaction formats at the intersection of offline and online spaces. In particular, an increase in the popularity of augmented and virtual reality, the development of meta-universes, and the emergence of more advanced platforms for working with digital avatars and personalized 3D experiences are expected.

Key Tools for Increasing Sales in the Online Environment

For successful business operations in the online environment, it is necessary to use various marketing tools that can significantly increase conversion and boost sales. Among the many existing methods, several key tools are actively used by most successful companies.

The first important tool is sales funnel optimization. The sales funnel is a model describing the path a customer takes from the first acquaintance with a product to the moment of purchase. Optimizing each stage of the funnel – from attracting attention to finalizing the order – significantly improves conversion and minimizes the loss of potential customers at each stage of the purchase process. [7] This is achieved by analyzing user behavior, simplifying registration and payment processes, and using various incentives to complete the purchase.

The next significant tool is lead generation – the process of attracting and collecting contact information of potential customers interested in purchasing a product or service. For effective lead generation, companies use contact capture forms on their websites, landing pages, interactive quizzes, as well as targeted advertising on social networks and contextual ads. The more targeted and high-quality the lead, the higher the probability of its conversion into a customer and, consequently, the higher the sales effectiveness of the company. [21]

Furthermore, one of the most important aspects of increasing sales is conversion management. Conversion is the ratio of the number of purchases made to the total number of visitors to a website or page. Conversion management involves systematically testing various elements of a website or advertising materials (headlines, texts, images, and call-to-action buttons), as well as using analytical tools to identify the most effective solutions. A popular method for such testing is A/B testing, which allows determining the most effective elements and improving conversion rates. [19]

Working with repeat purchases and customer retention is also of great importance for increasing sales. It has been proven that retaining existing customers is significantly cheaper for companies than attracting new ones. Email marketing tools, loyalty programs, personalized promotions, and retargeting campaigns are used to stimulate repeat purchases, reminding customers of the need to repurchase a product or service while offering favorable terms. [10]

Personalization of marketing communications is no less important. Modern technologies allow companies to collect and analyze data on user preferences and behavior, offering them the most relevant products and services. Personalization increases the likelihood of a purchase, as customers receive individually tailored offers that match their specific interests and needs. [5]

It is also worth noting the importance of evaluating the effectiveness of marketing activities. Metrics such as CTR (Click-Through Rate), CPA (Cost Per Action), ROI (Return on Investment), and LTV (Lifetime Value) play a key role in evaluating and adjusting marketing strategies. These indicators allow determining the most effective tools and promotion channels, efficiently allocating marketing budgets, and increasing the overall profitability of the business. [20]

In summary, the integrated use of the listed tools allows businesses to significantly increase the effectiveness of their online sales. Competent and consistent implementation of each of these tools ensures not only short-term results in the form of increased sales but also long-term competitive advantages through sustainable growth of the customer base and increased audience loyalty.

The Impact of Digital Technologies on the Transformation of Marketing Strategies

One of the key factors in marketing transformation is the development of analytical technologies and Big Data processing systems. Modern companies are able to collect and analyze millions of data points about user behavior: from purchase and viewing history to geolocation, activity time, and responses to specific advertising formats. Using such data allows building behavioral prediction models, personalizing offers, optimizing advertising budgets, and making management decisions based on evidence. According to a McKinsey & Company study, companies actively using analytics achieve a 126% increase in profit compared to those who use digital tools sparingly. [2]

Machine learning algorithms and elements of artificial intelligence (AI) play an important role in the transformation of marketing approaches. They are used for audience segmentation, predictive analytics, personalized content marketing, and automation of digital sales funnels. For example, AI-powered chatbots can process user requests in real-time, recommend products, place orders, and collect feedback. Such technologies increase response speed, reduce service costs, and increase customer satisfaction.

Automation of marketing processes also significantly impacts strategy transformation. New generation marketing platforms allow setting up multi-stage campaigns, launching A/B tests, managing email newsletters, analyzing behavioral scenarios, and adapting the website interface to a specific user. According to a HubSpot report, 76% of marketers using automated scenarios report an increase in ROI for their campaigns within the first months of implementation. [4]

Significant changes have also affected the classic 4P marketing model (Product, Price, Place, Promotion). In the digital environment, there is a shift in emphasis: the product becomes not only a commodity but also part of the digital experience; the price can vary depending on behavioral factors (dynamic pricing); distribution occurs through online platforms, marketplaces, and proprietary websites, and promotion shifts towards content, native advertising, influencers, and user-generated content. Thus, the very nature of the marketing mix is transforming – it becomes flexible, technological, and personalized.

Another aspect of transformation is the rethinking of the client's role in the marketing process. The user ceases to be merely a target audience and becomes an active participant in promotion: sharing reviews, creating content, interacting with the brand on social networks. This requires companies to engage in more open, two-way communication and build long-term relationships based on trust and shared value. As highlighted in an Evergage report, 88% of marketing professionals believe that personalized interaction significantly increases customer engagement and loyalty. [7]

Conclusions

Digital technologies are fundamentally changing not only the tools but also the philosophy of marketing. Modern strategies are formed based on big data analysis, algorithmic automation, interactive communications, and a focus on personalized customer experience. These changes require companies to constantly update their approaches, adapt to technological trends, and invest in digital competencies.

Digital marketing is a dynamically developing field, whose progress is driven not only by accelerating technological advancements but also by significant changes in consumer behavior, regulatory frameworks, and the global structure of communication practices. Companies capable of adapting to these changes and promptly implementing modern digital communication tools gain a sustainable competitive advantage and the opportunity to scale their operations into new markets.

In the long term, the ability to flexibly and technologically build communication with the client becomes a key factor in business sustainability in the digital economy.

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