



Leveraging Digital Marketing for Business Growth: Case study of Alpha Solutions Pvt. Ltd.

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ABSTRACT

This case study is intended to be used as the basis for classroom teaching. This is a fictitious case prepared from the available public information and the author's independent research. Name of the persons, Business name and its identity, incident and the events used in this case study are the products of author's imagination. This study attempt to highlight the case of Aplha Solutions Pvt. Ltd., a leading e-commerce retailer, started in 2010 founded by Mr. Somesh Aggarwal and Mr. Jigyasu Shah. They run the business efficiently for a decade but with the advent of Industry 4.0 and Digital era, they were facing the problem of low growth in comparison to market. In order to survive in this competitive era, it is necessary for a firm to adopt the changing technologies. Mr. Somesh Aggarwal and Mr. Jigyasu Shah met with Mr. Arun , owner of a research firm, Re-soul 2 Business Pvt. Ltd. and discussed their business problem. Mr. Arun and his research team have done the SWOT analysis of company and its marketing strategies. Their team also conducted a survey in the state of Gujarat. Their report concluded that company was adopting the traditional marketing strategies and company's brand awareness is limited to the nearby area of Amreli. They recommended the company to revolutionize the marketing strategies of the company. While bring any change in the organization, it will cost financially as well as emotionally. This Case study attempts focuses on key digital marketing initiatives implemented by Aplha Solutions Pvt. Ltd., the challenges faced, and the outcomes achieved through these efforts.

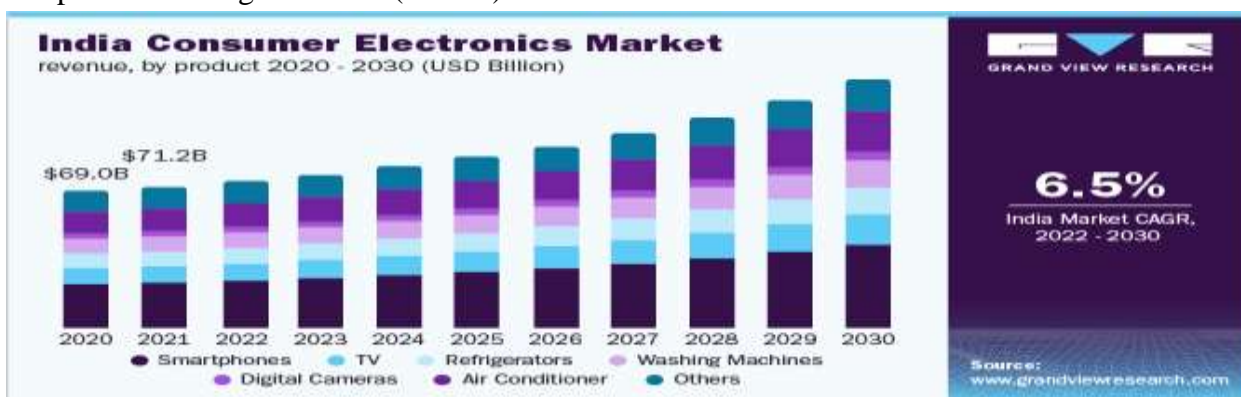
Keywords: *Digital Marketing, Consumer Electronics, E-Commerce, Case study Method*

1. Introduction

Mr. Somesh Aggarwal and Mr. Vyagyasu Shah became friends during their post graduation. Mr. Somesh Aggarwal belongs to Amreli, a district of Gujarat. He has completed his graduation from IIT Ghandinagar. He has done B.Tech in Information Technology. He aspires to become the business man and following his dreams, he took admission in Masters of Business Administration in IIT Ahmadabad. This was the place where Mr. Somesh and Mr. Jigyasu Shah met and became friends. Both were doing Masters in Business

Administration in marketing specialization. In the last year of their post graduation, they decided to start their own business and start looking for business opportunities. They analyzed the income level of the consumers and concluded that the consumer’s level income is rising and people are more willing to spend more on the technology for rising their standard of living, making their life easy etc like young generation prefer to swift from semiautomatic washing machine to fully automatic machine. Before completion of their post graduation, he established their business name, “Alpha Solutions Pvt. Ltd” in 2010 in Amreli with an aim to provide a wide range of best quality products at an affordable price. It was an e-commerce retailer specializing in consumer electronics covering the area of Gujrat.

They studied a report on Indian consumer electronics market titled “Market Analysis Report” Report ID: GVR-2-68038-143-6 published in 2021 by Grand View Research available at www.grandviewresearch.com. This report studied the historical data of Indian consumer electronics market from 2017-2020. The study also had done the market revenue estimates and forecasts up to 2030, by use of application and technology. As per the report, Indian consumer electronics market has high growth opportunity and expected to grow at a compound annual growth rate (CAGR) of 6.5% from 2022 to 2030.



Source: www.grandviewresearch.com

After studying the report, they analyzed the growth of their business on the basis of percentage growth in revenue and Compound annual growth rate. On the basis of the report they concluded that although the company is making the good revenues but the growth in revenue (i.e. 6.71% and CAGR= 2.74%) is low in comparison to the market growth. The revenues of the company for the previous five years are as follows.

Year	Revenue (Rs.)	Growth in Revenue (%)	CAGR (Base Year= 2017)
2017	88,15,251	3.80%	$CAGR = \left[\left(\frac{\text{Ending value}}{\text{Beginning value}} \right)^{\frac{1}{n}} - 1 \right] * 100$ $CAGR = \left[\left(\frac{10093404}{8815251} \right)^{\frac{1}{5}} - 1 \right] * 100$ $= 2.74\%$
2018	91,08,624	3.33%	
2019	95,79,165	5.17%	
2020	94,58,967	-1.25%	
2021	1,00,93,404	6.71%	

Now, they were facing the problem of low growth in comparison to market and for getting the solution of the same they visited to Mr. Arun, founder of Re-Soul 2 Business, a research consultancy firm situated in Fatehpur and discuss about their problem. They hire that research consultancy to provide them some solution so that they can grow their revenue. Mr. Arun and their team has done the SWOT analysis of the strategies adopted by Alpha Solutions Pvt. Ltd. Their research team also conducted a survey in the areas of Gujarat with the aim to study the awareness of existing and potential customers about the brand of Alpha Solutions Pvt. Ltd. They reach to conclusion that there is the need to change their marketing strategy to expand their customer reach and grow their network. The major highlights of their research report as follows:

1. Till now the company was using traditional marketing strategies such as advertisements in the local newspaper, advertisement in the local dish channel, discounts to customers, maintaining customer relations through Whatsapp messages and emails.
2. Company has limited reach to the customers.
3. Only the customers in the nearby areas of Amreli know about their business.
4. The customers who are far from Amerli never heard about their business.
5. So the brand visibility of the e-commerce is limited.

The recommendations as per the research report as follows:

1. There is need to expand the market area and expand their reach to customer.
2. There is the need to enhance their brand visibility.

Mr. Arun recommended Mr. Somesh and Mr. Jigyasu Shah to adopt Digital Market strategy to enhance their brand visibility to their people and converting the potential customers into customers of business. It will also help in the market expansion.

Mr. Somesh and Mr. Jigyasu Shah adopted the suggestions of Mr. Arun and prepare the following financials (detailed requirement for the expansion of their market size).

Particulars	Amount
Salary of Digital Marketing Personnel	25,000
Expected increase in Advertisement Expenditure Detailed expenditure as below:	3,00,000
1. Paid Searches 156000	
2. Online video 57000	
3. Social Media 45000	
4. Display banners 36000	
5. Others incl. classified 6000	
Expected increase in Logistic expenditure by 20%	70,000

2. About “Consumer Electronics Industry”

The consumer electronics industry refers to the sector that produces electronic devices and gadgets for personal use by consumers. This industry encompasses a wide range of products, including smart-phones, televisions, computers, laptops, tablets, gaming consoles, audio equipment, cameras, wearable devices, and home appliances.

The consumer electronics industry is characterized by rapid innovation and technological advancements, leading to the constant introduction of new and improved products. It is a highly competitive industry with numerous companies competing for market share and striving to capture consumer attention with innovative features and designs. The consumer electronics industry in India has experienced significant growth in recent years, driven by factors such as increasing disposable income, rapid urbanization, expanding middle class, and growing digital literacy.

Key players in the consumer electronics industry include multinational corporations such as Apple, Samsung, Sony, LG, Microsoft, and Xiaomi, among others. These companies invest heavily in research and development to create cutting-edge products and stay ahead of the competition.

3. About “E-Commerce Sector”

The e-commerce sector in India has experienced remarkable growth in recent years, driven by factors such as increasing internet penetration, growing smartphone usage, convenient payment options, and a favorable regulatory environment. According to reports, the market size reached around \$64 billion in 2020 and is expected to grow at a compound annual growth rate (CAGR) of over 20% in the coming years. The Indian e-commerce sector covers a wide range of categories, including Electronics and Home Appliances, Fashion and Apparel, Groceries and Daily Essentials, Home and Furniture, Beauty and wellness.

4. About “Alpha Solutions Pvt Ltd.”

Alpha Solutions Pvt. Ltd. was incorporated on 15th March 2010. It is an established e-commerce retailer specializing in consumer electronics. The product line of Alpha Solutions Pvt Ltd. comprises of smartphone, laptop, tablets, smartwatches, fitness trackers, headphones, speakers, televisions, Digital Cameras, Portable media players, Printers, scanners, projectors and gaming console.

Alpha Solutions Pvt. Ltd. was operating its operation in the state of Gujarat. The company was serving the base of 20,000 customers. These customers were located in the areas near to Amreli.

Company was in a good financial position have the capital of Rs. 9.5crore.

5. Questions:

Business environment is dynamic and competitive; to survive in the market Alpha Solutions Company has to bring some out of the box solutions for all the questions asked in this case study.

1. What out of the box marketing strategy can be adopted by Alpha Solutions to enhance their revenue, market share and to maximize their reach to customer?

2. What will be the possible challenges faced by Alpha Solutions while implementing digital marketing strategy?
3. Assuming you as the founder of Alpha Solutions lists the possible outcomes from implementing out of the box strategy?

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Disclaimer: *This case study is written for academic purpose only. The author has disguised the identity and other information in order to ensure the confidentiality.*

7. Teaching Notes:

- Consistent and targeted digital marketing efforts can lead to significant improvements in brand visibility, website traffic, and customer engagement.
- Collaboration with influencers can effectively amplify brand reach and influence purchase decisions.
- Prioritizing customer-centric content and personalization in email marketing can enhance customer loyalty and drive repeat sales.
- Staying updated with industry trends and adjusting strategies accordingly is crucial for maintaining a competitive edge.

8. Problems Solutions:

Problem 1: What out of the box marketing strategy can be adopted by Alpha Solutions to enhance their revenue, market share and to maximize their reach to customer?

Solution:

As discussed earlier in this case, Re-Soul 2 Business recommended Alpha Solutions Company to revolutionize their marketing strategies of the company. Mr. Somesh and Mr. Jigyasu are ready to adopt the **Digital Marketing strategies** in order to enhance their revenue, market share and to maximize their reach to customer. Various digital marketing strategies implemented by them are discussed as follows:

Strategy and Implementation:

1. Website Optimization: Alpha Solutions Pvt. Ltd. focused on optimizing their website for search engines to improve organic rankings and drive traffic. They employed on-page and technical SEO techniques, including keyword research, meta tag optimization, mobile optimization, and site speed improvements.

2. Content Marketing: To engage their audience and provide value, Alpha Solutions Pvt. Ltd. developed a content marketing strategy. They created informative and engaging blog posts, articles, and product guides related to their industry. They also incorporated visual content such as infographics and videos to enhance engagement and shareability.

3. Social Media Marketing: Alpha Solutions Pvt. Ltd. utilized various social media platforms to connect with their target audience. They crafted a social media strategy that included creating compelling content, running targeted ad campaigns, and actively engaging with customers through comments, messages, and discussions.

4. Influencer Partnerships: Recognizing the power of influencers in driving brand awareness, Alpha Solutions Pvt. Ltd. collaborated with relevant industry influencers. They identified influential individuals who aligned with their target audience and initiated partnerships to promote their products through sponsored content, reviews, and giveaways.

5. Email Marketing: To nurture customer relationships and encourage repeat purchases, Alpha Solutions Pvt. Ltd. implemented a comprehensive email marketing strategy. They segmented their customer base and sent personalized emails with tailored product recommendations, exclusive offers, and relevant content.

Problem 2: What will be the possible challenges faced by Alpha Solution while implementing digital marketing strategy?

Solution: While bringing any change in the organization, it will cost financially as well as emotionally. Various challenges faced by Alpha Solutions Pvt. Ltd are as follows:

Challenges Faced:

- Intense competition in the e-commerce industry posed a challenge to stand out and gain market share.
- Limited budget and resources for extensive digital marketing campaigns.
- Keeping up with evolving digital marketing trends and strategies.

Problem 3: Assuming you as the founder of Alpha Solutions lists the possible outcomes from implementing out of the box strategy?

Solution: Alpha Solutions Pvt. Ltd. adopted the digital marketing strategy with the aim to enhance their reach to customers which direct towards increasing the market share and boost the revenue of the business. The outcomes from adopting the digital marketing strategy are discussed as follows:

Outcomes and Results:

- Significant increase in website traffic, with a 40% growth in organic search traffic within six months.

- Improved search engine rankings, with several high-volume keywords ranking on the first page of search results.
- Enhanced brand visibility and recognition through influencer partnerships, resulting in a 30% increase in social media followers.
- Higher customer engagement and interaction on social media platforms, leading to an 18% increase in customer-generated content.
- Improved customer retention and repeat purchases, with email marketing contributing to a 25% increase in customer lifetime value.

9. Conclusion:

Alpha Solutions Pvt. Ltd. successfully utilized digital marketing strategies to achieve their objectives of increasing brand awareness, driving website traffic, enhancing customer engagement, and boosting sales. Through strategic implementation and continuous optimization, they were able to overcome challenges and achieve remarkable results. This case study serves as an example of how effective digital marketing can be leveraged to drive business growth in the e-commerce industry.