

IMPACT OF ECONOMIC FACTORS ON SALES AND MARKETING STRATEGIES OF SELECTED E-PLATFORMS IN THE DIGITAL INDUSTRY

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Abstract

The digital economy has led to the rapid growth in changing the sales and marketing activities of the e-commerce platforms. Although technological characteristics like artificial intelligence and data analytics have amplified personalization and reach, economic realities grow progressively at the heart of the efficacy of these approaches. Sales performance and marketing decisions of online platforms are directly dependent on variables like inflation, consumer purchasing power changes, logistics and operation costs, and digital taxation policies. This paper discusses how some economic factors have influenced the sales and marketing policies of the selected e-platforms that are in the digital sector. The research design used was descriptive research, which was backed by the primary and the secondary data. To verify the reliability of the research instrument, a pilot study was done to test the instrument. The results indicate that the application of adaptive marketing strategies in line with the existing economic trends is a key contributor to the performance and sustainability of the e-platforms through sales. The study is relevant to the literature because it empirically connects the economic variables to strategic marketing decision in the digital market and provides practical implications to both the managers and policy makers.

Keywords: Economic Factors, E-Platforms, Sales Performance, Marketing Strategies, Digital Industry.

1. Introduction

The online sector, especially the e-commerce sector, has come out as a major contributor to economic, as well as consumer, development across the globe. The innovations in the internet connectivity, mobile technology, and online payment systems have transformed the consumer purchasing habits and the spread of online platforms. Nonetheless, in addition to the advancement of technology, the economic situation has a greater impact on the way e-platforms structure and execute their sales and marketing strategies. Due to inflationary pressures, variable disposable income, increases in the cost of logistics and operations, changing digital taxation and regulatory regulations, consumer demand and organizational decision-making have been influenced in recent years. Even the most technologically developed platforms experience decreased rates of conversion and increased customer acquisition expenses in the times of economic uncertainty. This fact notwithstanding, the available literature mostly dwells upon digital tools and innovations, and little empirical evidence is given to the impact of economic variables on the formation of sales and marketing strategies, and these aspects in the Indian case in particular. This study fills this gap by evaluating the impact of the chosen economic variables on the strategic decisions of e-platforms on sales and marketing in the digital sector.

2. Review of Literature

Most of the literature emphasizes the importance of digital technologies to boost sales performance and customer interaction on e-commerce (Chaffey and Ellis-Chadwick, 2019; Kannan and Li, 2017). Research states that artificial intelligence-based personalization, social media marketing, and omnichannel integration are tools with positive effects on the conversion rates and customer loyalty.

Nevertheless, researchers also highlight the increasing difficulties in the context of increasing marketing expenses and decreased returns on online advertising in the competitive markets (Steinhoff et al., 2019). Marketing efficiency is indirectly influenced by economic factors such as inflation and variations in consumer spending power because of its impact on demand and sensitiveness to price.

The studies of data privacy and regulatory systems prove that the compliance expenses and legal limits have additional impact on the marketing strategies (Martin and Murphy, 2017). Although these researches are very insightful, they do not focus a lot on the joint effect of economic variables on sales and marketing decisions. Besides, there is a lack of empirical literature analyzing how e-platforms adjust their strategy in the changing economic conditions, which means that the current study fills a gap in research.

3. Research Objectives

The objectives that guide the study are the following:

1. To test the effects of the chosen economic factors on the sales performance of the chosen e-platforms.
2. To examine how economic conditions affect the decision of marketing strategies of e-platforms.
3. To determine the effectiveness of the adaptive sale and marketing strategies in the dynamic economic times.

4. Research Methodology

The research design used in the study is descriptive research design that will concentrate on some e-commerce sites which are active in India. Marketing professionals, sales executives and the active online consumers were selected as primary data sources by use of structured questionnaire that adopted use of a five-point Likert scale. The secondary data was obtained in the form of scholarly journals, industry reports, company publications, and government publications.

4.1. Pilot Study

The research instrument was tested to determine its clarity, reliability and validity on 20 respondents in a pilot study. The findings showed very high internal consistency with the values of Cronbach alpha going beyond the acceptable level of 0.70. Using pilot responses, the questionnaire was slightly adjusted and the final survey was given.

The data collected was analyzed through the use of percentage analysis and mean score analysis in order to derive the effects of the economic variables on the sales and marketing strategies. The sample size and the use of self-reported responses are a limitation to the study.

5. Data Analysis

To evaluate the influence of economic and strategic factors on sales performance of e-platforms, the primary data were analyzed using mean scores.

Table 1: Effects of Economic and marketing strategy factors on Sales Performance.

Factor	Mean Score*	Interpretation
Pricing sensitivity under inflation	4.2	Highly effective
AI-based personalization	4.3	Highly effective
Social media marketing	4.1	Effective
Logistics and delivery cost management	4.0	Effective
Omnichannel integration	4.4	Highly effective

- “Mean score on a 5-point Likert scale (1 = Very Low, 5 = Very high)”

Interpretation: The results show that economic issues like pricing sensitivity and cost control of logistics has a significant impact on sales performance. Platforms that allow thinking about AI-based personalization and omnichannel strategies and align them with the current economic environment are more effective in terms of customer engagement and conversion rates.

6. Limitations of the Study

The study has some limitations. The results obtained were from a small sample size and a few selected e-commerce platforms, which makes it difficult to generalize the findings. The correctness of the findings is largely dependent on respondents' truthfulness and understanding. Besides that, time limitations and dependence on online data gathering have also constrained the study.

7. Challenges in E-Commerce Sales & Marketing

E-platforms are becoming more and more challenging with the cost of acquiring customers growing, consumers becoming price sensitive, and higher logistics costs becoming more expensive. Competition is further enhanced by economic uncertainty that makes traditional results of digital marketing campaigns less effective and requires less expensive and more adaptive approaches.

8. Findings and Discussion

The analysis showcases that economic forces are the defining element that defines the sales and marketing practices of e-platforms. There is strategic integrity of economic conditions, capability of technology and customer engagement practices resulting in better sales results. Marketing strategies that respond to inflation, cost pressures, and consumer affordability through the platform are more sustainable in the digital industry.

9. Conclusion

The study makes an inference that economic factors play a significant role in the sales performance and marketing strategy of e-platforms in the online sector. Without strategic alignment to the economic realities, it cannot continue with the adoption of advanced technologies. Cost effective and flexible marketing strategies enhance long term sustainability and competitiveness. The results can be very meaningful to the professionals and can be applied as a platform base in the subsequent empirical studies related to the economic effect in the digital trade.

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