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Interpreting the Role of Digital Marketing in Global E-Commerce Business of Indian Fashion Brands

Tanvi Jain[1], Akhil Vashisth[1], Gautami Khanna[1], Geet Khanna[1]
[1]Independent Research Scholar from Delhi, India
Emails: j.tanvi@outlook.com , akhilvashisth00@gmail.com , gautamikhanna2001@gmail.com, geetkhanna.2948@gmail.com

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ABSTRACT
Indian fashion brands hold a unique place in the global markets. Brands often focus on the country's rich cultural heritage which translates into the rising costs of production and the prestige of such brands. As digital commerce increasingly becomes the stage on which these brands perform their cultural heritage, Indian textiles have become a sought after good. However, there is something to be said about how our brands continue to lag behind International ones. Customers are heavily attracted to foreign brands over local ones, this is a phenomena raised all over the digital marketing scene. One of the main faults of this can be identified in the brands communication strategy. This paper will help examine how the newly emerging digital marketing systems shape, grow, as well as constrain the perceived value of Indian fashion within a global e-commerce network where translating their perceived value is of utmost importance. With a focus drawing on signalling theory, information asymmetry, consumer learning theory, and interpretive marketing frameworks, this paper will develop an analytical framework to examine how digital marketing functions not merely as a marketing tool of persuasion but as an ever growing system through which consumers can learn the value of a product; not just for their basic everyday use but from a cultural perspective, while also helping stabilise its value over time in a context foreign to its origins. In particular, the paper argues that almost no Indian fashion brand has redesigned its digital marketing architecture around information asymmetry and not held focus on translating of values, which has resulted in persistent under-communication of not-so-visible product attributes. This paper looks at digital marketing as a space that signals value rather than chasing performance metrics to help brands focus on equity formation and craft a unique personality with which to enter the digital market
Keywords: Digital marketing, fashion e-commerce, signalling theory, information asymmetry, brand equity, qualitative analysis, Indian fashion.

1. INTRODUCTION:

Fashion markets have become increasingly digitised which has transformed the way value branding is performed by fashion brands all over the globe. Digital platforms have given fashion brands a lower point of entry into the digi scape, expanded their geographic reach, and enabled direct-to-consumer (D2C) business models to flourish across global markets (Hagiu and Wright, 2015). Indian brands have used this opportunity to create increasing brand awareness, adopting marketing strategies that play to their advantage within this challenging market, where physical interaction has been replaced by a need to create a certain level of appeal using digital means of communication.

Fashion is one such industry that heavily relies on factors that it inherently carries; material quality, construction, integrity, durability, and embodied comfort are central to its value perception, yet are difficult to assess digitally (Peterson et al., 1997). What Peterson points out is a particular disadvantage for Indian fashion brands based solely on the fact that they are deeply rooted in traditional practices of hand technique, material sourcing which raise production time and embody artisanal knowledge. India has many artisanal communities whose livelihoods are threatened by fast paced machine woven products. To offer these communities a proper means of livelihood requires a production process streamlined to their needs. These attributes contribute substantially to cost, but remain largely opaque within digital environments.

More often than not digital marketing practices in Indian fashion have largely made short-term performance optimisation their primary goal; click through rates, return on ad spend dominate brands decision making. Ignoring value to see an increase in short term revenue generation does not build brand loyalty and does not let brands build a network of trust with the customer. As a result, brands may achieve transactional efficiency while simultaneously eroding long-term brand equity.

It is precisely this tension that the paper seeks to evaluate and offer substantial solutions for. Rather than asking how digital marketing can be made more effective in driving sales, we ask how can a brand create a digital marketing structure whose value can be interpreted by consumers within the still highly competitive fashion e-commerce. By approaching digital marketing as an interpretive system rather than a set of tactical tools, this study seeks to uncover the deeper mechanisms through which Indian fashion brands succeed or fail in translating material value into digital meaning.

2. LITERATURE REVIEW AND THEORETICAL FOUNDATIONS

2.1 Information asymmetry in digital markets

"The quick rise of information asymmetry in the digital market space has occurred because sellers increasingly possess more information about product quality than buyers, creating uncertainty and risk in purchasing decisions" (Akerlof, 1970). In a physical set up the consumer can verify the quality of a product via sensory evaluation like the touch or the fit but in digital commerce, asymmetry is amplified. Consumers can only rely on the image of the product and its underlying description to make their purchasing decisions. These descriptions and product images seem only to paint half a picture, leaving the other half blank and full of uncertainty. Is the product easy to wear and tear? How would it feel putting on? Fabric behaviour heavily depends on the techniques through which it is acquired and without a background check on textile sources the customer is at a disadvantage when it comes to online shopping for goods. An asymmetry is built which a brand's digital marketing strategist fails to notice.

2.2 Signal Theory and Market Interpretation

"Signal theory could provide a basic framework for understanding how brands communicate unobservable attributes under these conditions" (Spence, 1973). A brand does not need to spell out every single attribute of the good, but there are ways to signal a product's value that can be built into the brand's marketing system, which can help customers identify whether what they are buying is worth the cost or not.

Signaling is a long drawn-out process and does not exactly favour performance metrics as it can be a costly enterprise to promote and often be misused by companies whose sole motivator is reaching profit margins. They could garner influencers, create an aesthetic branding and still be selling products that are of low value thereby betraying the customer. It is not a tool for all but it is a smart tool for those who have a good product and want to build customer trust. Otherwise branding itself just becomes superficial noise in an already over brimmed market. For fashion brands, the challenge lies not in producing more signals, but in producing signals that meaningfully reflect embedded value.

2.3 Consumer Learning and Interpretive Meaning

Consumer learning theory emphasises that value perception is not instantaneous but develops over repeated interactions and interpretations (Alba and Hutchinson, 1987). Consumers form mental models of brands through accumulated exposure to their story; the brand's personality which in digital contexts is heavily fragmented across multiple touchpoints, including social media, product pages, reviews, and advertisements. Interpretive consumer research further suggests that consumers actively construct meaning rather than passively receiving information (Thompson, 1997). Which is why marketing cannot restrict itself to one fold description of a product but has to actively act as an invitation for the consumers. Provide a space for them to interpret the brand's story and internalise its value (Mick and Buhl, 1992). Digital marketing isn't just a field where money mongers persuade people to buy their products but is a highly pedagogical arena. It teaches consumers how to see and value products.

3. RESEARCH GAP

Despite extensive research being conducted on digital marketing performance and platform optimisation, limited attention has been paid to how digital marketing structures value consumer interpretation in fashion e-commerce. Studies on this topic have given a lot of focus to measurable outcomes such as consumer engagement and revenue earned on ads, meanwhile overlooking the story behind the scenes which the customer actually wishes to know. Suggestion is a great tool in marketing as it leaves space open for interpretive processes such as trust formation, credibility assessment, and value learning. All done by the customer, who isn't just buying a product by investing his time and money into a future of using that product. Within Indian fashion we feel this asymmetry between the consumer and the producer very well. Brands frequently reference craft, heritage, or artisanal value in their promotions, these promotions often sound hollow to the ear, treated as noise by the consumer who knows that the brand is merely hopping onto a trend cycle which will end before the week is over. This is because brands neglect to properly integrate these aspects of their product into an overall personality. We buy products we can connect with, a story behind a product helps build an emotional bridge to the consumer. This builds brand loyalty and has the customer returning to the same website over and over. This paper will focus on trying to address this gap by developing a framework that leaves space for consumers to read between the lines and form their own judgements about a brand's story over being fed the same marketing gimmick of culture, craft and heritage, which has begun to feel repetitive.

4. METHODOLOGY AND ANALYTICAL APPROACH

We will focus on a theory centric approach and not a data centric one and will be analyzing the limitations of Indian fashion brands marketing strategies based on our conceptual understanding to see how bringing about a change in the way e-commerce runs in the country could help build better trust and enforce higher standards of craft into the zone of digital marketing. We will be examining digital spaces like brand websites, social media content, campaign narratives, and platform interfaces to prove that there is space for brands to adopt a better model of marketing. First, we have identified the dominant digital marketing patterns prevalent in current digital marketing spaces. Then we will establish our theoretical backings; signalling theory, information asymmetry, and consumer learning theory to analyse these patterns and try to fit our findings into a framework that explains how digital marketing shapes the value of goods and helps customers interpret their shopping lists.

5. ANALYSIS: STRUCTURAL MISALIGNMENT IN DIGITAL FASHION MARKETING

5.1 Visibility Bias and Surface-Level Signalling

Digital marketing in fashion is overwhelmingly visual for obvious reasons. We have brands and producers in general aiming to invest in creating stylised photographs, and short-form videos as a means to connect with the consumer. The question to ask here is, do consumers really prefer this form of communication? Visual cues are of course essential when it comes to buying from clothes, how a dress looks is an important factor influencing buying decisions, which is why it makes sense for a brand to pay close attention to their aesthetic but these aesthetics are not stable categories, specially in a world of social media influencers. Aesthetics change and if the brand keeps shifting from one aesthetic to the next, it risks alienating its customers. Many brands can offer a red dress but not every brand can raise the value of the dress simply by letting the customer engage with the material complexity and production effort put into fashioning the dress. Easily observable attributes such as colour receive emphasis on the brands website but what of the hard work that goes into the creation of these fabrics, the stories behind the craft are completely ignored. Over time, consumers learn to prioritise what is visible, reinforcing the brand's own shallow evaluation heuristics.

5.2 Performance Metric Dominance

It cannot be denied that digital marketing strategy is shaped by platform analytics. Metrics such as engagement, and ad clicks guide budget allocation for branding. It has to be understood that these metrics can only capture short-term behaviour of the consumer. They do not reflect the way consumers will interpret the next advertisement they see on their app. This strategy does not build credibility but only creates a feedback loop in which the brand continues to revel in short term engagement, building no clear target audience. By using short form reel content, brands try to reduce informational depth, building the illusion of efficiency meanwhile the only thing that starts to matter to the customer is the price point.

5.3 Fragmented Craft Narratives

Craft narratives are sometimes present in the branding of a company but they are often fragmented and not well thought out. Occasional references to the artisan or the history behind a certain cloth are made but they are not properly explored. There are no long term narrative structures to rely on. Without actively working on crafting a brand narrative that looks and feels cohesive, any amount of random signalling does not gain customer loyalty. The brand may attract attention momentarily but this attention does not last and as a result the product value is lost amongst a sea of thousands of similar looking products.

5.4 Platform-Induced Homogenisation

Digital platforms induce a level of standardisation, it's built into their programming. Promoting a form of digital democracy. The algorithm observes the consumer and makes decisions for what pops up on their feed according to this observation. Brands try to build a focus audience to cater to and study the content most aligned with them. A script is made and easily followed by staying within the limits of the aesthetic of that focus group, leading to homogenisation of their products and brand imagery. What else is left to make a brand stand out except their price point which will never be fully stable in a competitive environment. For Indian fashion brands, this is particularly disheartening as most of their value lies in heterogeneity and platform-induced homogenisation poses a threat to their individual craft focused narrative.

6. DISCUSSION

So far we have discussed that digital marketing is seen as a system of optimisation. Where performance metrics are held in high regard for they are seen to go hand in hand with efficiency and revenue. In a capitalistic system, this is an expected outcome. Global markets offer stiff competition and revenue generation seems the only viable option for any brand to make it to the big leagues. To sustain their position there however needs the help of a good marketing strategist who sees people as more than passive consumers, and more as active agents with ideas and interpretations of their own regarding the company's product. "Marketing activities function as signals that invite interpretation rather than commands trigger behaviour" (Spence, 1973; Mick and Buhl, 1992). Consistency is what wins out in the long run and ignoring it would only lead to the creation of more data but zero understanding. "Digital marketing analytics can identify correlations, but meaning emerges through contextual interpretation grounded in theory" (Geertz, 1973).

7. DIGITAL MARKETING: HOW SIGNALING HELPS

Signaling, as we have already discussed, has a role in creating information flows. Brands can offer open forums of communication within the space of their digital presence, helping users connect with not only the brand but with each other to reconfirm facts and information gathered. Building a system of cross examination to know whether the brand is upholding its quality metrics and helping become a distinct presence in the consumers mind. All of this requires deliberate planning, and a significant amount of time spent integrating signals into the narrative flow of the brand. The focus can be shifted from campaign performance to signal architecture by viewing digital marketing as infrastructure. raising concerns about how customers are taught to value diversity, which qualities are continuously reinforced, and which are unseen.

8. BROADER IMPLICATIONS FOR EMERGING MARKETS

8.1 Digital Marketing as an Economic Signalling System in Emerging Markets

The difficulties seen in Indian fashion e-commerce are not just industry-specific; they also represent more general traits of developing digital markets. Rapid platform growth, varying expectations, and uneven consumer literacy all contribute to information asymmetry. Therefore, digital marketing systems play an economic

role in emerging markets that goes beyond communication to include market development.

According to traditional economic theory, markets stabilize when players agree on common standards for evaluation. Over time, frequent interactions make prices, reputations, and quality benchmarks readable (Akerlof, 1970). However, the stabilizing mechanisms are still inadequate in developing digital marketplaces. A plethora of brands, price points, and aesthetic cues are presented to consumers without corresponding frameworks for interpretation. As a result, digital marketing becomes a platform for the construction or distortion of evaluative norms. Over time, frequent interactions make prices, reputations, and quality benchmarks readable (Akerlof, 1970). A plethora of brands, price points, and aesthetic cues are presented to consumers without corresponding frameworks for interpretation. As a result, digital marketing becomes a platform for the construction or distortion of evaluative norms.

Indian fashion e-commerce. The majority of brands that do operate in hybrid models, small-batch artisanal production, and mass manufacture are displayed through relatively uniform digital interfaces. concealing underlying variations in labour, cost, and process complexity. According to Spence (1973) “from an economic standpoint, this produces a pooling equilibrium in which high- and low-quality offerings appear indistinguishable, reinforcing downward pressure on price and margins.”

Digital marketing can counteract this effect by introducing signals that allow consumers to distinguish between qualitatively different products. However, as signalling theory makes clear, these messages must be costly, dependable, and difficult to duplicate. In the words of Connelly et al. (2011), "credibility in digital contexts is derived from informational depth, internal consistency, and sustained repetition across touchpoints rather than just visual sophistication." The majority of Indian fashion companies do not have digital marketing strategies that can sustain distinct signals over time, according to the poll. As a result, these signals have a symbolic rather than an economic function. They may increase aesthetic satisfaction without substantially influencing a customer's willingness to spend.

Platform-level incentives exacerbate this shortcoming. Digital advertising systems reward signals that are instantly readable and emotionally striking by optimising for scale and engagement. Digital measures function through instantaneity, while craft-based signals function through accumulation. Even when craftsmanship is strategically crucial to the product, this temporal mismatch makes it analytically undetectable.

Crucially, increasing the amount of storytelling, improving the quality of the images, or working with influencers won't solve the underlying structural issue. Additional content runs the potential of adding symbolic cacophony rather than clarity if the sequencing, reinforcement, and evaluation of signals are not reconfigured. The development of brand equity is further impacted by the lack of signal valuation frameworks in digital marketing strategy. According to Keller's (1993) conceptualisation, systematic consumer learning produces brand equity. This accumulation needs to be carefully planned in digital contexts. However, campaign cycles rather than learning stages are used to manage content calendars.

"Consumers turn to heuristics like price, peer endorsement, or platform popularity when they lack stable interpretive frameworks" (Tversky and Kahneman, 1974). In these settings, craftsmanship ceases to be an economic quality and instead becomes an aesthetic one.

These results are reframed as systemic rather than tactical failures when digital marketing is seen as an economic signalling system. It implies that the lack of interpretive governance is the issue rather than the quality of implementation. The prevailing narratives around digital democratisation are likewise contested by this viewpoint. Access by itself does not ensure value recognition, even while e-commerce platforms are frequently praised for helping small or craft-based firms reach larger audiences. Expanded access could increase competition without increasing valuation in the absence of efficient signalling mechanisms, putting differentiated providers at greater risk rather than opportunity.

The ramifications go beyond Indian fashion. Similar dynamics are anticipated to emerge across categories where quality is experiential, process-driven, or challenging to verify ex ante as emerging markets continue to digitise consumption. The very differentiation that digital marketing techniques aim to create may be unintentionally undermined if they disregard information asymmetry and signal valuation.

9. LIMITATIONS

First, this analysis has been intentionally conceptual rather than being heavily data driven. While this approach enables depth of conceptual insight, it limits the ability to make claims about consumer behaviour at an individual or population level.

Second, we only focused on Indian fashion brands operating within digital spaces with a direct to customer approach. Although the arguments regarding information asymmetry, signalling, and consumer learning are broadly applicable, they may slightly differ across other cultural or product categories. Luxury fashion, mass fast fashion, or non-fashion experiential goods may exhibit distinct signalling dynamics that warrant separate investigation.

This paper also does not measure the long term impact of interpretive digital marketing strategies on brand equity formation. While we outline how digital marketing may shape consumer learning, there is a space for future research to focus on how to operate these theoretical understandings.

Finally, we treat platform dynamics as relatively stable in this analysis. In practice, algorithmic systems, content and performance metrics are continuously evolving..

10. CONCLUSION

It makes sense that profit margin considerations have made digital marketing platforms highly performance-

centric. They have failed to convey their worth to the customer because they have placed a higher priority on visibility than clarity. We have attempted to highlight what Indian fashion firms can do to compete with international brands by re-examining the internet marketing landscape as an open-to-interpretation system. strategic realignment. Instead of creating additional content or data, marketers can act more strategically and reorganise their customers' expectations by emulating a service like adscan. This will contribute to a shift in the perception of Indian fashion brands in international markets.

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