

Digital marketing: It's Impact on consumer Behavior

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Abstract:

The aim of the study is to examine the implication of digital marketing in consumer purchase decision and to find out that the consumers are aware of digital marketing and the digital channels influence in their purchase decision. E-marketing or digital marketing is referred as marketing principles and techniques via electronic media and more specifically the Internet. The consumers today are exposed to various faster digital communication channels, wider networks and new devices and their connectivity with marketers is increasing every day and everywhere in the world. Digital marketing has no boundaries. Company can use any devices such as smart phones, digital billboards, and media such as social media, SEO (search engine optimization), e-mail and lot more to promote company itself and its products and services. Companies should create innovative customer experiences and specific strategies for media to identify the best path for driving up digital marketing performance. The paper build on the relevant literature and at the same time examines consumer behavior by questionnaires.

Keywords: Consumer purchase decision, Digital marketing, E-marketing, Internet shopping, SEO, Social media, etc.

1. Introduction

Digital marketing is marketing that makes use of electronic devices such as computers, tablets, smartphones, cellphones, digital billboards, and consoles to engage with consumer and other business partners. Internet marketing is major component of digital marketing. Digital channel in marketing has become essential part of strategy of many companies. Nowadays, even for small business owner there is a very cheap and efficient way to market his/her products or services. Digital marketing has no boundaries. Company can use any devices such as smart phones, tablets, laptops, televisions, game consoles, digital billboards, and media such as social media, SEO (search engine optimization), videos, content, e-mail and lot more to promote company itself and its products and services. Digital marketing may succeed more if it considers user needs as a top priority. Just like "Rome was not built in a day," so, digital marketing results won't also come without attempt, without trial (and error). The

watchwords "test, learn and evolve" should be at the heart of all digital marketing initiatives. Companies should create innovative customer experiences and specific strategies for media to identify the best path for driving up digital marketing performance.

Consumers are important for organizations as their all efforts are directed toward the satisfaction of needs of their target consumers. Study of consumer behavior help firms to improve their marketing strategy. This helps organizations to understand the psychology of consumers, how they think and feel about the specific products and how they select between different alternatives such as different brands and retailers. More specifically, consumer behavior is defined as the study of individuals, organizations or groups and processes they use to select, use, secure and dispose of products, services, ideas or experience to satisfy needs and impacts these processes have on society and consumers. Study of consumer behavior is very

useful for organizations with its extensive applications. The most obvious use of consumer behavior is marketing strategy. When organizations have clear understanding of behavior of consumer about the product or service, they are in better position to develop and run an effective marketing campaign. For instance, by understanding that consumers are friendly towards food advertising when they are hungry we are more likely to schedule snack advertisement late in the afternoon. Consumer behavior also has its application social marketing which includes the ideas across to consumer rather than selling something.

The Impact of the Digital Revolution in Marketing and Consumer Behavior:

Advancements of technology have affected all the fields of life and so as the business world. Technological revolution is characterized with inventions such as internet, cell phone, global positioning system (GPS devices), notebook or laptop etc. many amazing. These changes have changed our lives to great extent. Now every human is connected with each other due to digital revolution. Communication technology has made it possible to share information quickly and easily. Information technology has also increased the ratio of communication and involved people from everywhere in the world. Digital revolution has provided new and fresh ideas to its users that are so common to use presently. Like all other aspects of life, technology has given a superb impact on consumer behavior and as well as on marketing. Technology has changed the ways to market the product to the target audience and consumers, more emphasis on market side is on how to execute and implement the marketing strategy. Internet is critical mean, used by contemporary organizations to promote their products and services. Now companies are going for social media marketing and promoting their products via social networking websites such as face-book,

twitter, word press, BlogSpot and liked in etc. Whereas in past companies were using traditional means of promotion and advertisements e.g. news paper, radio and televisions. But now, internet provides more innovative, quick and fast way to implement promotion strategy. Internet and social media networking websites provides effective and free of cost media to encompass the target audience. Selling methods have also been changed with digital revolution. GPS devices, notebook, laptop and cell phones bring information through users of those technologies faster. Due to fast and easy access to information, people are more aware and try to get latest information when making a purchase decision. Digital revolution has given emergence to relationship marketing (with focus on customer), industrial or business marketing (with organizational focus) and social marketing (with focus on benefits to society) and most importantly to internet marketing.

Online Consumer Segmentation:

Companies must recognize that cherished knowledge of target market facilitating customer segmentation provides basic information that is necessary to maximize the returns on practices of internet marketing and increase its effectiveness and efficiency. Consumer information is qualifying information that is applied by internet marketers; it also clarifies and helps to connect the promotional content with specific segments of consumers. This process is carried out with aim to match the attributes of products with needs of potential online consumers and these customers are more likely to benefit from specific promotional offers of company. In this case, it must be recognized that whole population that have access to the internet can be potential customers. But from this population, only a certain portion of online population represent the potential customer of the product or service being promoted by the company. Process of online segmentation of

consumers, is consistent with traditional approach of market segmentation. Internet marketers observe the consumer behavior toward the formulation of promotional content and apply the results of observations in segmenting the online consumers. It is designed to forecast behavior of consumer relative to what is already known about current and prospective consumers. The prognostic value of consumer segmentation is obvious as content of promotional strategy and it is aligned with subset of consumers.

Consumer internet behavior

- For people with access, it's a major part of their daily or weekly schedule
- Once people start using the internet their behavior changes permanently
- Over two thirds of people with access use it several times a week or more
- Work audiences account for significant amounts of the online total population

KEY COMPONENTS OF DIGITAL MARKETING

- 1) Website design (User experience)
- 2) Pay per click (PPC)
- 3) Search engine optimization (SEO)
- 4) Social media marketing (SMM)
- 5) Email marketing
- 6) Display advertising (Banners ad)

OBJECTIVES

- 1) To study the influence of digital marketing on consumer buying behavior.
- 2) To study the impact of age and gender as the factors affecting online products.
- 3) To assess whether positive feelings towards a online brand will translate into a consumer purchase decision.

ADVANTAGES

- 1) Stay updated with products or services.
- 2) Greater engagement with digital marketing, consumers can engage with the company's various activities and provide feedback.
- 3) Clear information about the products or

services through digital marketing makes purchase decision.

- 4) Easy comparison with others services.
- 5) 24/7 Shopping buy a product online.
- 6) Share content of the products or services.

Traditional Marketing versus Digital Marketing

1) Traditional marketing is the most recognizable form of marketing. Traditional marketing is non-digital way used to promote the product or services of business entity. On the other hand, digital marketing is the marketing of products or services using digital channels to reach consumers.

2) Traditional marketing includes print, broadcast, direct mail, and telephone. Digital marketing includes online advertising, email marketing, social media, text messaging, affiliate marketing, search engine optimization, pay per click.

3) Success of traditional marketing strategies can be celebrated if the firm can reach large local audience. Success of digital marketing strategies can be celebrated if the firm can reach some specific number of local audiences.

METHODOLOGY

Methods of data collection

1) **Primary data**- Primary data is that data which mainly collected by the researcher on his own to carry out the desired research.

1) Observation method – Through personal observation

2) Personal interview – Through questionnaire

II) **Secondary data**: Secondary data is that data which already been collected for other purpose rather than the present purpose. This process of secondary data is comparatively easy and information can be easily collected from different sources.

I) Internal sources

➤ Marketing activity

II) External sources

➤ Journals

➤ Book

The study will help to find out the Consumer purchase decision which helps the firms to survive in this competitive world.

LITERATURE REVIEW

Digital marketing is the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs (Chaffey, 2013). Marketing has been around for a long time. Business owners felt the need to spread the word about their products or services through newspapers and word of mouth. Digital marketing on the other end is becoming popular because it utilizes mass media devices like television, radio and the Internet. The most common digital marketing tool used today is Search Engine Optimization (SEO). Its role is to maximize the way search engines like Google find your website.

Digital marketing concept originated from the Internet and search engines ranking of websites. The first search engine was started in 1991 with a network protocol called Gopher for query and search. After the launch of Yahoo in 1994 companies started to maximize their ranking on the website (Smyth 2007).

When the Internet bubble burst in 2001, market was dominated by Google and Yahoo for search optimization. Internet search traffic grew in 2006; the rise of search engine optimization grew for major companies like Google (Smyth 2007). In 2007, the usage of mobile devices increased the Internet usage on the move drastically and people all over the world started connecting with each other more conveniently through social media.

In the developed world, companies have realized the importance of digital marketing. In order for businesses to be successful they will have to merge online with traditional methods for meeting the needs of customers more precisely (Parsons, Zeisser, Waitman 1996).

Introduction of new technologies has creating

new business opportunities for marketers to manage their websites and achieve their business objectives (Kiani, 1998).

With the availability of so many choices for customers, it is very difficult for marketers to create brands and increase traffic for their products and services. Online advertising is a powerful marketing vehicle for building brands and increasing traffic for companies to achieve success (Song, 2001). Expectations in terms of producing results and measuring success for advertisement money spent, digital marketing is more cost-efficient for measuring ROI on advertisement (Pepelnjak, 2008).

Today, monotonous advertising and marketing techniques have given way to digital marketing. In addition, it is so powerful that it can help revive the economy and can create tremendous opportunities for governments to function in a more efficient manner (Munshi, 2012).

FINDINGS

It was found that there is no significant difference between internet surfing & gender of the respondents. While age group of 18-30 years surf internet most. Main possible reason behind this may be that younger people are more technology oriented & also they may be working in organizations where they need to work upon computer and internet. A strong relation exists between monthly income, occupation and purchase decision of the respondents. People with higher income group usually have little time to go and purchase products/services from tradition shops because of their busy schedule. Hence in order to save time they trade online. Most of the respondents (irrespective of gender) are hesitant to trade online because of security reasons. There have been cases in the past where personal information regarding passwords & identification theft has occurred. Those incidences have feared consumers. Also usage of newer technology has made online trading more complicated & people resist changing, that is

why consumers prefer traditional shopping as compared to online trading. Most of the respondents irrespective of gender of different age group (especially age group of 18-30 years) find e-shopping more convenient & time saving. A wide range of products/services with variety are available to choose from and also in general traditional shopping in India has never been pleasant for Indian consumers. There has been a mixed reaction in response to quality & authenticity of the products offered. Most of the respondents irrespective of gender of different age group prefer credit cards as the most suitable option of payment followed by debit cards. This is probably due to the fact that with credit cards we can purchase products/services on credit and also now days they can be easily obtained from different banks. It was also found in our analysis that there is a strong relationship exist between mode of payments and income of the respondents. It implies that electronic payment (credit cards, debit cards) has also gained popularity in middle income group. Most of the respondents responded similarly as predicted when they have given options to rate various attributes of hypothetical web-advertisement. By interpreting their reaction graph it can be inferred that information content, additional service-offered & frequency of web-advertisement leave behind major impact on people mind. Service offered & the way of presentation of information plays a major role in positioning an e-product in consumer mindset.

Managerial implication

The present study has several implications for business strategists.

1. The e-commerce market has a great potential for youth segment. If the demographic features are considered carefully then it can be easily identified that maximum number of

respondents of online shopping are lying in age group of 18-25 years. There is wide mismatch in this segment compared with the global market therefore the e-commerce companies in line with manufacturers and service providers should target this segment for rapid future growth of their business.

2. The buying behavior of youth can be elaborated through findings obtained through survey. By focusing on various factors identified in this study, the corporate can make their marketing strategies in better way. It will help to convert their potential customers into active customers. By improving the after sales services, providing more secured payment options, timely delivery of the goods with better packaging can further boost the demand of various products and services through web stores.

3. The market segments like toys, flowers and house wares must be targeted by the marketers on through e-tail penetration. And the market for other products and services must be expanded

Conclusion

Consumer buying behavior is a mental orientation that makes the approach of choices by the researcher. Technological advancement has been having great impact of buying behavior and purchase patterns of consumers. Due to smart technologies, companies can easily and quickly spread their promotional message and hit their target market consumers. They can benefit by technological advanced options to carry out activities. Internet and social networking websites are important tool for marketing contemporary organizations. A successful marketing strategy in modern world organizations, need to consider important factors such as high technology products, cultural backgrounds of target consumers and demographics of target consumers as well.

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