

Research Paper on Digital Marketing and It's Effect on Purchasing Behaviour

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Abstract: The buying pattern of consumer is changing at a faster rate in the customer-oriented market environment. Consumer behaviour changes when it comes to the product, price, features, quality, packaging, buying behaviour, status, generation, age of the customer etc. However, youth is the most complicated group to correspond with. The changing preferences of the present day customer effects the purchasing pattern because they mostly follow the rhythm of fashion and taste according to the changing time. Therefore, Marketers spend crores of rupees and invest too much time on market research every year to identify and predict the changing customer behaviour. Now digital marketing has posed many challenges to the marketer in the retail segment. The present generation is more fascinated with the online shopping than the conventional buying. The marketers are forced to come up with the innovative way of selling due to the pressure of the present generation's purchasing behaviour. The purchasing behavior and behavioural pattern of customer has as greater influence in the buying behaviour, hence in this study, "Digital marketing and its Effect on Purchasing behavior of customer is focused as the core problem. The study reveals that most of the customer of the present generation have access to the digital media but they lack the awareness about its optimum utilization.

Keywords: Digital marketing, Customer, purchasing behaviour of Customer.

1. INTRODUCTION

Digital Marketing is defined as purchasing and selling of information, products, and services via computer networks or internet. Internet and electronic commerce technologies are transforming the entire economy and changing business models, revenue streams, customer bases, and supply chains. New business models are emerging in every industry of the New Economy. Travel industry and ticketing has seen a sea change in the last decade. One estimate suggests that online travel industry contributes about 76% of total net commerce in India. Ticketing is now done either in third party websites or airline sites. Customers of online shopping are delighted with prompt delivery and flawless payment mechanisms building trust in consumers. Even online classifieds have made a successful transition online with jobs and matrimonial taking the lead. Online retailers are now pushing a larger number of categories such as electronics and white goods. In these emerging models, intangible assets such as relationships, knowledge, people, brands, and systems are taking center stage.

The internet is a disruptive technological innovation but consumers everywhere are waking up to the idea of shopping online. The impact on retailing has been profound and as a result many businesses are changing the channels they use to sell their goods and services. In some parts of the world, retailers have been quick off the mark in developing their own individually branded e-commerce stores, whereas in other parts the e-market place dominates.

2. DIGITAL MARKETING SCENARIO IN INDIA

India is the world's 3rd largest internet population. After the proliferation of Internet, Marketing strategy has taken an off root to reach out to the public. The tremendous growth that digital marketing has shown cannot be match up with any other strategy. Looking up to the current scenario in India, people here are not only aware of Internet but are employing it

for various purposes in life. Thus, there's a booming internet marketing industry in India. In India social media is the driving the adoption of digital marketing.

The retail sector in India is booming both online and offline. India is a relative latecomer to the online shopping revolution but it is predicted that online sales will grow by 50 per cent annually in the next few years. The country is already the third largest nation of internet users with over 120 million and the rapid uptake of mobile commerce is predicted to increase the number of users to over 550 million by 2020. Social media is helping to drive the development of digital marketing. Increasingly wealthy populations of young internet savvy customers are spending more time and money online and in doing so are influencing shopping trends. Among the popular products online are books, consumer electronics, travel, financial services, apparel and beauty care. Online shopping activity is concentrated in major urban conurbations with Mumbai being the main centre followed by Delhi and Kolkata. A large proportion of the purchases are conducted in online market places such as Snadpdeal, launched in 2010. Currently, the internet accounts for only a small proportion of India's GDP but the predictions are that an internet boom is just around the corner for Retailers.

India's young generation are supposed to follow strict moral and family values and supposed to invest their whole time and attention towards study and career. So the career, education has to be the sole aim of a them. Indian customers are the powerful segment in the market who directs the manufacturers to make what they want. This study evaluates the extent to which the customers plays role in directing the marketer. The study will be useful for the marketer to devise the marketing strategies to capture the present and potential youth segment in the products under study. According to the National Costumer Policy-2014, the study that cover the entire costumer in the age-group of 15-29 years, which constitutes 27.5 per cent of the population according to Census-2011, that is about 33 crore people.

3. PURCHASING BEHAVIOUR OF CONSUMER

Purchasing behaviour of an individual plays a predominant role in the consumer behavior in general and among the customer in particular. Purchasing behaviour marketing is a process of establishing relationships between products offered in the market and targeted purchasing behaviour groups. It involves segmenting the market on the basis of purchasing behaviour dimensions, positioning the product in a way that appeals to the activities, interests and opinions of the targeted market and undertaking specific promotional campaigns which exploit purchasing behaviour appeals to enhance the market value of the offered product. In India internet is around 22 years old. India is among the top 3 population of internet users with 145 million consumers. The digital marketing is having just 5-6% of organised retailing. This reveals that some elements are the hindrance in the prosperity of online marketing in India. The risk perceived by the costumer in India is one of them. The prosperity of online shopping in India is huge because of its big size of young generation population. The government is investing a lot in internet infrastructure. The organized retailing can't reach to the rural part of India easily whereas online retailers are finding their buyers in cities including villages of across India.

4. LITERATURE REVIEW

As we can see in the recent years, the popularity of social networking sites and digital marketing has increased at a global level. For example, Facebook is said to have more than a billion users from the time it began in 2004. Social networks are increasingly taking up a greater share of consumer time spent online. Users are also using different online formats to communicate, such as Blogs, YouTube, Myspace, Instagram and Facebook to share information about the product or service and also to contact the other consumers who are also seen as a more objective information source. The unique aspect of digital marketing and it immense have revolutionized marketing practices such as advertising and promotion. Likewise, there are many advantages of using digital marketing, it helps to connect business to consumers, develop relationships, and foster those relationship in a timely manner and at a low cost. Digital Marketing websites gives an opportunity to the organisations to connect and interface with potential and current consumers, which will help to have a strong customer relationship and also to build all-important meaningful relationships with consumers particularly in the present business condition when consumer loyalty can vanish at the smallest mistake, which can moreover have on the online propagation of their unfortunate encounter with a particular product, service, brand or company.

5. CONSUMER PURCHASE BEHAVIOUR

Consumers have a tendency to take part in relational behaviours to accomplish more efficiency in their decision-making, to reduce information processing, to achieve more cognitive consistency in their decisions, and to reduce the perceived risks associated with future choice. A consumer begins to feel safe with the service provider or supplier when transactions are done successful. When consumer trust the company, they realize that this organization can satisfy their requirements and needs and in the long run, they become committed to the company. Consumer online purchase decisions have mainly focused on identifying the factors that affect the willingness of consumers to engage in internet shopping.

In the space of consumer behaviour research here are general factors of purchasing behaviour that delineate the procedure which consumers use in making a purchase decision.

a. Cost efficiency.

b. Information satisfaction. c. Consumer Trust.

d. Internet shopping experience. The online shopping environment empowers consumers to reduce their decision-making efforts by giving huge selection, information screening, dependability, and product comparison. Since the Web gives screened and examination data for options, consumers may likely to reduce the cost of information on search and the effort in making purchasing decisions.

6. NEED OF THE STUDY

Digital Marketing has brought amazing changes in the way in which the marketer markets the product and the way in which the customers are purchasing the same.

Purchasing behaviour of an individual influences many factors, and these factors invariably affects the marketer to match the needs of the customers in general and youth in particular. So it is realized that there is a need to study Digital Marketing and its effect on purchasing behavior of the Consumer and Customer.

7. OBJECTIVES OF THE RESEARCH

The following are the objectives of the study

- To identify the factors influencing the changing purchasing behavior of the Consumer.
- To examine the changing purchasing behaviour of the consumer and their effect on Digital marketing.
- To suggest the Indian marketers, the changing purchasing behaviour of the consumer and its influences on their purchasing behavior.

8. RESEARCH METHODOLOGY

8.1 Sources of Data

For the present research use both primary and secondary data. Primary data is collected through the questionnaire. Such secondary sources are drawn from the published articles, research papers, published general reports, sources through related websites etc.

8.2 Sample Design

The present study is the research oriented study. Researchers use both primary and secondary data for this study. Researcher use simple random sampling technique to select the sample.

8.3 Sample Size

For fulfilling the objectives of the study researchers randomly select 53 consumers from Particular Area.

8.4 Data Analysis and Discussion

One of the important steps is to analyze the data and discuss the findings. In this part researchers will discuss the empirical findings from this study. The data analysis mainly concerns primary data collected in the form of questionnaires distributed among Consumer.

9. FINDINGS OF THE STUDY

The following are the important findings of the study India is the 5th largest nation in term of YouTube users. On an average, Indian's spend around 14 hours a week online, which completely overshadowed Television. The Indian Online advertising market is growing fast at the rate of 50% per year and it was reported to cross 1000 crores in 2020. The factors which generally influence the purchasing behaviour of the consumer includes, lifestyle, attracting the opposite sex, purchasing power, family background, employment status of the consumer, intervention of Western culture, educational qualification etc. India has nearly 950 mobile subscribers and at least 50 million subscribers have internet enables mobile phones. The number of websites in India is more than 90 million while that of Facebook profiles is more than 500 million. Every day over 8 million inbound and 12 billion outbound messages are sent via Whatsapp. Besides, online retail in India is on rise as 60% percent of web users in the country visit online retail sites. The study reveals that most of the youngsters of the present generation have access to the digital media but they lack the awareness about it optimum utilization. Using mobile internet and many more other factors account for a growing digital marketing industry in India. When all other industries in India are struggling with 10 to 12 %, digital marketing industry is booming high with 30% growth rate. Even after having such blowing opportunity, India still lack people who are skilled and mastered in Digital marketing. India needs talented Digital marketers who can use this opportunity which can create a revolution. Things will get better in the current scenario and in future too as India has the resources. All that to be done is to polish the talent. The markets of the present day also do lot of research to understand the youth and their purchasing behaviour pattern, so that they can match to the requirement of the Consumer segment Buying behaviour is a changing factor and that too it is changing at a faster rate, so most of the products which is of recent innovation becomes obsolete too quickly. Innovation kills innovation. Due to changing technology what is an innovation today becomes obsolete tomorrow. This poses many challenges to the marketers. Majority of the respondents feels that any time purchase is possible through online. Respondents feels that customers take very less time to purchase.

10. SUGGESTIONS OF THE STUDY

The following are the important suggestions of the study

1. Marketers need to understand the accessibility of the digital facilities to the Consumer segment, before launching any product in online.
2. Marketers need to conduct pre market survey to identity the need of the consumers especially in digital marketing.
3. Consumers need to be aware of digital marketing and there is a need to create a proper awareness.
4. As most of the studies revealed that the customers are risk averse and hence they need to be taught how to handle risk associated with digital marketing.
5. The study ultimately suggests the readers and users to be aware of all the Digital marketing portals and make use of their utility to the maximum extent with utmost care and caution.

11. FIGURES AND SURVEY RESULTS

Are you Familiar with Digital Marketing ?

53 responses

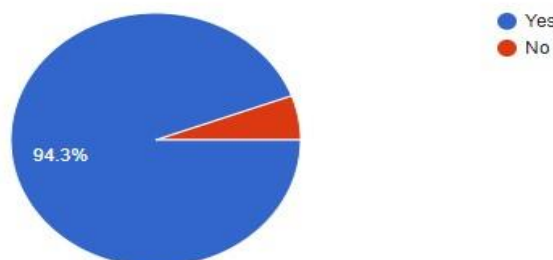


Fig 11.1 Are you Familiar with Digital Marketing.

It has been found that majority of respondents i.e 94.3% are familiar with Digital Marketing.

What type of of Digital Marketing have you Seen Most ?

55 responses

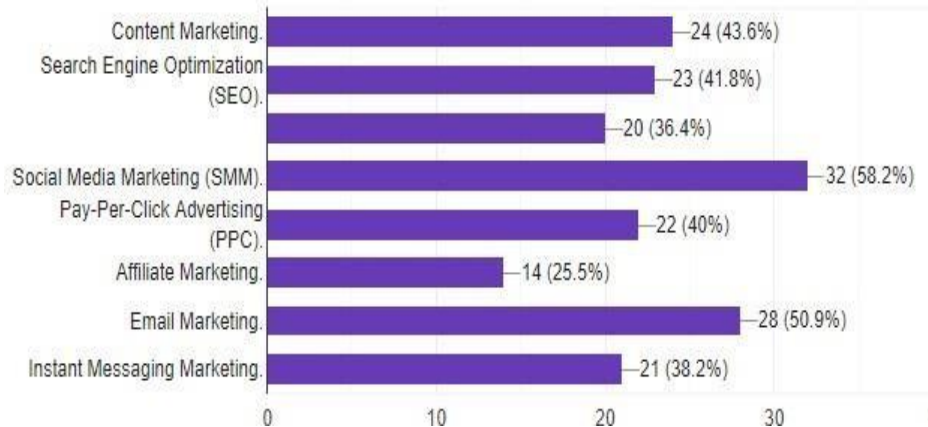


Fig 11.2 What type of Digital Marketing have you Seen Most.

It has been found that Social Media Marketing(SMM) is Seen most by the Consumers.

As a Customer What do you Prefer ?

55 responses

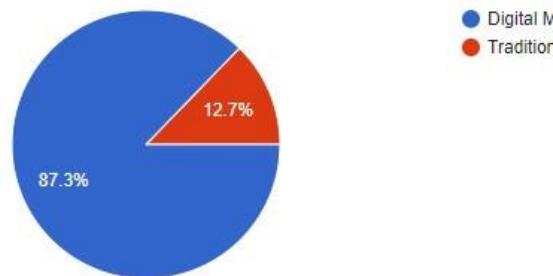


Fig 11.3 As a Customer what do you prefer, Digital Marketing or Traditional Marketing.

As a Customer most of the users i.e 87.3% Prefer Digital Marketing.

Which is More Cost Effective ?

55 responses

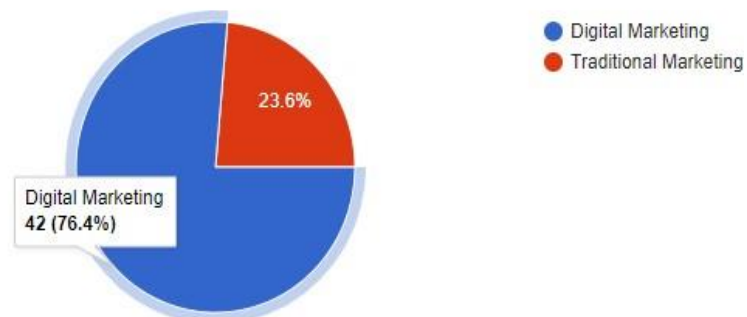


Fig 11.4 Which is More Cost Effective.

As Per Survey Digital Marketing is More Cost Effective.

As a Startup what would you Prefer ?

55 responses

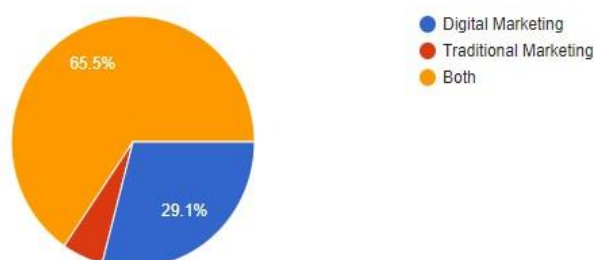


Fig 11.5 As a Startup what would you Prefer ?

As a Startup Most of the Consumer Prefer Both Digital Marketing as well as Traditional Marketing.

Which Social Media Platform would you Prefer for Digital Marketing.

55 responses

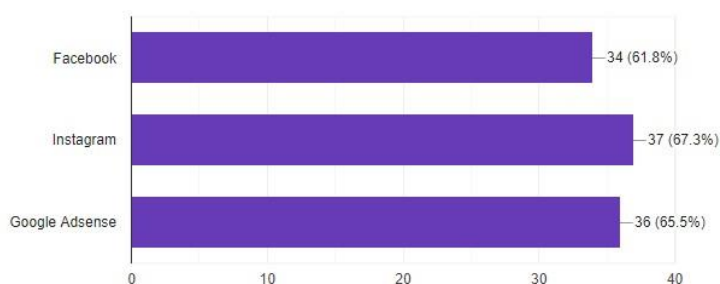


Fig 11.6 Which Social Media Platform would you Prefer for Digital Marketing.

It has been found that Most of the Consumer Prefer Instagram for Digital Marketing.

12. CONCLUSION

To conclude, the Costumer, their purchasing behaviour, their purchasing power, awareness about the products etc. have greater influence on the individual and family buying behaviour. As per the present National Youth Policy there are around 33 crore population in India is the youth in the age range of 15-29 years. They form a major portion of market segment in India. Every marketer must understand the psychology of these youth segment, so that they can be a successful marketer in the days to come in the competitive economy. The Digital marketing which has revolutionized the economy in general and marketing in particulars poses many threat and challenges to the marketer in the competitive market. Changing purchasing behaviour warrant the marketers to understand the youth in a better way to devise suitable marketing strategies to retain the present and to capture the potential market, so that the market can move on from the mere customer oriented marketing approach to Technological Customer Oriented Marketing approach in the near future.

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