

## RESEARCH PAPER ON IMPACT OF DIGITAL MARKET ON CONSUMER BUYING BEHAVIOUR

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Dhara g. Chauhan\*

### ABSTRACT

*Digital marketing grab wide area and in the highly competitive market it involve exploring business model using digital technologies which reduces cost and expand business globally. Today digital marketing have a greater scope of expanding their business in the future as customers are much more satisfied by doing online shopping as they find digital marketing much more safer than traditional marketing. Digital marketing provide opportunity to the customers to have a look on the information of the product provided by the company and can able to do comparison accordingly, so that they are able to enjoy right to choice and can place order at any time 24\*7 at any place. Consumer behaviour is the study of individuals, groups, or organizations and all the activities associated with the purchase, use and disposal of goods and services, and how the consumer's emotions, attitudes and preferences affect buying behaviour. Consumer behaviour emerged in the 1940s and 50s as a distinct sub-discipline of marketing, but has become an inter-disciplinary social science that blends elements from psychology, sociology, social anthropology, anthropology, ethnography, marketing and economics (especially behavioural economics).*

**KEYWORDS:** *Digital, Digitalization, Technology, Behaviour.*

### Introduction

Digital Marketing refers to online marketing, internet marketing. Digital Marketing not only essential for grabbing wide area for marketing but it also equally essential for customers as it provide number of opportunity to talk directly with customers. In the highly competitive market and technology advancement with the usage of internet it has shift the marketing strategies to digital marketing strategies and the way of dealing with the customers with the passage of time. Day by day it increases the use of digital marketing as consumer gets wide variety of products not only with in particular geographical boundaries but from all over the entire world .The term digital marketing has become popular over period of time.

Consumer behaviour is difficult to predict, even for experts in the field; however, new research methods, such as ethnography, consumer neuroscience, and machine learning are shedding new light on how consumers make decisions. In addition, customer relationship management (CRM) databases have become an asset for the analysis of customer behaviour. The voluminous data produced by these databases enables detailed examination of behavioural factors that contribute to customer re-purchase

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\* Ph. D Research Scholar, Department of Commerce, Bhakta Kavi Narsinh Mehta University, Junagadh, India.  
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intentions, consumer retention, loyalty and other behavioural intentions such as the willingness to provide positive referrals, become brand advocates or engage in customer citizenship activities. Databases also assist in market segmentation, especially behavioural segmentation such as developing loyalty segments, which can be used to develop tightly targeted, customized marketing strategies on a one-to-one basis.

### Literature Review

**Patricia M. Shields and Nandini Rangrajan (2005)** in his book *A Playbook for Research Methods: Integrating Conceptual Frameworks and Project Management*. (explained that empirical research is often ignored in the research method texts. They explained with the help of football as a metaphor in research. This book focused on the basic management research papers. Elements of research paper are broken in to smaller parts like different activities of football players. Scholars can make their research in this way. They said that there is a role of theory but empirical research is not only like playing football but it is like coaching football. Scholars should be like coaches who works with literature and analyses literature for research. This book examines that scholars starts with the suitable topic and then recognizing critical literature, chooses his research methods, analyses data and presents research results findings. They said that there is difference between the process of reviewing of literature and final literature review. The process of reviewing of literature is a continues work and has many empirical research elements in it. The latest literature should clearly present research project and scholars must deeply study the literature. A complete literature review should explain the literature of the research problem entirely. The process of reviewing the literature needs various kinds of activities and various ways of thinking.

**Dr. Seema Agarwal (2008)** in her research on study of factors affecting online shopping behavior of consumers in Mumbai observed that factors affecting online shopping are time saving, money saving, easy transactions, easy comparison of products and services and in time delivery of goods. Her findings says that there is correlation between age and online shopping, that is, young generation is inclined towards online shopping and older age consumers are not keen to shop online shopping. Results shows that the higher educated consumers are more interested for online shopping. Male consumers rate for online shopping preference is 60%. 38% consumers feel that online buying is easy. Majority of respondent consumers, 92 %, feel that online shopping is time saving and 85% consumers says that it is money saving. Mostly consumers feel that online shopping is less risky and there is timely delivery of goods services. Online shopping has increased in India. There are some consumers who are not interested towards online shopping. Online shopping is a form of e-marketing which allows consumers to directly purchase goods and services from sellers over the internet. Customers can see the displayed products on internet and can analyse what other similar online shopping outlets are offering and can get the best deal out of it.

**Richa Devgun and Dr. Parul Agarwal(2010)** in their study found that e-shopping is more convenient and time saving. 65% consumers agree that online shopping is easily accessible. Young consumers of age 18-30 years are more attracted towards discounts and special offers in online shopping. It is revealed that 47% consumers are concerned about disclosing personal information and mostly consumers shop from shops and 32% shop from online. It is shown by them that 52 % respondents are highly concerned about the security. There is a positive relation between income, young age and online shopping. Both the genders, male and female, use internet frequently in Rajasthan. Mostly consumers highly agree that online shopping is more convenient, time saving and there is easy accessibility in online shopping.

**Dr. Sanjay Hooda and Sandeep Aggarwal (2012)** in their analyzed the online shopping behavior of Jaipur consumers. They suggested that most of the respondents irrespective of gender difference, age group of 18-30 years find eshopping more convenient, time saving and prefer credit card as the convenient mode of the payment followed by debit cards and cash payments. Consumers prefer the E-ticketing as the most popular service followed by e-booking and ebilling. They observed that @68% consumers find shopping from shop more easier and convenient and @32 % like to purchase goods from online shopping. There is a strong relation between income, occupation and purchase decision of respondents. People of higher income prefer to shop online because they do not have time to go to market and spend 2-3 hours on shopping. It is observed that young generation is highly attracted towards discounts and offers given by companies. It is also observed that most of the respondents are reluctant to shop online because of the security concerns. They find that people are still tradition bound and have doubt in mindset as far as issue of online shopping is concerned. Future of online shopping is bright in Rajasthan.

**Monika Pathak and Gagandeepkaur (2013)** in their study *Innovation and Technology in Popularity of Online* (2014) says that Innovation technology plays important role in the popularity of online shopping format of business. Online shopping is increasing these days hugely due to the increasing penetration of internet. Innovation refers to the adoption of latest technology and changes in the system for the current requirements of consumers. A number of factors makes products attractive to customers. These are external environment, geographical factors, personal characteristics, product qualities, brands, consumer satisfaction, and payment options. With the rapid development of technology and innovation in the field of online shopping, there is a great change in the shopping pattern.

**Dr. Payal Upadhyay and Jasvinder Kaur (2014)** in their study of *Online Shopping Behavior of consumers in Kota* revealed that consumers (approximately 80%) mostly purchased tickets and 8% purchased clothes, 10% likes books, 25% likes video games, 18% likes electronic goods and 20 % music. According to study on mode of payment consumers generally pay through cash on delivery (80 %), 55 respondents out of 60 respondents, then followed by credit cards and debit cards. It was found that information and quality of products, time saving, convenience, security, timely delivery and mode of payment are important factors in the online shopping. It is suggested that for more usage of online shopping consumers should be educated, government role is important, e-marketers should think about consumer interests and banks should promote credit card and debit card facilities in online shopping.

**Sathish and A. Rajamohan (2015)**. In their study *Consumer behaviour and buying behaviour marketing*, a general approach of consumer is taken. A consumer's buying behaviour is seen as the sum of his interactions with his environment. Buying behaviour studies are a component of the broader behavioural concept called psychographics." Harold W. Berkman and Christopher Gilson define buying behaviour as "unified" patterns of behaviour that both determine and are determined by consumption. The term "unified patterns of behaviour" refers to behaviour in its broadest sense. Attitude formation and such internal subjective activities may not be observable, but they are behaviour nonetheless. Buying behaviour is an integrated system of a person's attitudes, values, interests, opinions and his over behaviour. It is found in this study that "Consumer behaviour is still a young discipline and most of the research now available has been generalised only during the past fifteen years or so. Innovations such as the buying behaviour concept and AIO research represent ways to move the study of consumers away from isolated, often unrelated projects towards broader integrated systems and research techniques.

#### **Types of E – Market**

- **B2B:** This involves business to business marketing or inter – company business done online. Business organizations sell their products and services to other business organizations using the internet. It also covers purchasing, services, support and payment system.
- **B2C:** This involves business to consumer marketing, where products and services are marketed by business organizations directly to the ultimate consumers using the Internet. Activities include sales, services, customer information and customer support.
- **C2C:** This involves consumer to consumer marketing, where consumers directly sell products or services to other consumers, using the internet. Firms like eBay provides such facilities.

Among these types, the maximum e – marketing activities take place, and the maximum online marketing opportunities lie in B2C where marketers sell directly to ultimate consumers.

#### **Marketing Mix in E – Marketing**

As in the case of traditional marketing, e-marketing also uses a suitable combination of the components of the marketing mix. E – Marketers also attempt to deliver value to ultimate customers, whether business or household, to satisfy their needs and wants to the best of their ability.

In e-marketing, the internet provides facility to increase benefits while lowering costs. These benefits include mass customization, digital delivery of products, and one – stop shopping. Lower costs can result from direct selling, segmented pricing, and expanded delivery services using web. The potential increased benefits and decreased costs can be explored by looking at the product, price, place and promotion components of the marketing mix.



- **Product:** There are several product possibilities in e-marketing. Companies in constant touch with their customer base have the ability to constantly evaluate customer needs and match those needs with technological developments to create new and innovative products.
- **Price:** In e-marketing, the standard pricing methods or models are not useful. Traditional pricing theory is based on the experience curve that has declining fixed costs as volume expands. While this theory still holds for electronic markets, the shortness of the product life cycle makes volume efficiencies less likely because of constant innovation.
- **Place:** With the use of the internet, e-marketers have expanded the ways they sell their products. Many new channels of distribution have evolved from the use of the internet to market goods.
- **Promotion:** Normally, in traditional marketing, the consumer is passive in the communication process as they cannot interact with the company or marketer. They can only see and read advertisements, listen to radio, or view TV commercials. E-marketing also changes the other promotional activities of a company. Now a days, all advertisements contain the Web address for the company so that customers can get further information and interact online.

#### Understanding Consumer Behaviour

Consumer behaviour is a discipline that encompasses all processes involved in when the individuals or groups select, acquire, purchase, use and dispose products, services and ideas to satisfy their needs or desires. It includes search for information related to the products and services as well. Consumer behaviour differs while dealing with products and dealing with services. The risk associated to the purchase of a service is higher than product. A poor or defected product can be replaced or returned but the poor service or any deficiency cannot be returned. Hence the consumers need to be more conscious and have to search more information about a service. It has been found that consumer behaviour in traditional shopping and online shopping are mostly the same.

Customers usually don't use complete information that they have about product or available to them while shopping. Buying decisions are sometimes automatic or habitual and sometimes it is influenced by behaviour or emotions of others towards that product. It has been found that consumers read information about product and services only when they perceive any benefit from it. Their behaviour is also influenced by the way information is presented and the situation in which the choice is being made. Consumers use these shortcuts to shorten the process and their decision making time.

#### Advantages of E – Marketing

- E-marketing is advantageous to both the consumers and the marketers.
- It uses the Web which is a medium readily accessible and cost effective for bringing together consumers and marketers spread all over the globe.
- A variety of products and services can be offered by a marketer using a single website.
- As far as the consumer is concerned, e- marketing offers convenience of shopping, scope for adequate product or services information and competitive buying, search advantage and wider choice or options, customised and personalised products and services, more transparency, and much more bargaining power.

### Limitations of E-Marketing

- E-marketing process may not be suitable for all varieties of products and services.
- Many companies offer only a few selected items online, which are suitable to be sold using the Web.
- These costs are substantial.
- Regulations in many countries restrict use of credit card payments online using foreign exchange.
- The possibility of hackers misusing e-marketing is another disadvantages.

### Conclusion

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 buying 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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