

A STUDY OF IMPACT OF DIGITALIZATION ON CONSUMER PURCHASING DECISION IN MUMBAI

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ABSTRACT

Digitalization means improving business processes by leveraging digital data and digital technologies. The process of moving from business to digital business, by bringing change in the business model with the help of digital technologies is digitalization. The aim of this paper is to study the impact of digitalization on customers purchasing decisions. The study is carried out through surveys from 256 respondents. The data is collected between age group of 18-30 of south Mumbai. The findings revealed that digitalization has changed customers' perspectives towards online marketing. Due to the continuous availability of information on internet consumer has become a researcher and this has changed the attitude towards purchase decision process.

Keywords: *Digitalization, Customer Purchase Decision, Business Model, Online Marketing.*

Introduction

The usage of mechanized developments and progressed data to set out new worth conveying open entryways and change the way wherein customers and associations partner with each other is digitalization. In the current buyer's market digitalization assumes a significant part. Digitalization has changed makers and purchasers. A buyer is at this point not an obscure individual on the lookout, today the purchaser is a researcher as he is associated and reconnected through digitalization. Subsequently, digitalization has made marketers re-evaluate, change their plans of action with the goal that purchasers are made accessible their necessities as and when required. Digitalization is the use of cutting-edge developments to change a strategy and give new pay and worth making openings; it is the way toward moving to an electronic business. Digitalizing your affiliation can give you an advantage by improving, faster, and more affordable than your resistance. Using imaginative progressed courses of action gives you a competitive edge in the business world and a suitable digitalization plan can help with rethinking measures, work on quality and advance consistency. Gone are the times of direct deals. Today dealings are digitally finalized. Thus, Digitalization is the point at which advanced innovations are utilized to change a plan of action and give new income and worth creating openings.

Digitalisation has changed consumer attitudes towards a purchase decision. Today's customers are purchasing products generally in the wake of watching the web commercial instead of by perusing a paper, magazines or watching T.V. Consumers are demanding better experiences from the organizations they connect with, and organizations should fulfill or surpass those needs to be fruitful. As the present customers are not brand loyal any longer so with the assistance of internet marketing organizations give updates of their products or services to keep up with their customer's Consumers anticipate responsiveness, performance, consistency, and authenticity in informing and tone. So to stay firmly in the business world, organizations should adopt e-marketing, e-purchasing, and e-selling to pursue their customers. E-marketing is a brilliant achievement factor for marketers and marketing firms. The victors will be those organizations that make consumer experiences that are superior to their rivals and more on top of how consumers need to work with them.

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Objective

- To study the consumer's attitude towards digital marketing.
- To identify the factors that direct consumers' intention to go for digitalization.
- To study the impact of digitalization on consumer's purchase decisions.
- To determine the customer's security towards products and services through digital marketing.

Hypothesis

H₁: Consumers do not have a favourable attitude towards digital marketing.

H₀: Consumers have a positive attitude towards digital marketing.

H₂: There is no impact of digitalization on the consumer purchase decision process.

H₀: There is an impact of digitalization on the consumer purchase decision process.

H₃: Consumers do not feel secure for products and services provided by digital marketing

H₀: Consumers feel positively secure for products and services provided by digital marketing.

Research Methodology

Area of the Study

The study is conducted between the age group of 18-30 young consumers residing in south Mumbai, Colaba area. The reason for selecting these young consumers for the study is that the young consumers are always connected to the internet and therefore a study on the impact of digitalization on consumers' attitudes or behaviour will prove to be helpful in finding out factors influencing consumers purchasing decisions and the development of new business models.

Research Design

This research study would be a youngster-based study between the age group 18-30 mostly students in south Mumbai. Data is collected through both primary as well as secondary for examination. Secondary data is collected from various books, journals, and websites. Primary data is collected by surveying and filling the questionnaire form through a unique audience.

Sample Design and Size

A descriptive research design is used in this research. For conducting this study a structured questionnaire is prepared. Size shows the number of individuals that are studied. However large samples give more dependable outcomes than small samples. The sample size was restricted to 256 respondents due to constraints of time and other challenges.

Literature Review

A.Sahaya, S.Vennila (2020) in their research paper on "A Study on Customer Behaviour towards Digital Marketing" investigated to discover consumer behaviour towards digital marketing and the digital channels determine in their purchase decision from 75 respondents through survey method. Digital marketing is an internet marketing model which permits customers to contact directly to marketers through digital channels easily. Their study finds that quality, cost of items, branding, time-saving, and variety are the factors affecting the purchase behaviour of customers towards digital marketing channels. Thus marketers should give more trust, security, and privacy to draw in and hold their important customers.

Solanki, Bhavesh (2020) investigated "A study on consumer's online shopping orientation and lifestyle" The researcher had assembled data from 500 respondents from each city (Ahmedabad, Vadodara, Surat, Anand, and Rajkot). Web shopping and Offline shopping both have their diverse insight into the brain of customers. His examination has shown trial revelations of internet shopping versus disconnected shopping by respondents of chosen five urban communities of Gujarat State. The vast majority of the respondents are very much aware of fundamental PC information, they can undoubtedly utilize Microsoft office, email offices, search pictures, recordings, and tunes on the web and even they can visit diversion locales, this is straightforwardly associated with the increase in web-based shopping as more they have PC information, more they like to purchase from the web. When purchasing on the web, there are not many angles respondents consider; they are Price, conveyance time, Quality, Rating and audits, assortments, protection, and security was the result of this investigation.

Hans Kumar Sharma (2019) investigated A Study on the Impact of E-Marketing on Consumer Buying Behaviour in Major Cities of Rajasthan. This study has attempted to comprehend the newline consumers' attitude towards digital marketing, study the effect of segment newline factors, what kind of items they purchase and what variables impact purchaser newline buying behaviour. Around 500

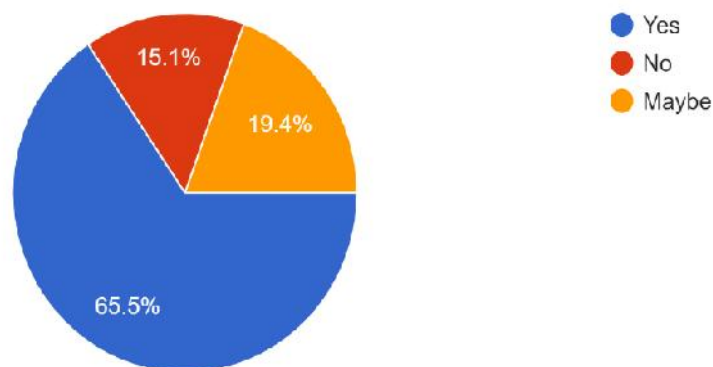
respondents of different fields from five cities of Rajasthan, newline i.e., Jaipur, Jodhpur, Kota, Udaipur, and Ajmer. The information was gathered through the newline questionnaire technique and by taking some immediate interviews of respondents. The newline results uncovered that buyers' internet shopping conduct is influenced by newline demographic factors like age, schooling, occupation, gender, and income. The newline study shows that the buyers of five significant urban cities of Rajasthan have the newline knowledge of PC abilities and utilization of the web for internet shopping. The investigation shows that there were no critical contrasts in customer perspectives because of these segment factors, except for money. The investigation inferred that the higher the level of pay of customers, the more ideal the attitude towards internet shopping. The outcome showed that the pay of customers unmistakably affects their web-based shopping perspectives. Examination of information and results uncovered that internet shopping is helpful, time and money-saving for customers. Most customers of significant cities of Rajasthan are keen on buying cell phones through web/web-based shopping. The issue of safety and security of online exchanges is by all accounts a significant worry to customers along these lines numerous shoppers of Rajasthan are not urged enough to shop on the web.

Rekha (2017) "Impact of Digital Marketing Communication on Consumer Buying Decision Process a Study of Indian Passenger Car Market" A descriptive study with 801 respondents was conducted in Delhi to understand the impact of digital marketing communication on buying decision process in the Indian passenger car market. A structured questionnaire was used as a tool for collecting primary data. The population proportion approach was used to determine the sample size and area wise proportionate sampling method was used to collect the data. It was tracked down that three fourth of the respondents were utilizing somewhere around one digitalized channel of communication while purchasing a vehicle. There were just about a fourth of the respondents who just utilized conventional channels of correspondence. A critical affiliation was found between age, occupation, and gender of the respondents with the channel of correspondence while purchasing a vehicle. Vehicle buyers had a favourable attitude towards digital marketing communication and considered utilizing digital marketing a smart thought while purchasing a vehicle. Digital marketing significantly affected every phase of the decision process with assessment being the most influenced stage. Respondents had an uplifting outlook towards digital marketing attributes. Respondents communicated their trust for digitalized marketing correspondence. Nonetheless, concentrate likewise dissected the respondents who didn't utilize digitalized correspondence because of its specialized nature and absence of information about digitalized technologies. Perceived value, seen usability, and similarity influenced the mentality while purchasing a vehicle.

Data Collection and Analysis

5. Do you get all the required information of product on the website

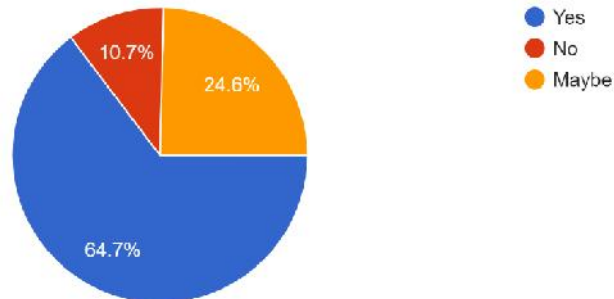
252 responses



The required information regarding products is available on the website was the question asked to consumers. The chart shows the result that 65.5% of consumers agree that they get the required information, 15.1% disagree with this and 19.4% are not sure that the information is available or not.

3. Is it easy to find your desired product on website

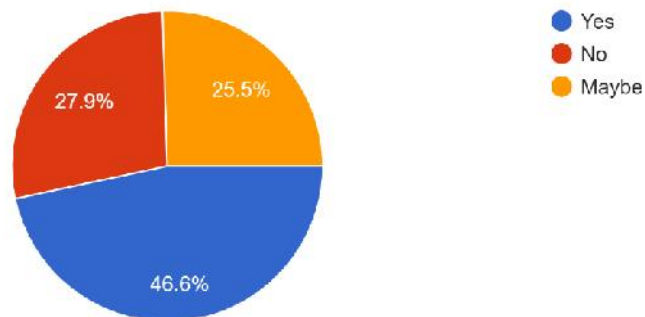
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The desired product is easily available on the website or not was the question demanded to consumers. The chart shows that 64.7% positively gave the response, 10.7% do not agree that desired product can be searched easily on the internet and 24.6% are not so sure that searching the required product can be traced easily on the internet.

10. Do you feel secure while doing financial transactions online

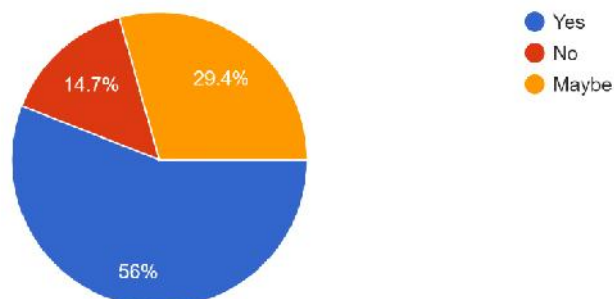
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Security plays a big role in digital marketing transactions. 46.6% of respondents feel secure in doing financial transactions, 27.9% do not feel secure and 26.5% are in dilemma that there is a security or not in online transactions.

9. Do you find the delivery of the right product in the online purchase

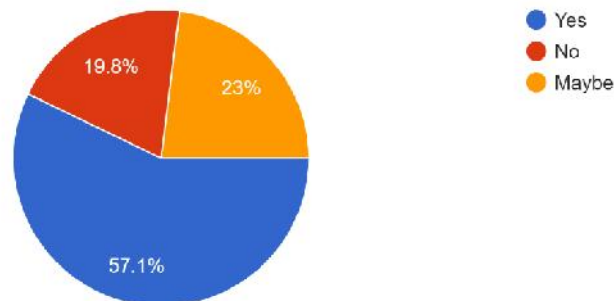
252 responses



Receiving right product at the time of delivery was the question asked to young consumers of which 56% of respondents positively agreed, 14.7% showed disagreement and 29.4% gave a neutral response.

11.Are you happy with the customer services provided to you online

252 responses



The chart shows that 57.1% are happy with the online customer services provided to them, 19.8% are not happy with the online service and 23% are not sure whether they are happy or not with the online services.

Testing of Hypothesis

- As per questions no.5 and 3 the consumers get required information regarding the required product and searching for a product is an easy task on the internet for them so the Null Hypothesis that Consumers do not have favourable attitude towards digital marketing is rejected and
- Alternative Hypothesis that Consumers have a positive attitude towards digital marketing is accepted.
- As per questions no.9 and 11 consumers are happy with online customer services and products or not so the Null Hypothesis that there is no impact of digitalization on the consumer purchase decision process is rejected and

Alternative Hypothesis that there is the impact of digitalization on consumer purchase decision process is accepted.

Data Interpretation

According to the survey conducted the interpretations are as follows:

- The survey consists of 256 respondents. The majority of individuals have the impact of digitalization on the consumer purchase decision process. As Young consumers are connected with the internet continuously, this makes it easy the search for required products on the web. Digitalization has changed the perspective of consumers towards online purchases.
- Most of the respondents i.e. 45.6% agree that the problems are solved by the companies; this encourages consumers to adopt digital marketing than traditional marketing.
- There is no difference between the purchased products and delivered products. The study revealed that 56% of respondents have received the same product that they have purchases online. This motivates consumers to make more digital purchases.
- Security plays a major role in digital marketing, some consumers feel insecure doing financial transactions and this has restricted many consumers to adopt online marketing.
- Around 57.1% of consumers are happy with the online customer services, thus this develops their confidence to go for digital marketing.

Conclusion

Today the world understands the binary language and one cannot deny the fact that the changes in the behaviour of consumer are caused by digitalization in the economy. Consumers get information of products due to the development of web services that provide consumers freedom of choice, this has made a change in consumers' attitude resulting in redevelopment in the model of business to reach consumers at the earliest. Consumers with the help of the internet first select the product and then only turn to the company which will satisfy their needs. This shows that companies have changed their way of marketing due to digitalization. The company focuses on factors like presentation,

security, services, after sales services, and many more to capture and retain consumer relationships with the company while developing business models. In the research conducted, the main factors that influence customer's behaviour due to digitalization are Website design, customer service, security, and overall service quality. Companies should use appropriate strategies to increase more number of consumers adopting digital marketing. Security factors should be improved by the companies so that more consumers feel secure and confident in online financial transactions. Understanding digitalization factors that influence consumers' needs and satisfying them will only give success to organizations.

The study resulted that consumers are aware of digital marketing and the impact of digitalization plays a vital role in consumers purchasing decision process. Most of the consumers are still not secure in online transactions, Companies get an opportunity to develop and improve a business model that increases the confidence of customers in terms of security. Also, there exists a future extension to investigate the examination on digital marketing on customers purchase decision process for a more extensive geographic region to get more accurate results.

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