

# Digital Marketing and its 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. 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. A sample of 153 respondents were selected using snowball sampling and data is collected through survey. The study reveals that all the digital marketing tools has significant and positive impact on the purchasing behaviour of the customers since most of the customer of the present generation have access to the digital media and were influenced by various ads shown over different platforms.

**Key Words:** Digital marketing, Customer, Purchasing behaviour, Online shopping, Internet

## 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 (Cooley and Parks-Yancy, 2019). New business models are emerging in every industry of the New Economy (Devkota et al., 2021). 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 (Bhagowati and Dutta, 2018). 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 (Wagner et al., 2020). 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 (Nizam and Jaafar, 2018). 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 (Gupta et al., 2020).

## 2. DIGITAL MARKETING SCENARION 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 (Bala and Verma, 2018). 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 (Omar and Atteya, 2020). 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 (Al-Qaysi and Al-Emran, 2017). 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 (Wibowo et al., 2020).

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 (Salehi et al., 2012). 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 (Bhagowati and Dutta, 2018). 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 (Jacinto et al., 2021). 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 (Watson et al., 2002). 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 (Yasmin et al., 2015). 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 (Waghmare, 2012). 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.

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.

- Cost efficiency.
- Information satisfaction.
- Consumer Trust.
- 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

### 5. 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 (Satinder, 2015). 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 (Sheth and Sharma, 2005). 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 (Bhagowati and Dutta, 2018). 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 (Gangeshwar, 2013), which can moreover have on the online propagation of their unfortunate encounter with a particular product, service, brand or company (Watson et al., 2002).

### 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. AIM AND HYPOTHESIS

The aim of the present research work is to assess the impact of digital marketing practices on the purchasing behaviour of the customers. Literature review has provided insights regarding commonly used digital marketing tools commonly used by the marketers, on the basis of which following hypothesis were developed:

- H1:** There is a positive relationship between online advertising and consumer purchasing behavior.
- H2:** There is a positive relationship between social media marketing and purchasing buying behavior.
- H3:** There is a positive relationship between video marketing and consumer purchasing behavior.
- H4:** There is a positive relationship between email marketing and consumer purchasing behavior.
- H5:** There is a positive relationship between influencer marketing and consumer purchasing behavior

### 8. METHODOLOGY

- **Sources of Data** - For the present research use both primary and secondary data. Primary data is collected through the questionnaire. Secondary data

are drawn from the published articles, research papers, published general reports, sources through related websites etc.

- **Sample Design** - The present study is quantitative in nature. As the number of customers purchasing at the given point of time by being influenced through digital marketing tool is not possible to ascertain, researcher has assumed the population size unknown and has adopted non-probability sampling technique where sample respondents were selected using snowball sampling method.
- **Sample Size** - For fulfilling the objectives of the study researchers has decided to select a sample of 200 respondents and questionnaire is distributed among the people who were purchasing online and later suggested names of their known ones who were indulge in online purchasing. After distribution of questionnaire, a total of 169 filled responses were received out of which only 153 were accurately filled hence the sample size for the present study is reduced to 153 consumers from Bilaspur district.
- **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 customers

## 9. ANALYSIS AND DISCUSSION

### Correlation analysis

On analysis of data, correlation analysis has been undertaken first and for this purpose, Kendall's Tau correlation coefficients along with means and standard deviations have been computed, and the results are presented in Table 1.

**Table 1:** Kendall's Tau correlation coefficient matrix

This table presents Kendall's Tau correlation coefficients between dependent variable and independent variables. The correlation coefficients are based on 100 observations. The dependent variable is CB (Consumer buying behavior). The independent variables are OA (Online advertising), SMM (Social media marketing), IM (Influencer marketing), EM (Email marketing), and VM (Video marketing).

Variables	Mean	SD	CB	EM	SMM	OA	VM	IM
CB	3.740	0.726	1					
EM	3.880	0.919	0.354**	1				
SMM	3.473	0.787	0.344**	0.392**	1			
OA	3.467	0.897	0.502**	0.473**	0.525**	1		
VM	3.844	0.929	0.331**	0.343**	0.514**	0.479**	1	
IM	3.617	0.772	0.522**	0.343**	0.375**	0.537**	0.297**	1

Notes: The asterisk signs (\*\*) and (\*) indicate that the results are significant at one percent and five percent level respectively.

Table 1 shows that online advertising is positively correlated to consumer behavior. It implies that better online advertising stimulates the buying behavior of the consumer. The result also reveals that social media marketing is

positively correlated to consumer behavior. It implies that better social media marketing stimulates the buying behavior of the consumer. Moreover, video marketing is positively correlated to consumer behavior indicating that better video marketing, stimulates the buying behavior of the consumer. Furthermore, email marketing is positively correlated to consumer behavior indicating that better email marketing stimulates the buying behavior of the consumer. Similarly, the result also shows that influencer marketing is positively correlated to consumer behavior. It indicates that better marketing through popular influencer stimulate the buying behavior of the consumer.

### Regression Analysis

Having analyzed the Kendall's Tau correlation coefficients matrix, the regression analysis has been carried out and the results are presented in Table 2. More specifically, it presents the regression results of email marketing, online advertising, social media marketing, video marketing and influencer marketing on consumer buying behavior.

**Table 2:** Estimated regression results

The results are based on 153 observations using linear regression model. The model is  $CB = \beta_0 + \beta_1 OA + \beta_2 SSM + \beta_3 IM + \beta_4 EM + \beta_5 VM + e$ , where the dependent variable is CB (Consumer buying behavior). The independent variables are OA (Online advertising), SMM (Social media marketing), IM (Influencer marketing), EM (Email marketing), and VM (Video marketing).

Model	Intercept	Regression coefficients of					Adj. R bar <sup>2</sup>	SEE	F-value
		EM	SMM	OA	VM	IM			
1	2.27 (9.719)**	0.41 (6.383)**					0.286	0.563	40.746
2	1.725 (7.678)**		0.519 (8.740)**				0.432	0.503	76.396
3	1.556 (7.843)**			0.593 (10.814)**			0.539	0.453	116.949
4	1.478 (5.434)**				0.592 (8.111)**		0.396	0.519	65.785
5	1.306 (6.110)**					0.46 (10.490)**	0.524	0.46	110.033
6	1.564 (6.694)**	0.156 (2.144)*	0.417 (5.541)**				0.452	0.493	41.897
7	1.409 (6.577)**	0.015 (0.077)	0.177 (2.076)*	0.463 (4.697)**			0.55	0.447	41.35
8	1.121 (4.622)**	0.005 (0.061)	0.071 (0.76)	0.417 (4.257)**	0.22 (2.420)*		0.752	0.436	34.045
9	0.789 (3.331)**	0.021 (0.306)	0.038 (0.431)	0.232 (2.291)*	0.183 (2.169)*	0.323 (4.106)**	0.633	0.404	35.155

Notes:

- Figures in parenthesis are t-value
- The asterisk signs (\*\*) and (\*) indicate that the results are significant at one percent and five percent level respectively.
- Consumer buying behavior is the dependent variable.

The regression results show that the beta coefficients for online advertising are positive with consumer behavior. It indicates that online advertising has a positive impact on consumer behavior. This finding is similar to the findings of Gabriel and Kolapo (2015). Likewise, the beta coefficients for social media marketing are positive with consumer behavior. It indicates that social media marketing has a positive impact on consumer behavior. This finding is consistent with the findings of Prasath and Yoganathen (2018). Moreover, the beta coefficients for video marketing are positive with consumer behavior. It indicates that video marketing has positive impact on consumer behavior. This finding is similar



to the findings of Saleem and Abideen (2011). Furthermore, the beta coefficients for email marketing are positive with consumer behavior. It indicates that email marketing has a positive impact on consumer behavior. This finding is consistent with the findings of Nawaz and Kaldeen (2020). Similarly, the beta coefficients for influencer marketing are positive with consumer behavior. It indicates that influencer marketing has a positive impact on consumer behavior. This finding is similar to the findings of Alamsyah et al. (2021).

## 10. SUMMARY AND CONCLUSIONS

Digital marketing is a broad marketing concept that describes the marketing of products or services using digital technologies, mainly on the Internet, but also includes display advertising, mobile phones, and any other digital medium. Digital marketing is the promotion of products or brands through one or more forms of electronic media and it differs from conventional marketing. Consumers are increasingly using social media sites to search for information and turning away from traditional media, such as television, radio, and magazines. The advent of social media has transformed traditional one-way communication into multi-dimensional, two-way, peer- to-peer communication

This study attempts to determine the impact of digital marketing on consumer purchasing behavior in Bilaspur city. The study is based on primary data with 153 observations. The study showed that online advertising, social media marketing, influencer marketing, email marketing and video marketing have a positive impact on consumer purchasing behavior in Bilaspur city. The study concluded that better digital marketing leads to higher level of impact on consumer purchasing behavior. Online advertising can be personalized to target specific consumers with messages that are relevant to their interests. This can make the advertising more effective and more likely to generate a positive response. The study also concluded that online advertising followed by influencer marketing is the most influencing factor that explains the change in consumer purchasing behavior in the context of Bilaspur city.

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