

# Impact of Digital Marketing on Consumer Buying Behavior: A Study of Indian Markets

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## ABSTRACT

With 800 million internet users and a ₹8.5 lakh crore e-commerce market (IBEF, 2024), India's digital marketing environment has a big impact on consumer purchasing decisions. This study looks at how Noida consumers' purchase intent, brand loyalty, and spending habits (in ₹) are affected by digital marketing platforms like social media, influencer campaigns, and search engine ads. Primary data was gathered using a mixed-methods approach, including in-depth interviews with 25 participants and a Google Forms survey with 150 respondents. According to the findings, 60% of respondents spend between ₹5,000 and ₹10,000 per month on online purchases, making social media (50%) and influencer marketing (20%) the most important outlets. Ad weariness (25%) and privacy concerns (35%) are major obstacles. Recommendations include targeted campaigns, enhanced data security measures, and digital literacy programs to strengthen engagement in India's ₹20 lakh crore retail market. This thesis contributes to academic literature and provides actionable insights for businesses.

**Keywords:** Digital Marketing, Consumer Behavior, Social Media, Influencer Marketing, E-commerce, India, Google Forms, Data Visualization.

## I.

## INTRODUCTION

### 1.1 Context

With more than 800 million internet users and an e-commerce industry valued at ₹8.5 lakh crore, India's digital economy is flourishing (IBEF, 2024). Consumer behavior is significantly influenced by digital marketing through search engines, influencers, and social media. It is necessary to investigate the effects of digital advertising on consumer spending, brand perception, and purchase intent, particularly in metropolitan regions like Noida, given the market's projected growth of ₹2.5 lakh crore (PwC, 2023).

### 1.2 The Research's Significance

The ₹20 lakh crore retail sector in India is changing due to digital marketing. Businesses can use these strategic insights to optimize their advertising strategies, and governments can use them to address consumer concerns like trust and privacy.

### 1.3 Research Issues

- Which digital marketing channels have the biggest impact on Indian customers?
- What effects do digital advertisements have on frequency of purchases and spending?
- What effects do demographics like geography, wealth, and age have on customer responses?
- What tactics can improve the efficacy of digital marketing?

### 1.4 Goals

- Determine which digital marketing platforms work best.
- Examine spending trends associated with digital advertisements.
- Examine how customer behavior is influenced by demographics.
- Offer tactics to legislators and companies.

Connection to Managerial Relevance and Theory

The study links general issues about consumer behavior with practical findings using models such as AIDA and TAM. For example, knowing that 60% of customers spend between ₹5,000 and ₹10,000 on digital ads aids with audience targeting and budgeting.

### 1.5 Theories

- H1: Purchase intent is greatly influenced by social media advertisements.

(Regression-supported:  $\beta = 0.45$ ,  $p < 0.01$ )

- H2: Spending more money online is correlated with higher income.

(Chi-squared support:  $\chi^2 = 13.6$ ,  $p < 0.05$ )

### 1.6 Range

The study focuses on Noida consumers who earn between ₹2 and ₹15 lakh annually and are between the ages of 18 and 50. It makes use of secondary data from online sources as well as primary data (interviews, Google Forms).

## II. LITERATURE REVIEW

### 2.1 Overview of Digital Marketing

Online platforms are used in digital marketing to increase engagement and sales. According to Chaffey & Ellis-Chadwick (2022), it can increase purchases by 30%. 70% of e-commerce sales in India are driven by it (PwC, 2023).

### 2.2 Marketing on Social Media

Youth brand trust rises by 25% thanks to social media sites like Facebook and Instagram (Gupta & Sharma, 2023). According to Kumar et al. (2023), 60% of urban consumers with incomes between ₹5 and ₹10 lakh buy products through social media advertisements.

### 2.3 Marketing via Search Engines

15% of internet sales are made by search ads, particularly Google Ads (Jain et al., 2023). Ad weariness, on the other hand, lowers engagement by 20% (Patel et al., 2024).

### 2.4 Marketing Through Influencers

According to Sharma et al. (2024), influencers increase millennials' buying intent by 20%. Because of worries about authenticity, their impact is less pronounced among older consumers.

### 2.5 Theories of Consumer Behavior

TAM (Technology Acceptance Model) and AIDA (Attention, Interest, Desire, Action) describe how people react to digital advertisements (Chaffey, 2022; Kumar et al., 2023).

### 2.6 Digital Marketing Difficulties

Forty percent of consumers have privacy worries (Sharma et al., 2024). While UPI use enables 65% of online purchases, ad overload reduces engagement (Singh et al., 2023).

### 2.7 The Urban-Rural Gap

Digital ad exposure is 30% in rural areas and 80% in urban areas (Verma et al., 2024). This study highlights rural inequality while concentrating on Noida.

## III. METHODOLOGY

### 3.1 Design of Research

To investigate how digital marketing influences customer behavior in Noida, a mixed-methods approach was employed, integrating qualitative interviews and quantitative surveys (Google Forms). The research design used in this study is exploratory and descriptive.

### 3.2 Information Gathering

- Quantitative: 150 consumers were surveyed, divided into groups based on their age, income, and urban/rural status. Additionally, sales statistics from five Indian brands for 2023–2025 were examined.

- Qualitative: Detailed interviews with 15 customers and 10 marketing specialists, together with a case study of a ₹50 lakh digital campaign.
- Secondary Data: Sourced from websites such as Amazon and Flipkart, PwC (2023), and IBEF (2024).
- Tools Used: Google Sheets (charts), NVivo (themes), and SPSS (chi-square, regression).

### 3.3 Design of Sampling

- Target Group: 18–50 year old Noida customers who make between ₹2 and ₹15 lakh annually.
- Sample: 150 people (50 in rural areas and 100 in urban areas).
- Technique: Convenience sampling combined with stratified random sampling.
- 90% of replies (150 out of 167) were received.

### 3.4 Questionnaire Format

Ten multiple-choice questions with nominal and ordinal scales are included in the format.

- Design: To improve flow, behavior-based questions were included after demographics.
- Goal: To use statistical tests and data fit for charts to measure spending, platform influence, and difficulties.

### 3.5 Analysis of Data

- Quantitative: Google Sheets is used to illustrate descriptive statistics, regression, and chi-square (SPSS).
- Qualitative: Themes such as platform relevance and trust were extracted using NVivo.
- Pretesting was completed from February 1–5, 2025; it assisted in honing possibilities (for example, "<₹5,000" for clarity).

## IV. ANALYZING AND INTERPRETING DATA

- This study used Google Sheets and SPSS to examine 150 Noida consumer answers. Important conclusions:

60% of people are men, 40% are between the ages of 26 and 35, and 47% make between ₹5 and ₹10 lakh a year.

- Digital Influence: 80% of purchases were influenced by digital advertisements, with social media accounting for 50% of all influence.

About 60% of monthly expenditures were made online between ₹5,000 and ₹10,000.

- Due to its user-friendliness, UPI led the payment preference (65%).
- Trust: 27% are unsure, whereas 53% trust digital advertisements.
- Obstacles: Ad weariness (25%) and privacy concerns (35%) were the main problems.
- Frequency: 47% of people shop online every month.

Highlights of Statistics

- Regression: Spending is positively impacted by social media use ( $\beta = 0.45$ ,  $p < 0.01$ ).

According to chi-square analysis, income has a substantial impact on UPI usage ( $\chi^2 = 12.45$ ,  $p < 0.05$ ).

- Theory Fit: The findings are consistent with the TAM and AIDA models; purchasing behavior is influenced by digital trust and attention.

## V. RESULTS AND DISCUSSION

The report finds clear trends among internet customers in Noida:

60% of the population is male, and 40% is between the ages of 26 and 35, which corresponds to India's digitally engaged population.

- Important Channels: Influencer marketing (13%) and social media (50%) are the main factors influencing purchases.
- 60% of people spend between ₹5,000 and ₹10,000 a month on digital platforms.
- Mode of Payment: The most popular option, UPI (65%), demonstrates the widespread use of digital technology.
- Obstacles: Ad fatigue (25%) and privacy (35%) are the main issues.
- Demographic Impact: The group with the highest response to digital advertisements is middle-class (₹5–10 lakh).

These results support the efficacy of focused digital tactics among middle-class, young, urban users.

## VI.

## CONCLUSION

[1] For Businesses:

- **Pay attention to ROI:** Make investments in influencer-driven, niche social media marketing.
- AI can be used to lessen weariness and tailor advertisements.
- Work together with e-commerce sites to monitor consumer spending trends.

**Policymakers should:**

- To increase consumer trust, bolster data privacy laws.
- Encourage senior users (50+) to participate in digital literacy programs.

**For upcoming studies:**

- Increase the sample size to encompass rural customers.
- Examine more recent ad platforms such as WhatsApp Business and YouTube Shorts.
- Perform longitudinal research to comprehend how behavior evolves over time.

**Link to Outcomes:**

- Since 60% of consumers prefer UPI, companies need to make sure digital checkouts go smoothly.
- Since social media influences 50%, it makes strategic sense to raise ad spending on sites like YouTube and Instagram.
- For greater conversion, target the middle-class demographic of 26 to 35.
- Use user education and clear opt-in procedures to allay privacy concerns (35%).

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