

Consumers Impact of Digital Marketing in India

Dr. Surendra Pratap Singh Kothari

Abstract

Digital marketing has touched new heights especially in smart phones, tabs etc. This era has nearly everybody with a social media account and the ones without such an account are literally looked down upon for business purposes. So, the question that emerges is of studying consumer behaviour in digital marketing. The research includes the study on consumer behaviour as, with the rise of digital marketing, it is not an easy task anymore to charm the consumers. What looks good to them is what really convinces them to go ahead with the purchase. They will make comparisons of your brand with your competitors and will go for the one that suits them the best in terms of all the elements. To match the consumer-set standards, every brand has to make sure to be on their toes and everyone has maintained its presence in the social media platform. Brands should never again be concentrating on their direct competitors, but instead focusing on how they can be better than the best brands their consumers are using. Secondly, Consumers expect an immediate reaction to their actions. They want a response to their queries clear and fast. It takes just a single viral post or tweet for a buyer to build or destroy an organization's or brand's rapport. There are numerous stages like quora, Facebook, Twitter etc. in digital marketing that consumers use to share their experiences with the brand. The paper concludes that Digital marketing has touched new heights with the boom in smart phones and tabs, so much so that the ones who were not even close to this field are now willing to use this for their brand promotion. This era has almost everybody with a social media account and the ones without such an account are literally looked down upon for business purposes. So, the query that arises is studying the consumer behaviour in digital marketing.

INTRODUCTION

1.1 The impacts made by digital technologies on consumers

Digital marketing has changed the marketing game and reached new heights so much so that those who were not anywhere close to this field are now having the desire to use this to promote their brands and companies. With the change of marketing techniques from traditional to digital, the way of consumer decision making has also transformed beyond recognition. As per the reports, as of October 2019, 4.48 billion people were using the internet actively, 58 percent of the global population.

With easy accessibility to the internet, consumers today are much more educated and empowered. They are flooded with digital content every day, with almost every brand marketing their products

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on the digital platforms, it's more than convenient and easier for consumers to research & compare products online. Their purchase decisions are highly influenced by the interactions they have with the brand and other influencers online.

In past times, word of mouth was the most trusted form of recommendation that consumers used to believe. In today's digital age, word of mouth is done in many different forms like customer reviews, influencer recommendations, ratings, testimonials, etc. Maximum number of consumers are making sure to take a peek at what the current brand customers are saying about the product or service before the finalise to make their purchase.

Brand loyalty used to be a very big thing in the past times. It was rare to see that customers were changing their brands. However today, consumers are very fast to change brands if the new brand is offering more advantages. With so many options available in the marketplace, consumer loyalty is quite difficult to attain and switching brands is quite easy for almost everyone.

Consumers in today's time are not comfortable to settle or compromise in any way. Consumers expect an immediate response to their queries and grievances if there are any. They are free to openly share their perspective and views on the digital platforms which can make or break a brand in seconds. Generally, consumers have a tendency to quickly believe the negative reviews rather than the positive ones. Also, a lot of competitors misuse this by posting negative reviews on brand pages through multiple fake accounts. This can be managed with a strong Online Reputation Management Strategy easily, where interactions with the people can quickly convert their negative image to the positive. Consumer behaviour in today's digital time keeps changing rapidly and expanding. Being in touch with consumer's preferences and the current trends which are going on is the best way that can help brands stay at the top of their game.

Unremitting technological advancements are significantly changing the behaviour of the customers and consumers in the world. Extensive, cheap, compatible, not difficult and very advanced technology has urged consumers of different products and services to become smart, very well informed, connected, modernized, and authoritative.

Consumers these days have become "prosumers" this means that consumers are not only purchasing the products but are also getting involved in co-creating, customizing and passionately promoting the marketing content in socially connected time.

Digital Marketers have also understood and appreciated the transformation which has been brought by the technology that has been registering its stark presence among the customers. This transformation is affecting the lives of both the marketers and consumers in many ways. The greatest example of transformation of the present era is the internet that has significantly changed the ways of communication, sharing and finding information and doing business. The enormous growth of the internet and specially the World Wide Web (WWW) has made consumers and firms to participate in a global online marketplace which has urged marketers to try and deal with the new unconventional ways of marketing in computer mediated environments.

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The steady and fast incorporation of the internet with multitude of devices and rapid increase of digital technologies in today's times has further fuelled the transformation.

This interactive medium of today's time has crossed the borders of an ordinary computer's screen and has embraced many digital devices which goes by the name mobile phones, smart phones, tablets, digital outdoors digital TV and many more.

This revolutionary change in technologies has forced companies to restructure their marketing practices and strategies, especially in area of communication to interact successfully with past, present and potential customers. Technologies, particularly the internet, has changed every aspect of business namely communication in business, branding of

products, management of products, management of supply chain, buying and selling of products and services and management of customer relationships just to name a few.

The Internet remains at the heart of digital marketing due to its very easy integration and it is compatible with various digital devices like mobile phones, tablets, watches, TVs, etc.

The Internet is probably the most important and transformative invention of the 20th century and it has completely transformed the scope of marketing. It has come out as a medium providing many channel functions of marketing, sales, distribution and building of relationships. Now products are positioned, marketed, distributed and purchased with the help of the internet. Internet has also changed the traditional strategy of marketing mix. It allows the marketer to sell more and more variety of products and services. The Internet allows the quick price comparison among available products and services for the consumers. The Internet has added a new channel of distribution which is helpful, fast and easy to use. Marketers are now using many ways to apply the digital marketing strategy like SEO* (Search Engine Optimization), SEM* (Search Engine Marketing), affiliate marketing* and PPC* (Pay-per-click) and others.

1.2 Digital marketing communication

Marketing communication can be explained as the exchange process of dealing with perspectives, thoughts and information between the marketers and the customers with the goal of achieving similarity.

Marketing communication actively aims at transferring information like promotion of a new product/service, new product/service commencement and community initiatives that the marketer desires to share with consumers.

Communication process is an organized and sorted activity in which the message travels from the sender to the receiver via some media or channel of transmission.

A business organisation must select and invest their money and assets in the most fitting channel while keeping in mind the factors cost, benefits and the flow of communication. Today, with the growth and global acceptance of information communication technology, the most commonly used

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channels are the digital dependent on internet and mobile network services and flow of communication are digital packages that include data, text, sound, images or combination of these four.

Digitalization of channels of communication has allowed corporations to build both the public and private communication channels. Private channels have huge development costs while public communication channels have very lower development cost. Corporations are increasing the use of the public channels of digital communication which are less costly and demanding to set up and maintain but are also becoming quite popular among the people. These channels have the built in capacity to profile target audiences, track the activities of target consumers, personalize, customize and generate feedback.

Digital technologies are allowing marketers to personalize the experience of the customers that leads towards an active interest of the target consumer. Active interest from the consumer in digital communication represents a change towards pull communication in which the target audience actively seeks the information rather than being passively subjected to marketing communication.

Marketing communication in the digital environment can be made through many ways. Marketers can use search engines and applications of SEO and SEM to inform the targeted audience about the products and services it provides. Internet marketing particularly the emails, banner advertising, pay-per click and e-newsletters can also be used by the marketer during the communication with the potential customers. Manufacturer's website that contains the important information about the company, brand, products and services which has been offered, can act as an important source of information for consumers. Social media particularly the networking sites and video sharing sites helps in the facilitation of the meaningful relationship with the customers.

1.3 Digital marketing communication characteristics

Digital communication possesses characteristics of being informative, interactive, responsive, suitable, measurable, fast, low cost, versatile and customizable.

Digital marketing offers a huge amount of information to consumers which allow the consumers to instantly access the information sources. Digital marketing communication is quite interactive.

Interactivity deals with the two way communication which is done between the marketers and customers. Digital communication aims at creating a dialogue which enables marketers to respond to the queries of individual customers effectively by knowing their needs and requirements. Unlike traditional marketing, digital communication allows the targeting of individuals also individual customers can be reached via his/her preference of channel of choice with a tailored message accordingly.

Quantifiability of the digital medium allows the marketer to track the necessary parameters which are related to the consumer behaviour which deals with the keywords which is used for searching information, type of digital channel used while obtain information, time spent on specific website,

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number of visit, sharing of digital matter, amount and time of a purchase made, details of conversion, demographic details and others.

Digital communication can also benefit the marketer many times apart from being cost effective. It allows the huge amount of data collection for the use of marketer as every individual action which could be click, stop, listing or interaction on digital channels can be tracked. Media effectiveness can also be measured quite easily over the digital channels. Customer profiling can also be done easily on the digital channels which may leads to a long-term valued relationship with the consumers which is very beneficial.

Communication in digital marketing empowers the customers by allowing participation of customers. Customers can also connect with others who share similar interests by using the link or communities which are created by them, leaving the barriers of time and space behind. Communication in digital marketing also offers customers a place in which they can easily initiate a talk with the brand and pull the content based on their choice. Digital mediated communications allows the marketers to effectively cultivate intimacy with the customers and encourage the strong customer relationship management.

REVIEW LITERATURE

2.1 The behaviour of consumer in digital environment

Consumer behaviour has gone through significant transformations in the digital environment (Ricciuti, 1995; Kotler, 2000). There has been an increase and betterment in the digital technologies and the channels. In today's time, consumers are doing research, evaluation and buying things from clothes, appliances, gadgets, grocery, to big items like cars and homes online. This is happening because of the internet, mobile and social media is educating the customers in the informative, interesting, indulging and participative way irrespective of the category of the product (Kierzkowski et al. 1996; Gay et al. 2007; Wertime and Fenwick, 2011, Hawks, 2015). The most common online activities which are performed over the internet are communication, internet banking, and information research, accessing digital data and uploading self-created content.

Cotte et al. (2006) stated that the unique characteristics of the internet offers new techniques that help in facilitating informative and interesting interaction between the customers, with the organizations and the wider e-marketplace. For many of the consumers, the internet has become a very important part of their life (Sople, 2011). On an average, an internet user in India spends almost 5 hours online every day. The favoured activity over the internet for Indians remains social networking as more than half the time of the users of the internet is spent on social media. Social media users spend almost 26% more time in social networking over the internet rather than something else. Major users of social media in the country are younger than their global counterparts with the average age of 23 years or younger. People use their mobile phones on an average, every 6.5 minutes and 150 times in a day. 81% of the smartphone users do not switch off their phone. 72%

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social media users log into social networking websites by using their mobile devices. People research online about a particular product before buying it (Kemp, 2015).

Today's customers have become more and more empowered in digital environments. They are able to receive and send the digital information as per their needs. They exercise their preference in the selection of what digital information they want themselves to be exposed to (Prahalad and Ramaswamy, 2004a). Consumers are not the passive receivers any more of the content like they were in traditional communication subjected to the hard sell (Lee, 2014). Marketers are now taking the consumer's consent before sending the marketing information.

RESEARCH METHODOLOGY

3.1 Objectives of the study

- The primary objective of the study was to understand the impact of digital marketing on consumers
- Identification of the preferred digital channel by the consumers
- To understand consumer's perspectives and attitude towards digital marketing.
- To study the factors related to digital marketing communication which can be used strategically by the marketers to alter the consumer behaviour towards a specific product/service
- to understand the benefits that are being provided by digital marketing over traditional marketing

3.2 Research design

The present study is descriptive in nature that aims to analyse the impact of digital marketing communication on consumer buying decision process while buying products or services

3.3 Data collection

The theory was developed on the basis of secondary data which has been obtained from secondary sources like books, journals, magazines and websites on the internet.

3.4 Hypothesis

H1- There is a preferred channel of communication used by the customers while buying products and services.

H2- Consumers have a positive attitude towards digital marketing

H3- There is an impact of digital marketing on consumer buying decision process

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H4- There is a scope of leveraging the factors related to digital marketing communication to alter the consumer behaviour

DATA ANALYSIS AND INTERPRETATION

This chapter aims to analyse the association between demographic variables like age, income, education, occupation and gender with digital channels of communications.

4.1 Age and channels of communication.

Descriptive details of age and communication channels usage revealed that respondents made more use of digital channels of communication in comparison to traditional channels of communication across all age groups.

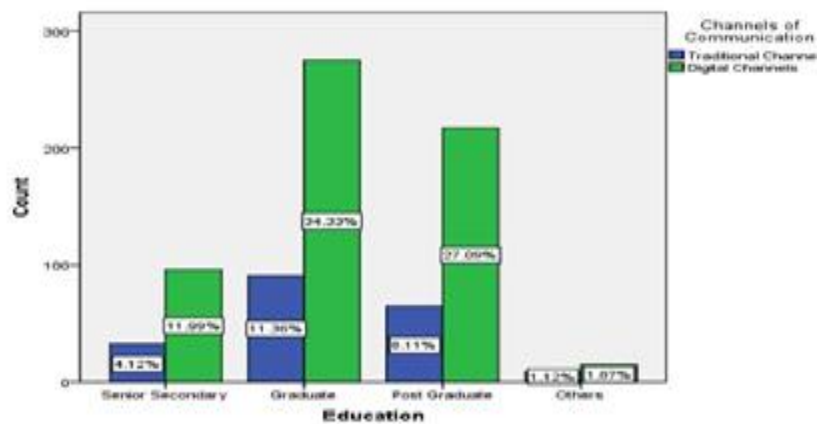


FIG. 4.1

We can see easily in Fig. 4.1 that almost about 29% of the respondents who were using digital channels of communication belonged to the 18-25 years age group. It was also seen that 7% of the respondents belonging to the 18-25 years age group were using traditional channels of communication. 15% of the respondents to the 26-30 years age group were using digital channels whereas only 4% of the respondents in the same age group were using traditional channels of communication. 12% of the respondents which belonged to the 31-35 years age group were using digital channels whereas only 3% of respondents which belonged to the same group were found using traditional channels of communication. 8% of the respondents were using digital channels in the 36-40 years age group whereas 3% of respondents in the same age group were using traditional channels of communication while buying something. 12% of the respondents in the above 40 years age group were using digital channels whereas 9% were using traditional channels of communication.

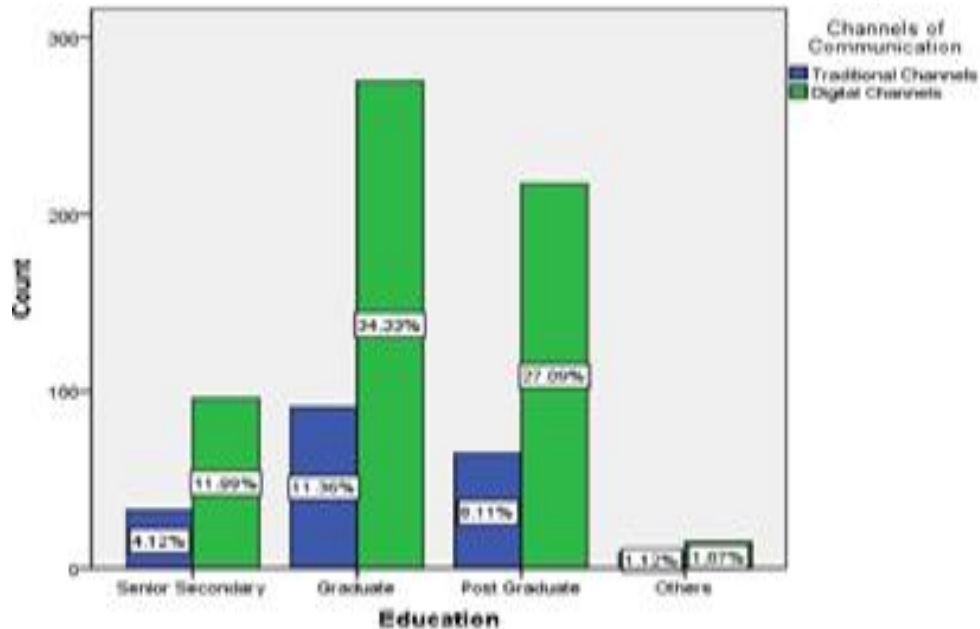
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4.2 Education and channels of communication

FIG.4.2

We can see from Fig. 4.2 that almost 34% of the graduate that responded were using digital channels of communication whereas only 12% of the graduate who responded were using traditional channels

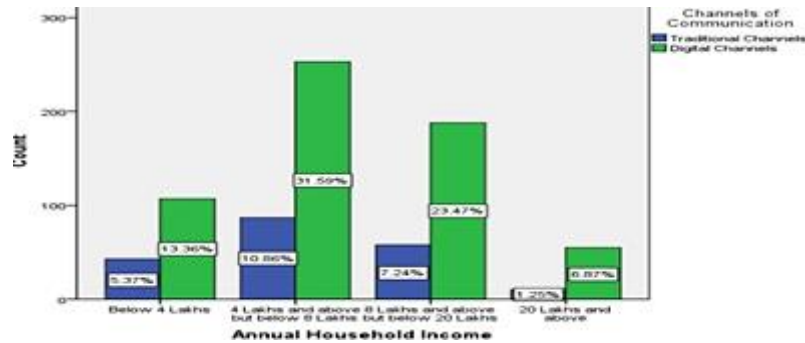


of communication. 27% of the post graduate who responded were using digital channels of communication whereas only 8% of the post-graduate who responded were using traditional channels of communication while buying a product. 12% of the ones who possessed senior secondary education were using digital channels of communication whereas only 4% of the ones that responded were using traditional channels of communication. It was also seen that almost about 2% of the ones that responded belonging to others educational background were using digital channels of communication whereas only 1% of the ones that responded belonging to others occupational category used traditional channels of communication.

4.3 Occupation and channels of communication

FIG. 4.3

It can also be observed from the fig. 4.3 that almost 31% of the ones that responded who were using digital channels of communication belonged to the service occupational category. 9% of the ones that

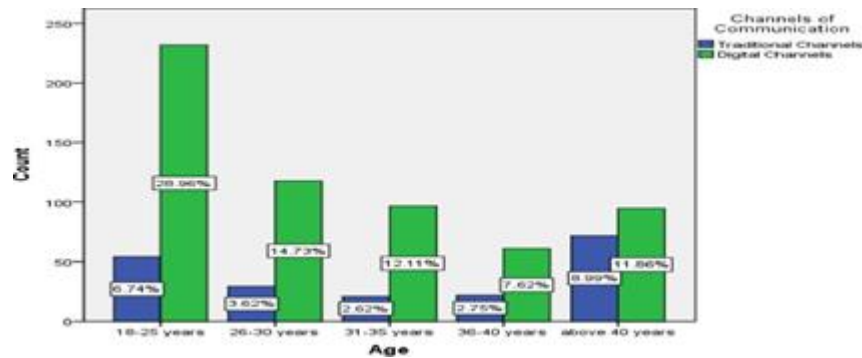


communication. 24% of the ones that responded that belonged to the service occupational category were also using traditional channels of responded who belonged to the student occupational category were using digital channels of communication whereas only 6% of students who responded were using traditional channels of communication. 16% of the ones that responded which belonged to the business occupational category were using digital channels of communication whereas only 6% of the ones that responded were using traditional channels of communication in the business occupational category. 5% of the ones that responded which belonged to the home-maker category were using digital channels of communication while buying a product whereas 3.5% of home-maker who responded were using traditional channels of communication.

4.4 Income and channels of communication

FIG. 4.4

32% of the ones that responded were using digital channels of communication while buying a product was found belonging to the annual income category of 4 Lakhs and above but below 8 Lakhs. 11% of the ones that responded from the same income category were using traditional channels of communication. 24% of the ones that responded were using digital channels of communication



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belonging to 8 Lakhs and above but below 20 Lakhs income category whereas only 7% from the same income category were found using traditional channels of communication. 13% of the ones that responded were found belonging to less than 4 lakhs annual income category were using digital channels of communication whereas only 5% were using traditional communication channels. 7% of the ones that responded that belonged to above 20 lakhs income category were using digital channels of communication, whereas only 1% of the ones that responded from the same income category were using traditional channels of communication when buying a product.

CONCLUSION

Digital marketing has transformed the marketing game and touched new heights, so much so that the ones who were not anywhere close to this field now want to use this to promote their brand. With the shift of marketing techniques from traditional to digital, the process of consumer decision making has also changed beyond recognition. As per reports, as of October 2019, almost 4.48 billion people were active internet users, encompassing 58 per cent of the global population. Digitisation and access to the internet has created a new growth story for businesses and consumers alike. Nowadays, to make a purchase, consumers quickly turn to the internet to research and make their decision a couple of hours, or perhaps even minutes. Consumer behaviour is much more streamlined today and the business model is also briefer compared to the earlier ones. Here are some insights to help you understand the impact of digital marketing on consumer behaviour.

1. Consumers have become researchers with easy access to the internet; consumers today are much more enlightened and empowered. They are flooded with digital content each day. With almost every brand marketing their products on the digital platforms today, it's more than convenient for consumers to research & compare online. Their purchase decision is highly influenced by the interactions they have with the brand and other influencers online.
2. Digital word of mouth is trusted the most Earlier, word of mouth used to be the most trusted form of recommendation that consumers believed. In today's digital age, word of mouth is done in terms of customer reviews, influencer recommendations, ratings, testimonials, etc. Maximum consumers make sure to look at what the current brand users have to say about the product/service before making their purchase decision.
3. Consumers are not afraid to experiment Consumers in the earlier days were very sceptical to change brands that they have been using all along. However, things have changed with time. The mindset of consumers has evolved massively today. They have become more welcoming towards products and brands that offer better features than before. All this was only possible through digital marketing that has made it easier for these new brands to reach out to the customers.
4. Consumers frequently switch brands. Brand loyalty used to be a huge thing in the past. Very rare is when you'd see consumers switch brands. However today, consumers are quick to switch brands provided the new one is offering better features. With a heap load of options available in the market, consumer loyalty is difficult and switching is easy.

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5. Consumers now have a lower tolerance level. Lastly, consumers today are not okay to settle or compromise in any manner. They expect an immediate response to their queries and grievances if any. They openly share their thoughts and views on the digital platforms which can make or break a brand's image in seconds. Generally, consumers tend to easily believe negative news/reviews and only a few actually share positive reviews. Also, a lot of competitors misuse this by posting negative reviews on brand pages through fake accounts. This can be managed with a strong Online Reputation Management (ORM) Strategy, where interactions with the consumers can potentially convert their negative image to the positive. Consumer behaviour in today's digital age keeps changing and expanding every now and then. Being in sync with consumer's preferences and the current trends is the only way that can help brands stay in the game.

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