



# IMPACT OF DIGITAL MARKETING ON CONSUMER BEHAVIOUR IN SALEM DISTRICT

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## ABSTRACT

**Digital Marketing trends are substantially high with a booming career in today's economic growth and development. The impact of digital marketing in business made a digital revolution on the behavior pattern of consumers. It is a complete transformation by connecting the people worldwide effortlessly. The digital marketing made a complete revolution in connecting the potential consumers implementing different strategies flexible to manage complex situations. This study mainly focus on transformation of digital marketing in promoting the brands at a global level, better understanding of consumer preferences and analyze the behavior pattern of consumers.**

**Key words: Digital Marketing, Consumer Behavior, Digital Marketing Channels, SEO, etc**

## INTRODUCTION

The buying pattern of consumer is changing at a faster rate in the consumer environment. The business people has to invest more money and conduct market research to analyze and predict the behavior pattern of consumers periodically to withstand in the competitive world.. Now a days the consumer prefer online shopping so it is the challenge for

the marketer to adopt innovative strategies for selling the products .The study reveals how consumers are effectively using the digital marketing techniques rather than conventional mode of buying. To make a compatibility with the consumer-set standards maintaining brand recognition and sustaining is the big challenge to all the marketers. Today's customers prefer brand switching and do not have the loyalty and they prefer to pay more for the quality and its services. The contribution of digital in the buying behaviour of consumers which is a big threat for the marketers to cope up with the challenging issues. Staying in tune with consumer behavior, preferences, and upcoming trends help companies stay long in the market as Consumer behaviour in the digital era is constantly evolving.

## Literature Review

- Vishal Khasgiwala & Monica Sainy stated in their study buying behaviour is common today and can occur in any setting and the human activity is driven by impulses.
- Beatty and Ferrell described that Impulse buying refers to purchase the specific product category or to fulfill a specific need. It arises immediately upon confrontation with certain stimulus. Further statistics published by Kemp (2016) showed that the number of internet

users and social media users in India grew by 5% and 10% respectively for the period from January 2015 to January 2016. This is in line with the finding by Rasool Madni (2014), who argued that social media enables consumers to be at the centre of an organization's activities, and is a new tool for interacting with consumers.

- According to research conducted by The Sales force Marketing Cloud (2014) for 2013, Face book engagement rates ranged from 0.92% to 13.65% for the retail and ecommerce industries, while research conducted by Sales force Inc. (2013) indicated that the average click through rate was 0.332% in 2013 for India for Face book advertisements. The engagement rate of 22.43% and a click through rate of 2.69%. These statistics, which are greater than the average engagement and click through rates, cement the notion that consumers have a strong, embracing perception of digital marketing. However, it must be noted that the click through rate indicated in the digital marketing was 0.29%, which is lower than the average of 0.332% published by Sales force Inc. (2013).
- Basheer et al.,(2015)examined the impact of SMS advertising on consumer attitude and purchase intentions. This study highlighted that there is a positive relationship between perceived usefulness of advertisement and intention of purchase.
- Sadia Afzal et al.,(2016) discussed in his paper the impact of online and conventional advertisement on consumer buying behaviour of branded garments results revealed that quality, design, advertisement content, consumer loyalty towards brand are significant factors which influence consumer buying behaviour.

Hence this study mainly focuses on the preference and usage of digital channels by the consumers and its impact and measuring the awareness of purchasing decision.

#### **Objectives of the Study**

1. To analyze the influence of digital marketing in buying pattern of consumers.
2. To know customer preferences towards digital channels.

3. To analyze the impact of digital marketing in purchase decision
4. To select an appropriate framework for assessing the consumer behaviors of online shoppers.

#### **HYPOTHESIS**

H1: A significant relationship exists between decision factors of purchase and promotional activities.

H2: There is no significant relationship between age of the respondents and time spend on social media to purchase online products.

#### **Research Design**

The type of research used in this study was an explanatory research enabled in analyzing the effects of consumer behaviour and variables towards online shopping. A structured survey was selected to collect data from the respondents to investigate shopper behaviors and their purchasing trends.. Questionnaires distributed through the internet provided a means of reaching more respondents to measure the perception, attitude and behavior. First the study entailed identifying and determining drivers of consumer buying behavior through secondary research for creating conceptual frame work and second segment primary research for determining its influence on buying behavior and perception respectively.

#### **Limitations of the study**

This study mainly focused on the consumers of Salem District and the findings of the study can be replicated only similar to places of Salem and not applicable to tier -1 cities. Unpredictable consumer behavior and frequent changes in their preference is the main constraint in obtaining accuracy but still efforts taken to reach appropriate conclusion.

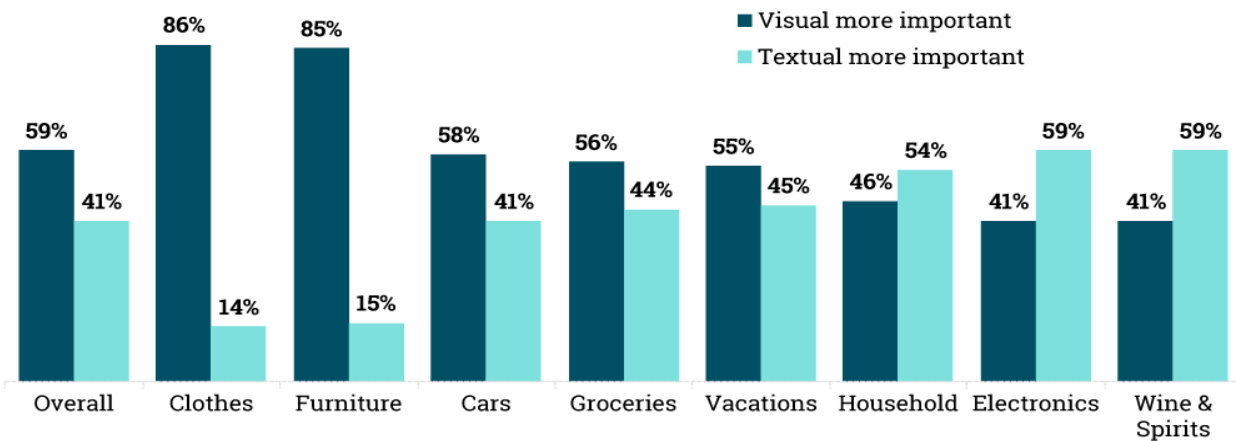
#### **Significance of Digital Marketing**

Digitalization promises to supply the quality products at the door step of consumers according to their convenience, taste and based on their comfort ability from any part of the country.

it is the key for competition which increases the ability of the enterprise to play a pre dominant role in international markets.

The following chart shows the categories of online consumption:

### Visual vs. Textual Information Importance When Shopping Online, by Category



Published on MarketingCharts.com in February 2019 | Data Source: Intent Lab

Based on a nationally representative sample of 1,000 US consumers

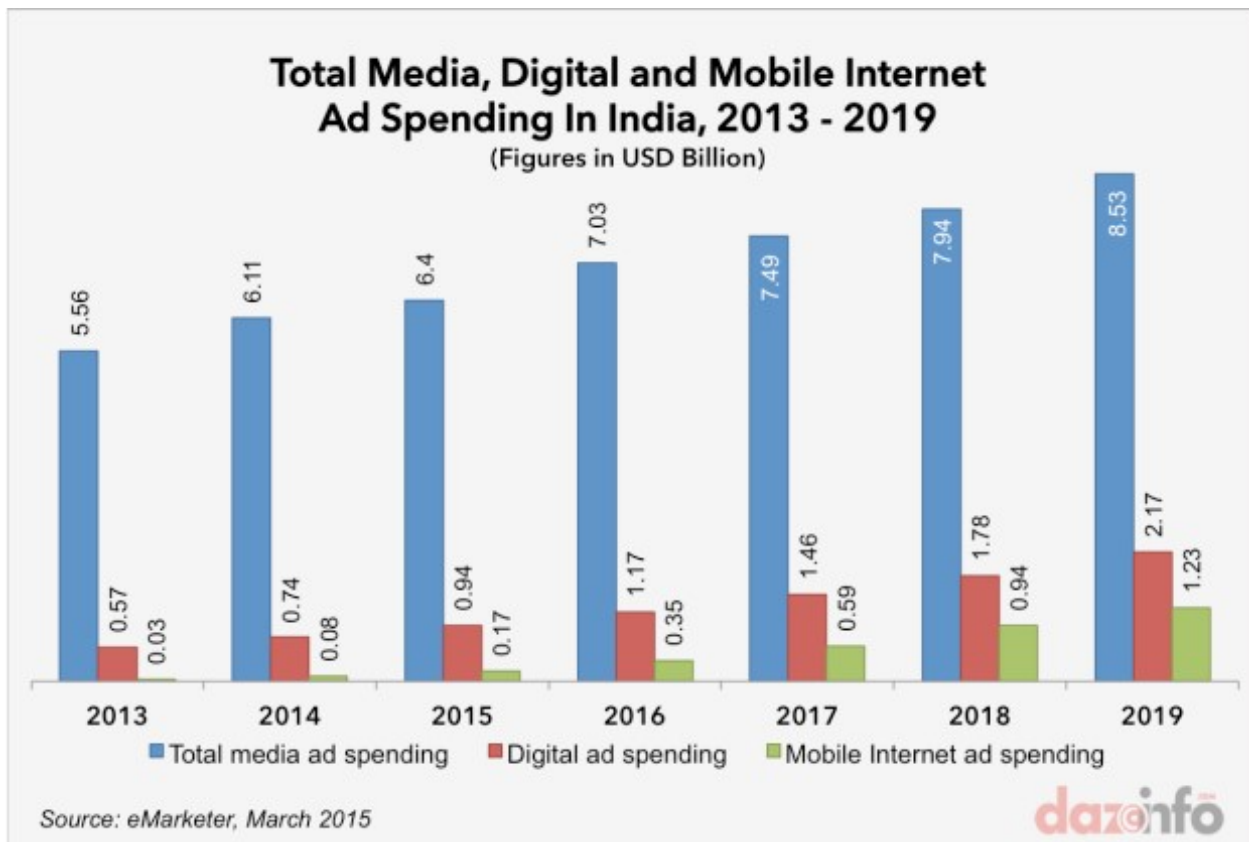
#### DIGITAL MARKETING CHANNELS

##### Website

It is one of the forum where customers will try to find out more details about the company's products, services, it is the place where more

people will interact with business. users to your website. The website design needs to consider:

- Search Engine Optimisation (SEO)
- Conversion Rate Optimisation (CRO)
- User Experience (UX)
- Brand Identity



##### Social Media

It is a technique used to promote business and the content should be tailored to increase brand awareness among consumers which ultimately increases the growth of business Innovative

features should be engaged in different dimensions to reach tactic consumers.

##### Content Marketing

It is an attractive technique of reaching the defined audience with a relevant and valuable

message to induce them to purchase. The main aim is to build a strong relationship with target audience consistently.

**Search Engine Optimization**

It helps the customers find out the business from among thousand other companies and to influence the customers to purchase through online. SEO is one of the strategy used in digital marketing.

**Word of Mouth Marketing** is the most effective marketing channels which goes hand in hand in

Internet communication, especially social networking, where consumers can share the opinion of company's products, its services and the rapport maintained.

**E-Mail marketing**

It is the cost effective method through which a group of consumers can be targeted for sharing the information about company's brand, its services to improve sales.

**DATA ANALYSIS AND INTERPRETATION**

TABLE 1-AGE OF THE RESPONDENTS

S.NO	AGE	FREQUENCY	PERCENTAGE
1	Below 25 Years	18	12
2	26-30	32	21.33
3	31-35	47	31.33
4	36-40	53	35.33
	TOTAL	150	100

Interpretation From the above table, it is inferred that 42.7% of respondents belongs to the age group of 26 to 30 yrs, 1.3% of respondents belongs to the age group 31 to 35 years.

TABLE 2-SOURCE OF INFORMATION ABOUT PRODUCTS/SERVICES

S.NO	OPTIONS	FREQUENCY	PERCENTAGE
1	Social media	93	62
2	Advertisement	18	12
3	Website	29	26
	TOTAL	150	100

Interpretation: From the above table, it is inferred that 62% of the respondents find information from social media, 12% of the respondents find information from advertisement and 26%from websites.

TABLE NO.3-PREFERENCE TO GET THE INFORMATION

S.NO	OPTIONS	FREQUENCY	PERCENTAGE
1	Social media	67	44.67
2	E-mails	45	30
3	Advertisement	16	10.67
4	Website	10	6.67
5	Stores	12	8
	TOTAL	150	100

Interpretation: From the above table, it is inferred that 44.67% of the respondents prefer social media to get the information, 6.67% of the respondents prefer website to get the information.

TABLE NO.4-RELATIONSHIP BETWEEN PURCHASE DECISION OF CONSUMERS AND PROMOTION SCHEMES

	[Frequently]		[Non-frequently]	
	Regression coefficient	t-value	Regression coefficient	t-value
Coupons	0.053	1.13	- 0.076	- 1.65
Free gift	-0.114	-1.67	0.132	2.01
Discount	0.110	1.48	- 0.047	- 0.74
Contests	-0.002	-0.089	0.018	.38

\*t-values at 5% significance level

### Hypothesis Testing [H1]

The results show that the t-values of free gift in of Table-4. -1.67 for spontaneous which is insignificant and it is 2.01 for non-spontaneous which is significant indicate there is no relationship between spontaneous consumer behaviour and free gifts. Consumers

immediately do not go for shopping when they are exposed to advertisements on different media. The t-values for other schemes are insignificant. So there is no relationship between non spontaneous consumer behaviour and promotional schemes

### Hypothesis [H2]

#### RELATION BETWEEN AGE AND TIME SPENT ON PURCHASE OF ONLINE PRODUCTS CHI- SQUARE

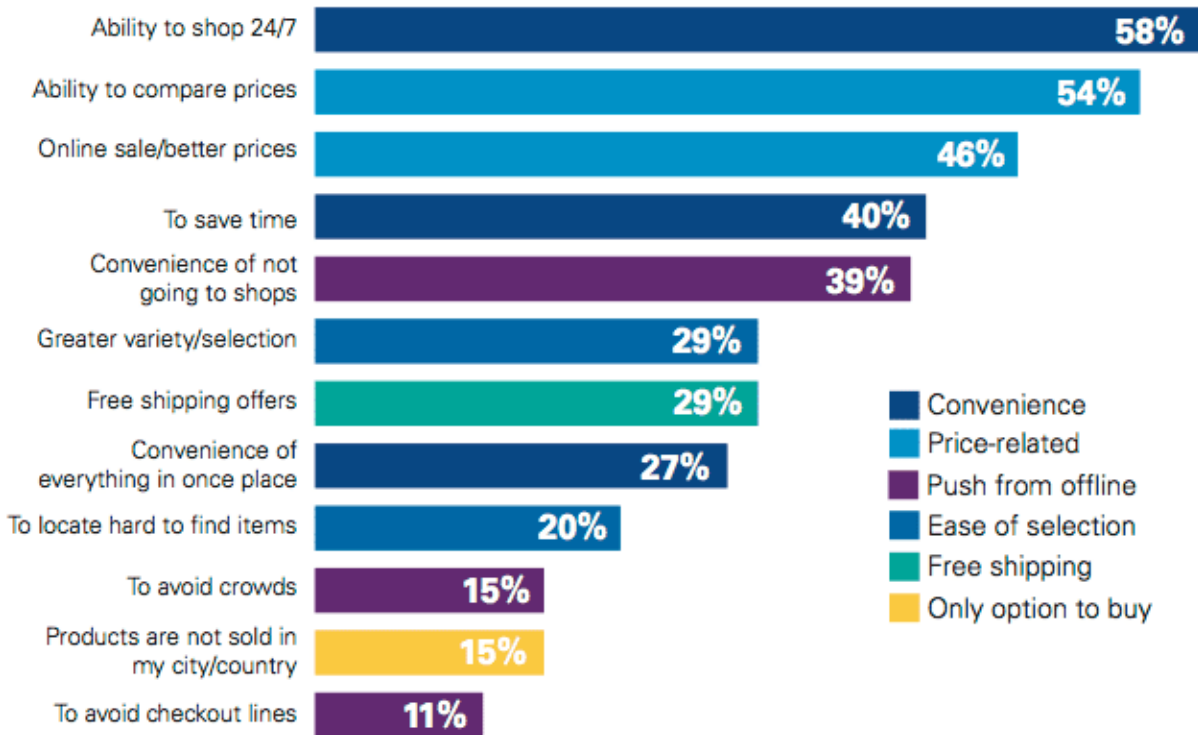
	Value	Degree of freedom	significance
Chi-square	41.334	12	.000
Ratio	45.375	12	.000
Linear by linear association	14.670	1	.000
No. of valid cases	149		

### Hypothesis Testing [H2]

H0 - There is no significant relationship between age and time spent on online purchases  
H1 - There is significant relationship between age and time spent on online purchase.

Inference: From the above table, p value is found to be 0.000 which is lesser than 0.05. Hence, alternate hypothesis (H1) is accepted and null hypothesis (H0) is rejected. Therefore, there is significant relationship between the age and purchase of products through online

### Reasons consumers shop online instead of in stores



Source: Global Online Consumer Report, KPMG International, 2017

### FINDINGS

- The firms has to understand the consumer behaviour completely and the reasons for shifting to other brands. These consumers have diverse sets of characteristics and their consumer behaviour has shifted to incorporate digital, which is becoming the way of life for consumers - especially the millennial generation.
- Align marketing messages to consumers across digital and traditional marketing channels to understand the different sources of information that consumers utilize.
- There is a necessity to market and position the products as solutions to the consumers' needs. In the information search phase businesses need to ensure that accurate and up-to-date information is available for the consumers.
- Businesses need to have a wide range of products which will enable the consumer to evaluate different products across different organizations.
- In the purchase decision phase businesses need to ensure a smooth process for the consumer to purchase, whether it is online or in-store purchase. There is a need to

develop strategies to retain consumers by resolving consumer complaints, engaging in ongoing two way communication and re-targeting of consumers.

### CONCLUSION

There is a positive growth in the digital channels as the customers are satisfied with the products. It is very important to know the psychology of the consumers in the dynamic environment. Ever changing buying behavior of the consumers in the digitalized world should be understood properly to make the business sustainable. The revolutionized economy possesses many threats and challenges which are to be faced by the marketers today. The digitalization has brought positive impact in consumer behavior.. The greater change can be seen in big cities and among working couples due to lack of time it is convenient for them to do buying, payments at any time anywhere. Also digitalization gives rewards to consumer in form of coupons, gift vouchers, discount, cash back, cash discount which motivates them to use digital transactions. In the current scenario it is important to integrate all the activities through digital platform.

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