A STUDY ON IMPACT OF DIGITAL MARKETING AND SOCIAL MEDIA ON PURCHASING DECISION OF CONSUMERS

Pervaiz Iqbal1, Syed Siddiqua Begum2, Amna Mirza3*, Prabha Rani4, Akshitta Nagpal5
Rahul Sharma6

1,2Assistant Professor, Department of Mathematics and Actuarial Science, B.S. Abdur Rahman Crescent Institute of Science and Technology, Vandalur, Chennai – 600048.
3*Associate Professor, Sarojini Naidu Centre for Women's Studies, Jamia Millia Islamia.
4Assistant Professor, Department of Commerce, Shyama Prasad Mukherji College for women, University of Delhi.
5Research Scholar, Centre for Federal Studies, Public Policies and Governance.
6Director, School of Health Sciences, Sushant University

Email: - pervaizmaths@gmail.com, syedsiddiqua@crescent.education, amirza@jmi.ac.in,
ar.prabha1983@gmail.com, akshittanagpal12@gmail.com.

ARTICLE HISTORY:
Received 22, May 2023
Accepted16, August 2023

ABSTRACT
Digital marketing can be defined as the process of promoting of brands using digital distribution channels comprising internet, mobile and other interactive channels. Customers have become researches through convenient access to the internet; users are now much more educated and motivated. Marketing paradigm has undergone a sea change over the past decade. In recent years, Marketers seen a drastically change in the digital marketing growth due to the economic shifts, which in turn leads to change in consumer buying behaviour. The internet has a profound impact on various industries but very few industries have witnessed a metamorphosis like marketing. The changing preference of the consumer present day affects the buying pattern because they mostly follow the rhythm of fashion and taste according to the changing time. It is very important to know the psychology of the consumers in the dynamic environment. Ever changing buying behaviour of the consumers in the digitalized world should be understood properly to make the business
sustainable. In this research, we sought to analyze how digital marketing and social media influences the purchase decision of consumers.

**Key Words** – Digital marketing, Consumer buying decision, Digital, Online, goods.

**INTRODUCTION**

The present trend in commercial field is using of social media for marketing purpose. Social media assist marketers to access and monitor consumer preferences and opinions on a continual basis through online mode. It has creating high quality contents that are consumer relevant. The decision making is much easier and enjoyable in the Social media platform for the users. Moreover it has offered tremendous amount of accessibility and transparency of relevant information to the potential customer. The consumer’s perceptions and their intention to buy have been badly influenced by the Social media marketing tactics.

Over the last few years, the trend to implement digital strategies, as well as marketing plans using mobile applications has been increasing more and more frequently. On the other hand, during the last year, the pandemic caused by COVID-19 has reinforced this trend, as the focus of companies, known as consumers; increase their percentage of use of online channels, and within these social networks. In addition, many companies have been forced to implement plans to connect with consumers through online channels, specifically social networks. This is due to several factors; among them is mandatory quarantine, risk of contagion by the consumer, practicality, reduced on-site capacity, etc. That is why, through this research, we sought to analyze how digital marketing and social media influences the purchase decision of consumers.

Social media such as Facebook, Instagram, YouTube, LinkedIn, and Twitter has numerous users that keep on growing every day and has attracted marketers and they have recognized that social media marketing as an important part of their marketing communication strategies. When it comes to apparel and fashion, creative and active social media engagement will help reinforce the businesses’ brand image as well as expand the reach of their social media posts and, ultimately, boost the sales.
Social media marketing is an exciting and interactive medium where both the buyers and sellers can interact, share feedbacks, and know the current trends prevailing in the market. Consumers who are aware of the social media as a marketing tool, mostly use this as it saves their time, buying anywhere anytime whatever they need and also for sellers that they can promote their goods and services better by using various analytical tools by studying their preferences.

Dr. Manish Kumar Srivastava and Dr. A.K. Tiwari (2020) [1] conducted to study the various popular social media platforms and the ways in which it is being used by the consumers. They have also tried to study the impact of social media on the consumer behaviour. The study concludes that social media has become an integral part of consumers' life and it has also affected their behaviour to a great extent.

Clair McClure and Yoo-Kyoung Seock (2020) [2] examined the influence of consumer's brand familiarity and the information quality of social media content on their involvement with a brand on the brand's social media pages. The results indicated that both brand familiarity and information quality had significant effects on a consumer's involvement with a brand on its social media page, yet the brand's social media content had a greater influence on a consumer's involvement with the social media page.

Man Lai Cheung, Guilherme Pires and Philip J. Rosenberger (2020) [3] investigates the impact of social-media marketing elements, namely entertainment, customisation, interaction, electronic word-of-mouth (EWOM) and trendiness, on consumer–brand engagement and brand knowledge. The results reveal that interaction, electronic word-of-mouth and trendiness are the key elements directly influencing consumer brand engagement, then strengthening brand awareness and brand knowledge.

Duangruthai Voramontri and Leslie Klieb (2019) [4] discussed about the role of social media in consumers’ decision-making process for complex purchases - those characterized by significant brand differences, high consumer involvement and risk, and which are expensive and infrequent.

Abdul Bashiru Jibril, Michael Adu Kwarteng, Miloslava Chovancova and Michal Pilik(2019) [5] aims at examining the mediating role of online based-brand community (OBBC) through social media platforms (SMP) given the interplay of consumers’ purchasing attitude in a virtual space.

Daniela Baum, Martin Spann, Johann Fuller and Carina Thurridl (2019) [6] study to analyse the impact of a social media campaign on the success of a new product introduction. The results of the
study revealed that campaign-related factors positively influence consumers’ attitude toward the new product, which in turn mediates the positive influence on purchase intention and recommendation behaviour.

Shu- Chaun Chu and Hsuan-Ting Chen (2019) [7] examines how consumers’ corporate social responsibility (CSR)-related activities in social media affect their responses to brands. The results suggested that consumers’ CSR-related activities in social media significantly impacted eWOM intention and purchase intention through enhancing identification with the brand and positive brand attitude.

Jill Nash (2019) [8] study to explore the levels social media (SM) platforms are influencing consumer decision-making process for Generation X and Y consumers in the retail fashion environment. The findings revealed that consumers use a variety of internal and external motivations that influence their behaviours and perceptions of high-street fashion retailers, and these factors are aided and facilitated by the use of SM.

Emerson Wagner Mainardes and Marcelo Vieira Cardoso (2019) [9] evaluate the effect of the use of social media on consumer trust, loyalty and purchase intention in physical stores. The results suggest that the use of social media, company and user-generated communication positively affects trust of the physical store

**OBJECTIVE OF THE STUDY**

- To analyze various factors affecting consumer purchase decision.
- To study the influence of social media on consumer buying decision making process.
- To analyze if feedback systems in social media platforms affects purchasing decision of consumers.

**RESEARCH METHODOLOGY**

The research deals with establishing whether there is a significant relationship between social media marketing and customer’s purchasing decision. During our research, survey would be conducted among the people who use social media. It could be also measured by distributing the questionnaires to our target customers and analyzing the data thereafter. The questionnaire consists
of 14 questions pertaining to the different core elements of both customer and the seller when it comes to social media as a marketing tool which affects their decision.

Research can be conducted using different methodologies, such as exploratory, descriptive and explanatory research. Exploratory research can be conducted by gathering information through academic literature and conducting interviews; the intention is to gather new insights, ask new questions and assess on which topics little research has been conducted. Descriptive research aims to gain a more accurate description of situations, persons and events, and can be conducted through interviews, sampling, questionnaire surveys and the reanalysis of secondary data. Lastly, explanatory research focuses on the study of a situation to explain the relationships between variables, and can be conducted through case studies, statistical surveys, observation, attitude surveys and historical surveys.

The research methodology chosen for this study was a hybrid approach, i.e. exploratory (qualitative) and descriptive (quantitative). A hybrid approach seemed appropriate as it is a mixed approach of qualitative and quantitative testing, which leverages exploratory and descriptive research. The research was conducted in two phases, with the first phase being exploratory and the second phase being descriptive.

**DIGITAL MARKETING AND CONSUMERS**

Simply put, marketing is the creation of demand for a product/service, and the demand created should transform into sales and thereafter revenue. Digital marketing can be defined as the use of digital channels to market a brand. To build on these definitions, in digital marketing demand creation is driven by the internet, which is an interactive medium that allows for the exchange of currency and value.
Table 1: Channel of Digital & Social marketing

The channels to reach consumers through digital marketing are indicated in Table 3 above, which are email marketing, online advertising, affiliate marketing, search engine marketing, pay per click advertising and social media channels.

The digital marketing channels of social media are Instagram, Tumblr, Pinterest, Twitter, Facebook, Google and Email. The main digital marketing channels for the Delhi environment are Instagram, Twitter, Facebook, Google and Email. Google marketing is done through search engine marketing and placement advertisements, whilst Twitter, Facebook and Instagram are the social media channels.

Digital marketing performance on consumer influence can be measured through metrics such as conversion rate, engagement rate and click through rate. Conversion can be defined as the action the internet website wants the user to take, which generally leads to revenue for the website, for example users purchase a product or subscribe to a newsletter. Conversion rate expressed as a percentage is calculated by the number of conversions divided by the number of visitors to the online marketing channel. Information on conversion rates is limited, however data were found on geographic regions.

Conversion Rate Optimization can be calculated/understood by

Revenue goal ÷ Average sales price = # of new customers

# of new customers ÷ lead to customer close rate % = lead goal
Conversion rate optimization is important because it allows you to lower your customer purchase costs by getting more value from the visitors and users you already have. By optimizing your conversion rate you can increase proceeds per visitor, earn more customers, and increase your business.

**CONSUMER IMPACT**

The rise of the internet provided a new channel for consumers and brands to connect, and also provided consumers with more choice, influence and power. Marketers influence consumer decisions by delivering an online marketing experience that has a combination of functionality and information on products and services. Web experiences such as searching, selecting, evaluating information and online transactions assist marketers to determine the potential of their online strategies. An increased amount of funds are being invested into digital marketing, and organisations utilise different techniques to expose consumers to their brands.

Digital marketing is used throughout the customer cycle, from brand awareness creation to encouragement to purchase, purchase assistance support for convenient purchasing, brand usage assistance and management of after sale consumer service. Research highlights that digital marketing through social media leverages marketing communication channels, and is a substitute for traditional marketing channels to connect with consumers. These findings align with research which illustrated that social media is a powerful marketing channel which attracts and influences consumers’ purchasing decisions.

**CONSUMER BEHAVIOUR**

Due to consumer engagement in social media and the rise of Web 2.0, there has been a shift in consumer behaviour with respect to activities, habitats and interactions. Due to the significant changes in the media environment, organisations have embraced digital marketing as a channel to engage with their consumers. In digital marketing, understanding consumer behaviour is key for marketing success as consumers have embraced utilising the internet and online socialising tools. Being a new tool for interacting with consumers, organisations have to be cognisant of how social media has impacted consumer buying behaviour.

An organisation’s brand is a symbol which organisations leverage to attract consumers and gain a competitive advantage. Advertisement as a marketing strategy is impactful in attracting consumers.
to an organisation’s product and having a positive influence on the buying behaviour of consumers. Consumer buying behaviour is influenced by having knowledge and being orientated with the brand. According to research, advertisements empower brand awareness.

CONSUMER CHARACTERISTICS
Cultural, social and personal factors influence a consumer’s buying behaviour. Factors of culture are made up of three aspects, i.e. culture, subculture and social class. Consumers’ wants and behaviours are determined by culture. A consumer’s culture is influenced values and perceptions learnt from family members or the society to which a consumer is exposed. As culture has an influence on consumers buying behavior, organisations have to be cognisant when developing digital marketing advertisements as the content will resonate differently with consumers. Culture can be broken down into smaller subcultures that provide a detailed identification of the socialisation of consumers. Elements of subcultures are geographic regions, nationalities, religion and racial groups. Digital marketing channels need to be designed for a specific target market, as consumers will relate to content in different ways. Social classes are divisions in society, which includes consumers that share similar behaviours, interests, and values, and these divisions are hierarchically ordered. The social standing of consumers illustrates an aspect of a division in society, and through social classes, consumers’ media engagement, lifestyle and consumption patterns are impacted.

As illustrated, the above consumer characteristics have an impact on consumer behaviour. Taking the above factors into consideration, organisations need to adapt their digital marketing initiatives to reach out to the different segments of consumers to create awareness and influence their buying decision.

CONSUMER PSYCHOLOGY
To understand the link between marketing stimuli and consumers’ purchasing decisions, organisations must be cognisant of five important psychological processes that influence the consumer. These are motivation, perception, learning, emotions and memory. Consumers have needs, which turn into motivation to act to satisfy those needs when there is a sufficient level of intensity for action to be considered. Once a consumer is motivated they are ready to act, and their actions are influenced by their perceptions. A perception is an illustration created by a consumer through the process of information selection, organisation and interpretation. Consumers’
exposure to digital marketing content has increased on the internet due to technological advancements.

Through learning experiences consumers create memories, storing the knowledge they have acquired over time, including aspects such as products, services, purchasing and experience of product usage. There are two types of memories, i.e. short-term memory and long-term memory; long-term memory is more permanent and is where a consumer’s life experience and the information they encounter ends up. Information may be in the memory but may not be recalled by consumers unless they are exposed to retrieval cues or reminders. Digital marketing is a powerful tool that can be effectively used for retrieval cues and reminders.

CONSUMER DECISION MAKING
Consumers have evolved and no longer make purchasing decisions in a linear approach; they enter at various points, which are dependent on their first engagement with the brand, product research or word of mouth from their social networks. Brands that adopt digital and social media build relationships with consumers, and in turn gain consumer loyalty to the brand. Organisations must be aware of social media sites and how they influence consumer buying behaviour. Consumers constantly consider potential purchases and evaluate alternatives in the market.

With the rise of digital technology, it is valuable to understand how the trend of digital and Social Media marketing impacts consumers in influencing their decision making processes. This research study aims to explore this concept from the perspective of organisations.

CONSUMERS IN INDIA
At present, around 35% of Indian population has access to the internet, and this figure is expected to reach above 55% by the end of 2025, thanks to the rapid development of telecom infrastructure. A consumer is an individual who purchases products and services for personal use, whilst a market is the grouping of consumers.

RESULT AND DISCUSSION
The results were discussed in relation to the themes identified, i.e. understanding the impact of digital and Social media marketing on consumer behaviour; understanding the Gender impact on digital & Social media marketing; and understanding the impact of digital and social media marketing on consumer decision making. The literature was aligned to most of the results, however
certain key differences were noted and discussed. Consumers who enter the digital space have a diverse set of characteristics, and as a result of digital marketing they can make a decision on which product to purchase before entering a retail outlet. Brand loyal consumers also add a new dynamic, as aspects such as gathering information and evaluating alternatives are limited for these consumers.

CONCLUSION
The research study was centred around digital marketing and the impact on consumer decision making. The limited research has been conducted on digital marketing from an organizational perspective, thus the academic need for this study. The business need for the study was to identify and evaluate the impact of digital on the consumer decision making process. To conclude, recommendations for business were discussed, which must be considered in light of the limitations indicated in the research study.

REFERENCE


DOI: https://doi.org/10.15379/ijmst.v10i4.2416

This is an open access article licensed under the terms of the Creative Commons Attribution Non-Commercial License (http://creativecommons.org/licenses/by-nc/3.0/), which permits unrestricted, non-commercial use, distribution and reproduction in any medium, provided the work is properly cited.