



A STUDY ON IMPACT OF DIGITAL TRANSFORMATION ON CONSUMER BEHAVIOUR

REVOLUTION IN E-COMMERCE: ANALYSING THE POTENTIAL EFFECTS OF DIGITAL TRANSFORMATION ON CONSUMER DECISIONS

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ABSTRACT

The study looks at how the digital transition affects consumer behaviour and corporate objectives. Technology has changed how customers and organizations interact, simplifying consumer decision-making and moving the focus of business models from ownership to access. Businesses are adjusting and gaining knowledge from AI and data analytics to meet the demands of tech-savvy customers today. The prevalence of e-commerce has produced strong online presences, safe payment gateways, and efficient supply networks. But issues like cyber security risks, data privacy, and closing the digital divide continue to exist. With the convergence of 5G, IoT, and AI, new avenues for development and customised experiences open up in the technological landscape. The report offers a thorough examination of the connection between consumer behaviour and digital transformation, emphasising the difficulties that firms must overcome and providing tactical advice for using digital technologies in an ethical manner. It highlights how important it is to have ethical standards and open business procedures in order to build and preserve customer trust in the digital era.

Keywords: Digital transition, Consumer behaviour, AI (Artificial Intelligence), E-commerce, Cyber security risks. Digital Transformation.

I. INTRODUCTION

Customer conduct is the investigation of how people, gatherings, or associations pick, get, utilise, and discard goods, experiences, concepts, or services to meet their requirements. Conduct is impacted by an extensive variety of social, mental, and individual variables. Businesses generally classify their target market's customers into classes based upon behavioural nature, psychological analysis, socioeconomic, or geographic parameters. The digital era has had a huge impact on consumer decision-making and brand interactions.

The arrival of advances in technology has led to a significant shift in consumer behaviour by allowing better choices based on individual tastes and demands. The shift in the industry from conventional marketing and

sales strategies to real customer testimonials has changed the landscape. Because social media has such a strong influence on consumer opinions and purchase patterns, it is becoming harder to distinguish between traditional online and physical experiences in the digital age. Customers now travel through e-commerce websites, mobile apps, and social media.

Nevertheless, there are certain negative aspects of the digital transition, like the digital divide, privacy issues, and security issues. The ever-evolving nature of modern technology brings considerations surrounding consumer adaptability and the ongoing viability of enduring business approaches. The aim of this research study is to investigate the complicated connection that exists between technological advancement and consumer behaviour. In particular, the study will focus on subjects like accessibility of information, consumer empowerment, and the difficulties that come with privacy and security concerns.

This study aims to give a comprehensive picture of how digital transformation affects current consumers' choices, preferences, and interactions by addressing research gaps, economic ramifications, and the influence of evolving technology. This study aims to offer important insights into the shifting dynamics of the consumer landscape by examining the various facets of this phenomenon.

II. OBJECTIVES

- To know how people engage with online shopping platforms.
- To know about the satisfaction level of the consumer.
- To know people's behavioural changes during the revolution in E-Commerce.

III. REVIEW OF LITERATURE

Sahil Sagar (2024) explores the challenges that are experienced in the context of e-commerce, with a particular focus on the effectiveness of supply chains, procedures for operation, and adaptability when it comes to emerging technological advances such as machine learning.

Dr. U. Jothimani et al. (2023) investigate the ways in which shifts in purchasing behaviours, the influence of social media on preferences, and alterations in online reviews influence consumer behaviour in e-commerce in order to develop an understanding of the complicated elements of digital transformation.

Dr. S. Sai Krishnan (2023) analyses whether consumer trust and confidence in platforms for online shopping are impacted by the evolution of technology, with an emphasis on safety measures, transparency, and perceived reliability.

IV. ADVANCEMENT OF ONLINE BUSINESS

As technologies have evolved and customer behaviour has shifted, e-commerce has evolved as well. Simple transactions via the internet were conducted on the early systems, but web page functions and secure payment methods encouraged extension. Social media's widespread usage, along with the growing adoption of mobile devices, is making it easier for businesses to maintain relationships with their consumer base anytime, anywhere they prefer.

Thanks to AI and machine learning algorithms, purchasing goods online, satisfaction among consumers, and suggestions for products have all improved. Virtual reality and augmented reality have helped bring forward an advancement in e-commerce through bettering online transactions and providing immersive experiences.

V. DIGITAL TECHNOLOGIES IN E-COMMERCE

The acceptance of mobile apps and smartphones for commerce. The use of big data analytics for understanding the preferences, trends, and behaviours of customers. Personalised advice, targeted marketing efforts, and improved client support.

There are safe ways to pay, including crypto currency and digital wallets. Utilising chat bots and AI-powered assistants for offering immediate assistance and addressing concerns. Being conscious of the way technological advances impact customer purchasing frameworks and what components they perform in them.

VI. CONSUMER DECISION MAKING MODELS

Iterative, dynamic models have succeeded traditional linear models. Social media, review sites, and influencers constitute every part of the consumer decision-making procedure. The ability to have access to an extensive amount of product information facilitates thorough research before the purchase.

Predictive analytics are made simple by e-commerce platforms' integration of AI and machine learning. Consumer decisions are impacted by evidence of legitimacy, such as ratings and reviews from previous consumers. Businesses need to understand these new models if they're going to navigate the digital economy while sustaining their competitive edge.

VII. IMPACT

1) Convenience and comparative buying are two benefits of online shopping and e-commerce:

- Provides customers with simple access to product details, empowering them.
- Promotes thorough product study prior to purchase.

2) Social Media Influence:

- Uses social media to engage brands and cultivate relationships.
- Shapes customer attitudes through influencers and recommendations.

3) Mobile technology:

- Promotes mobile commerce for purchases made while on the go.
- Uses alerts and applications to keep users interested.

4) Customer service and communication:

- Expects seamless contact via email, messaging apps, and social media.
- Uses chat bots powered by AI for immediate assistance.

5) In-store Experience:

- Expects a cohesive online and offline channel experience.
- Integrates digital technologies such as augmented reality and interactive displays.

VIII. RESEARCH METHODOLOGY

Sample Size	72 Responses in total
Sample Technique	Random Sampling
Study Area and Period	India (Particularly the people of Chennai) and 4 th week of January 2024
Data Collection	Primary Data – Questionnaire
Target Population	Students & Graduates
Software Used	SPSS

IX. TEST OF NULL HYPOTHESIS

Ho1: There is a relationship between the Age, Occupation, Digital experience, Transaction.

Ho2: There is a relationship between the Age and Usage of internet.

X. DATA ANALYSIS AND INTERPRETATION

GENDER :

GENDER	NO.OF.RESPONDENTS	PERCENT
MALE	42	58.8
FEMALE	30	41.2
PREFER NOT TO SAY	0	0
TOTAL	72	100

Table 1.1

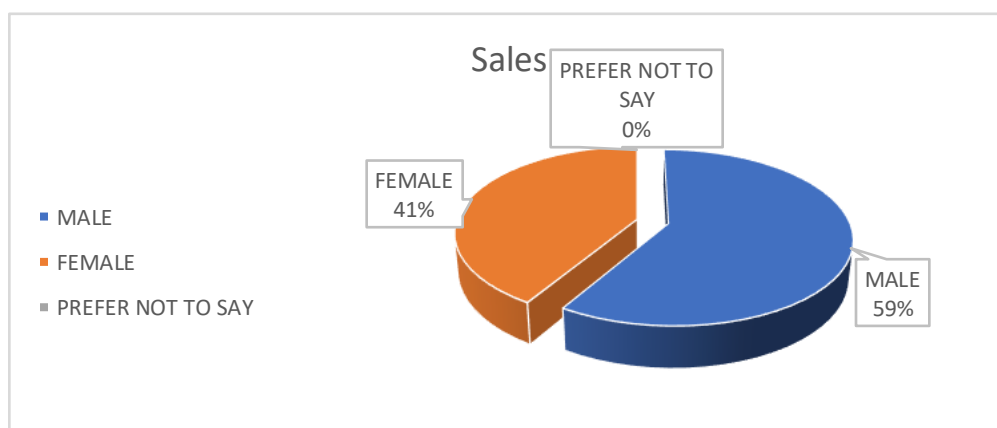


Fig 1.1

AGE :

AGE	NO.OF.RESPONDENTS	PERCENT
18-25	66	91.2
25-35	04	05.9
35-45	02	02.9
45 And Above	0	0
Total	72	100

Table 1.2

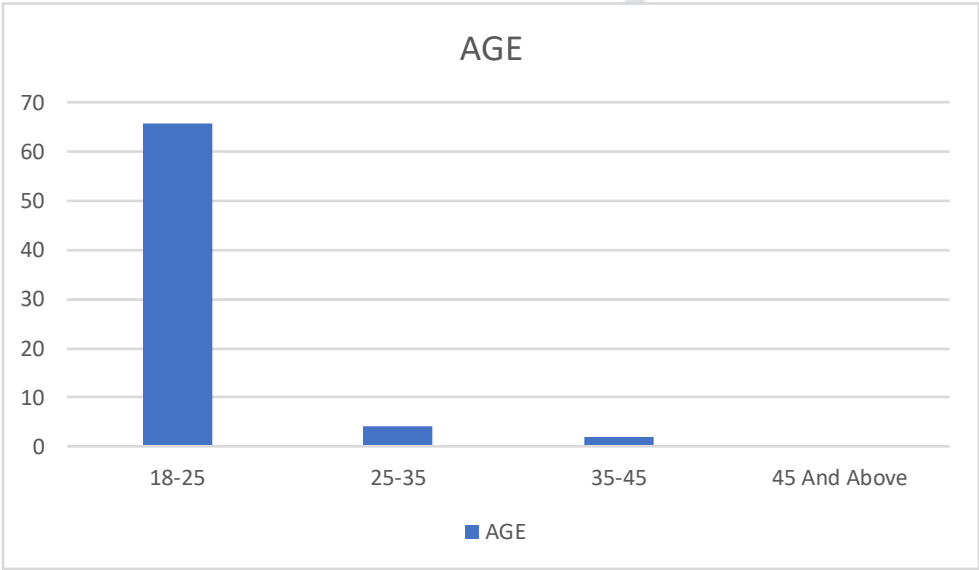


Fig 1.2

OCCUPATION :

OCCUPATION	NO.OF.RESPONDENTS	PERCENT
STUDENT	59	82.4
EMPLOYED	11	14.7
SELF-EMPLOYED	0	0
UNEMPLOYED	2	2.9
TOTAL	72	100

Table 1.3



Fig 1.3

INTERPRETATION :

Based on the questionnaire, there are a greater number of male participants (58.8%) than female respondents (41.2%). The fact that an immense number of respondents (91.2%) are around the ages of 18 and 25 mirrors an excited population. 2.9% of respondents are between the ages of 35 and 45, and 5.9% of respondents are between the ages of 25 and 35. Over the age of 45, none of the reactions stayed to participate. Students account for the largest proportion of respondents (82.4%)in the study, emphasising that this category is the priority. Moreover, there are a few respondents who are employed (14.7%) and a small percentage of people without employment (2.9%). In this sample, no respondent described themselves as self-employed.

HOW FREQUELY DO YOU USE THE INTERNET IN A TYPICAL WEEK?

PARTICULARS	NO.OF.RESPONDENTS	PERCENT
VERY RARELY	10	14.7
RARELY	2	2..9
OCCASIONALLY	8	11.8
FREQUENTLY	26	35.3
VERY FREQUENTLY	26	35.3
TOTAL	72	100

Table 2.1

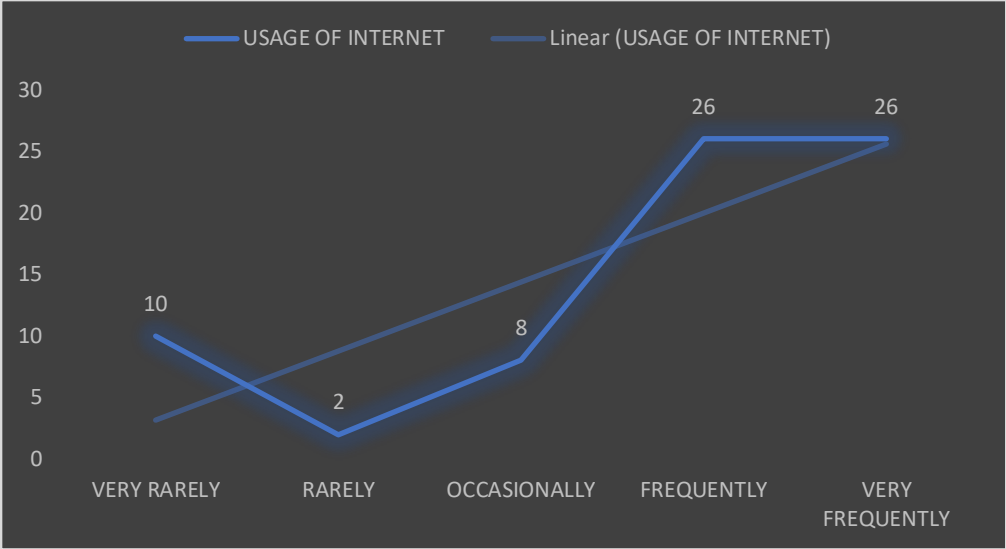


Fig 2.1

TO WHAT EXTEND HAS THE AVAILABILITY OF DIGITAL PLATFORM INFLUENCED YOUR PURCHASING DECISION ?

PARTICULARS	NO.OF.RESPONDENTS	PERCENT
NOT AT ALL	6	8.8
SLIGHTLY	17	23.5
MODERATELY	30	41.2
VERY MUCH	13	17.6
EXTREMELY	6	8.8
TOTAL	72	100

Table 2.2

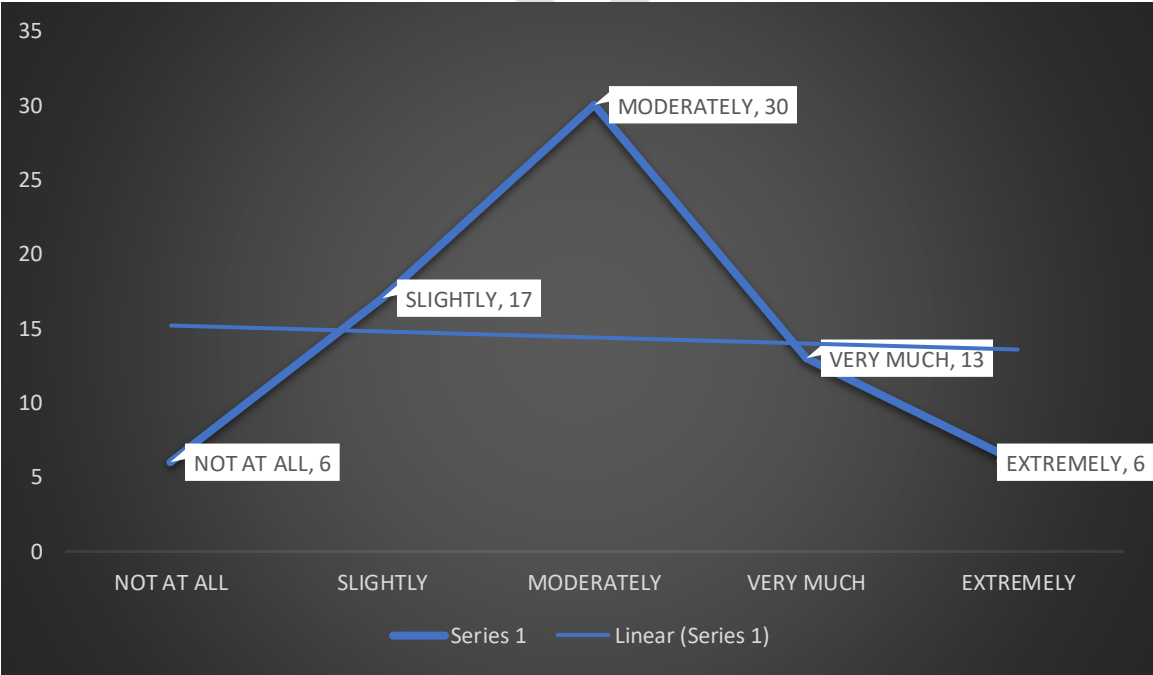


Fig 2.2

HOW COMFORTABLE ARE YOU WITH MAKING ONLINE TRANSACTION USING DIGITAL PLATFORMS?

PARTICULARS	NO.OF.RESPONDENTS	PERCENT
NOT AT ALL	4	5.9
SLIGHTLY	13	17.6
MODERATELY	21	29.4
VERY MUCH	23	32.4
EXTREMELY	11	14.7
TOTAL	72	100

Table 2.3

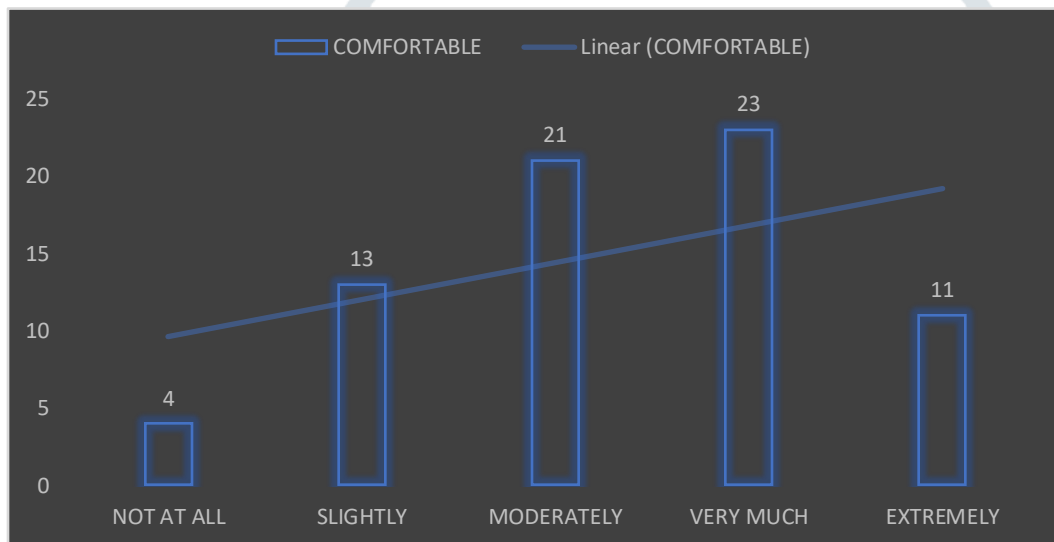


Fig 2.3

IN THE PAST YEAR, HOW FREQUENTLY HAVE YOU USED MOBILE APPS FOR SHOPPING OR INTERACTING WITH BRANDS?

PARTICULARS	NO.OF.RESPONDENTS	PERCENT
VERY RARELY	06	8.8
RARELY	21	24.4
OCCASIONALLY	17	23.5
FREQUENTLY	24	32.4
VERY FREQUENTLY	04	5.9
TOTAL	72	100

Table 2.4

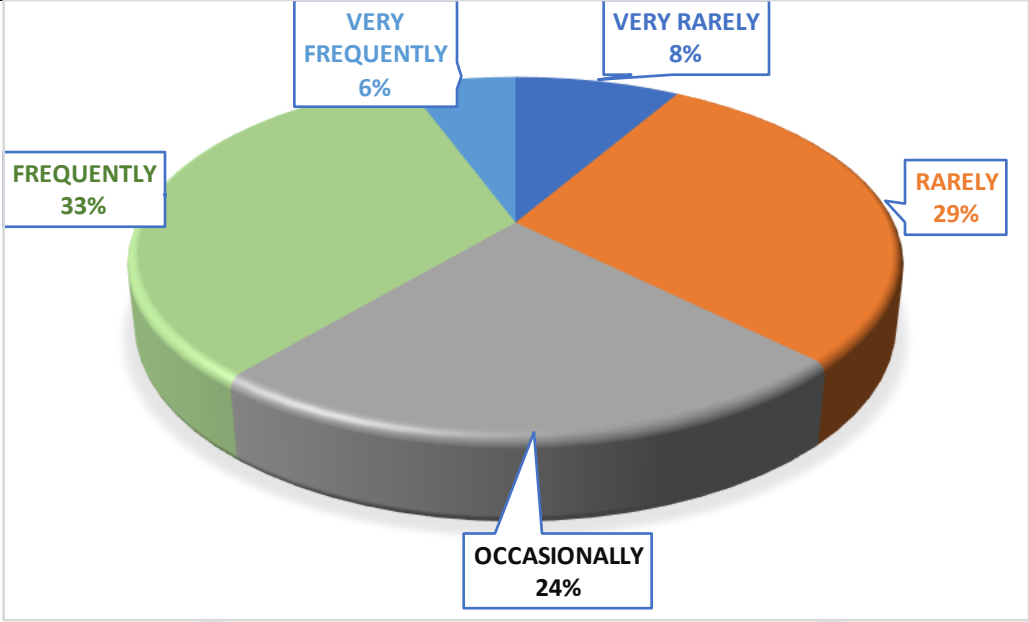


Fig 2.4

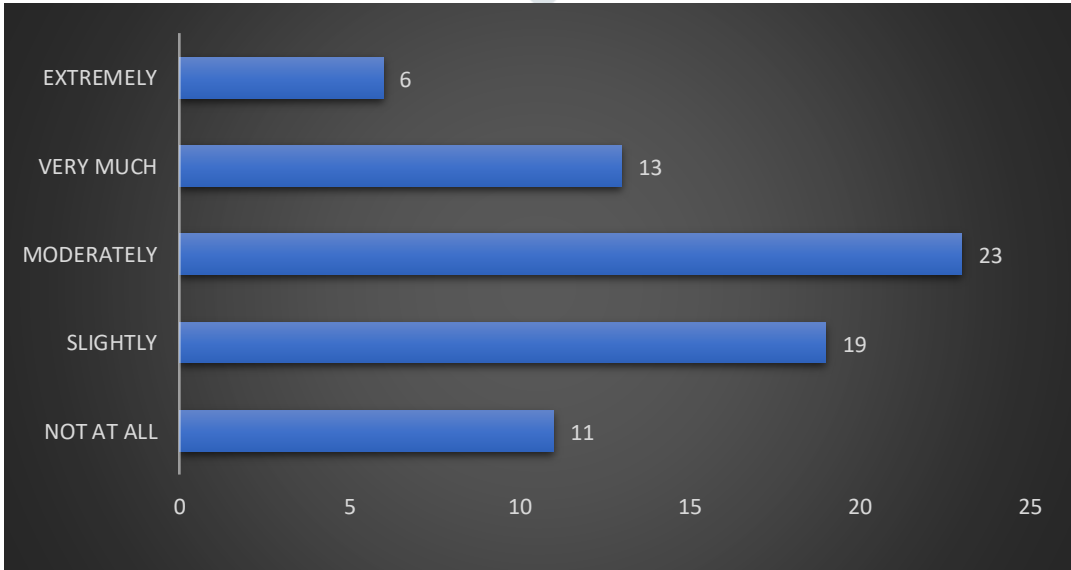
TO WHAT EXTEND HAS DIGITAL TRANSFORMATION INFLUENCED YOUR PREFERENCE FOR ONLIINE SHOPPING OVER TRADITIONAL BRICK AND MORTAR STORES ?

PARTICULARS	NO.OF.RESPONDENTS	PERCENT
NOT AT ALL	11	14.7
SLIGHTLY	19	26.5
MODERATELY	23	32.4
VERY MUCH	13	17.6
EXTREMELY	6	8.8
TOTAL	72	100

Table 2.5

Fig 2.5

HOW



IMPORTANT ARE PERSONALIZED RECOMMADATIONS FROM DIGTIAL PLATFROMS IN INFLUENCING YOUR PURCHASE DECISIONS ?

PARTICULARS	NO.OF.RESPONDENTS	PERCENT
NOT AT ALL	9	11.8
SLIGHTLY	15	20.6
MODERATELY	21	29.4
VERY MUCH	23	32.4
EXTREMELY	4	5.9
TOTAL	72	100

Table 2.6

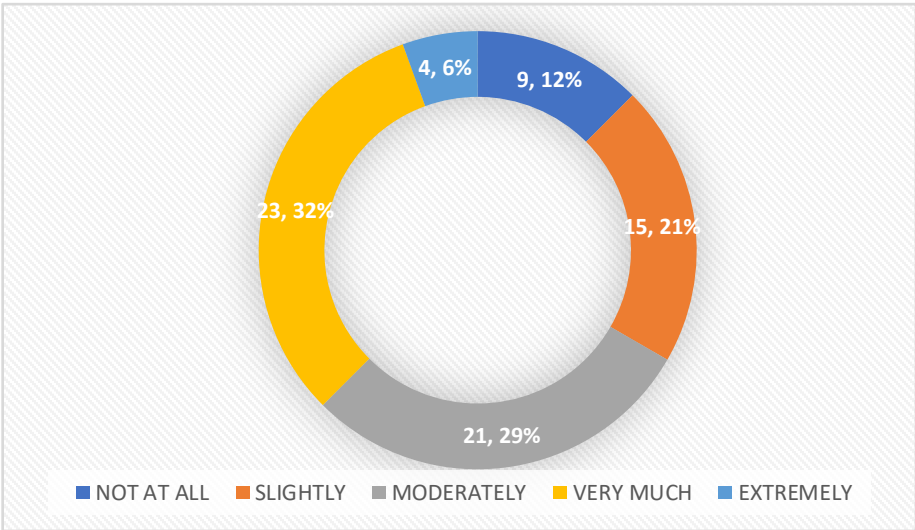


Fig 2.6

IN THE NEXT 5 YEARS, HOW DO YOU ANTICIPATE YOUR RELIANCE ON DIGITAL PLATFORMS FOR SHOPPING AND BRAND INTERACTION WILL CHANGE ?

PARTICULARS	NO.OF.RESPONDENTS	PERCENT
DECREASE SIGNIFICANTLY	0	0
DECREASE SLIGHTLY	4	5.9
REMAIN THE SAME	25	35.3
INCREASE SLIGHTLY	30	41.2
INCREASE SIGIFICANTLY	13	17.6
TOTAL	72	100

Table 2.7

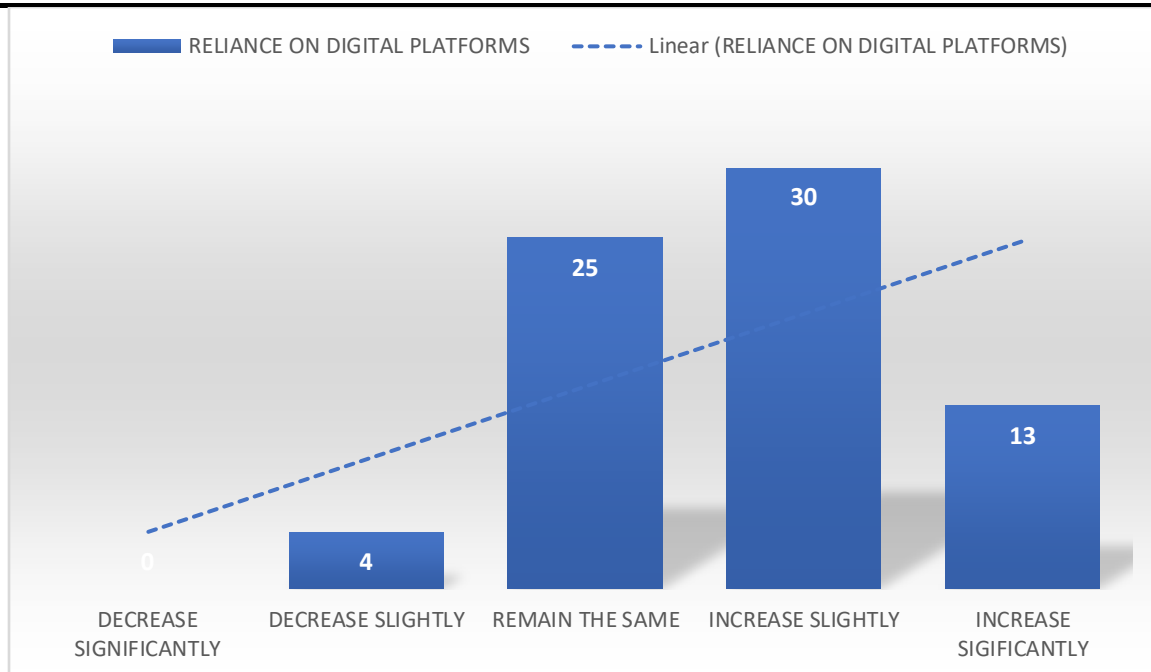


Fig 2.7

INTERPRETATION :

Most respondents report a successive or exceptionally continuous way of behaving (35.3% each). More modest rates seldom take part, with "once in a long while" (2.9%) and "once in a long while" (14.7%). Most experience the peculiarity at a moderate level (41.2%). More modest rates report "not by any stretch" or "very" (8.8% each). The peculiarity altogether affects day-to-day existence (29.4% to 32.4%). • Adverse results happen every now and again (32.4% and 23.5%). More modestrates report "extremely intriguing" or "every now and again" (8.8% and 5.9%). The greater part sees moderate feelings of anxiety (32.4%). Assumptions for future change incorporate "incrementsomewhat" (41.2%) or "continue as before" (35.3%).

XII. DISCUSSION

The thorough investigation uncovers a segment scene overwhelmed by male respondents (58.8%), principally falling inside the age section of 18–25 years (91.2%), with an eminent extent being understudies (82.4%). This segment profile proposes a critical spotlight on the more youthful age, especially understudies, showing the urgent job they play in the reception and commitment to computerised advances. The review further represents a significant contribution to computerised connections, with 70.6% of respondents connecting consistently or habitually. The high recurrence of computerised connections is supplemented by a significant 82.4% revealing moderate to significant commitment to computerised stages. This perception accentuates the basic role advanced stages play in the everyday existences of people, shaping associations that stretch beyond simple utility to summon further close-to-home reactions.

A critical finding is the huge effect of computerised change on confidential lives, as shown by 76.5% of respondents detailing an expansion in advanced change impact. This recommends a cultural shift towards an all-the-more carefully incorporated way of life, with people progressively moulded by and associated with computerised innovations.

The conjunction of successive computerised collaborations and detailed individual commitment highlights the significant impact of advanced stages on shopper conduct. It goes beyond value- based commitment, stretching out to form more extensive viewpoints and affecting dynamic cycles.

Looking forward, members express shifted assumptions for the future effect of computerised change, with 35.3% expecting a slight increment and 17.6% anticipating a huge increment. This highlights the dynamic and advancing nature of computerised change in moulding shopperconduct, featuring the requirement for organisations and scientists to stay versatile to these continuous changes.

XIII. CONCLUSION

The conclusion depends on an intensive assessment of both essential and optional information. This top-to-bottom exploration was completed using a range of measurable strategies as well as an intensive assessment of optional information obtained from distributed scholastic articles. These distributions provided a monstrous measure of data on the issue, significantly adding to the all-out research.

The review inspects the impact of computerised change on shopper conduct, zeroing in on the connection between mechanical progressions and purchaser decisions. It uncovers a critical male segment, especially under studies, who are vital to shaping the computerised change wave. Most customers participate in computerised collaborations, showing major areas of strength for advanced stages.

The concentrate likewise features the expanded effect of computerised change on confidential lives, flagging a cultural shift towards an all-the-more carefully coordinated way of life. Conventional shopper dynamic models have been supplanted by powerful models impacted by virtual entertainment, survey destinations, and powerhouses.

Admittance to broad item data has made pre-buy research simpler, and prescient examinations have become more smoothed out through computer-based intelligence and AI coordination. The review underlines the continuous development of advanced communications in moulding shopper conduct, stressing the significance of figuring out these elements for organisations and specialists

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