

# Impact of Digital Marketing on Consumer Behaviour For E-Commerce

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**1. Abstract :** To suggest that the internet and developing technology have influenced consumer behaviour is an understatement. Consumers interact and transact with e-commerce firms through digital marketing, offering a plethora of opportunities and problems for existing and new brands. The purpose of this study is to determine the extent to which digital marketing can impact consumer behaviour. Search engine optimisation, Facebook, Instagram, pay per click, and email marketing are examples of digital marketing techniques that have a significant impact on customers' perceptions of brands and how they interact online.

**Keywords:** E-Commerce, Digital Marketing, Consumer Behaviour

## 2. Introduction

The study of customers and the processes they use to select, utilise, and dispose of items and services is known as consumer behaviour. A more detailed definition will also cover how this affects the rest of the world. Consumer behaviour combines concepts from a variety of disciplines, including psychology, biology, chemistry, and economics. All marketing decisions are founded on assumptions and consumer behaviour understanding. It can be stated that it is the study of how individuals, groups, or organisations choose, purchase, and use goods and services to meet their requirements. Consumers are seen as the market's king. Because they are the ones that buy goods and services for personal use. Consumer behaviour is influenced by a variety of factors, including:-

- \* **Demographical Factors :** Age, gender, education & income level.
- \* **Psychological factors :** Buying motive, perception about the products, and attitudes towards the product.
- \* **Marketing factors :** Product design, price, promotions, packaging, positioning, and distribution.

Consumer behaviour undergoes modifications over time. It is dependent on the product's nature. It's not as if every customer acts the same way. It is contingent on one another. It is critical for marketers to understand consumer behaviour because they are the ones that drive product and service sales. As a result, based on their knowledge and product availability, a buyer will purchase what provides them with the most value. Marketing has the ability to affect people's perceptions of value. Of course, this includes direct product advertising, product placement in entertainment, event sponsorship, and locating the product for purchase. This "value" is more than just monetary. It comprises the positive feelings that come with being associated with specific companies. Starbucks, for example, is a brand that people like not only for the product but also for the social features.

Digital marketing is a powerful tool for influencing and connecting with potential customers. The only difference is that you communicate with them via the internet. In reality, it is an online marketing asset for attracting a large number of customers and establishing online loyalty. When it comes to digital marketing strategies, it's unavoidable to use best practises without fail. When it comes to its importance, digital marketing plays a unique role in determining whether a progress is slowed or a shining development occurs. You'll need digital marketing to cover a wide range of products and services, no matter what they are. Connecting with digital marketing is essential for a variety of reasons, including showcasing your brand online and gaining an advantage over your competitors.

Electronic commerce, also known as ecommerce, refers to any type of business or commercial transaction that involves the transmission of data via the Internet. It encompasses a wide range of enterprises, from consumer-facing retail sites to auction and music sites, as well as corporate exchanges that trade commodities and services between firms. Ecommerce marketing is the process of driving visitors to your online store, converting that traffic into paying consumers, and keeping those customers after they've made a purchase. A comprehensive digital marketing plan includes both on- and off-site marketing methods.

The primary reasons for the necessity of "digital marketing" for the success of e-commerce enterprises and influencing consumer behaviour are summarised below:

### Increasing your web visibility

A brand can spread to reach the maximum number of clients by focusing on digital marketing strategies. Customers interact with brands and get more familiar with them as a result of such interactions.

### Creating immense Awareness about your brand

Digital marketing is the only media that allows you to raise brand recognition and popularise it, as well as build a perception in the minds of your customers.

### **Streamlined Accessibility**

It can be utilised to raise your game and, as a result, earn more money in the online mode. Online platforms are inconvenient and difficult to utilise.

### **Generating more leads and higher ROI**

So that sales and investment can be increased later. Furthermore, you may encounter folks that require your items or services to be completed. As a result, it plays a critical role in maintaining a steady flow of traffic and converting it into leads.

### **Digital Marketing Tools and Their Influence on Consumer Behaviour**

#### **Facebook and Instagram**

Social media provides a forum for keeping up with the latest trends, and owing to Facebook and Instagram, it is now more accessible than it was five years ago. People appear to get fashion inspiration from Facebook and/or Instagram, but in a more passive manner than through active participation in the two social media sites' fashion communities. This has a significant impact on the client base. Companies spend a large portion of their budget on promoting their products and services. Advertisements that accompany interesting content are used to positively impact customers' purchase behaviour. As a result, businesses are turning to Facebook and Instagram in the hopes of attracting customers' attention and prompting them to take action.

Facebook has surpassed Twitter as the most widely used social networking site. Facebook owns and operates both Instagram and WhatsApp. With this in mind, marketers and businesses have been able to better target their potential customers. The best part is that all types of brands, not just the big ones with all the money, have been treated equally. This has provided an opportunity for entrepreneurs who are just getting started in advertising to get their name out there, and it has shown to be effective for a number of firms. Facebook ads are effective, but only if you are willing to put up the effort required to make them so. This necessitates spending time and effort on creatives, copywriting, and ad relevance.

#### **Search Engine Optimisation**

SEO (Search Engine Optimization) is a natural, organic search that brings people to your website and encourages them to interact with your business. It is a natural, organic search that sends traffic to your website and helps customers engage with the business. It mostly relies on content marketing. This implies you must excel at all three aspects of SEO: on-page optimization, off-page optimization, and technical SEO. More significantly, your content marketing must be outstanding in order to engage customers. A brand must provide great content for its potential customers in order to rank in the top three of Google's first page and for customers to click on the website. The Google Algorithms are an important part of this equation. It is a natural and cost-effective means of attracting attention for marketers.

#### **Pay Per Click**

Pay Per Click (PPC) advertising is a sort of online advertising in which a business pays for each click on an ad. It might be a search ad, a display ad, a gmail ad, or a retail ad. Other search engines, such as Bing and Yahoo, have it as well, however Google is by far the most used. You have complete control over your budget, targeting, traffic time, and so much more with Pay Per Click.

#### **Email Marketing**

Email marketing is one of the most well-established and powerful marketing tactics. Email can be the answer for a firm looking for a low-cost way to communicate with its consumers. One of the most powerful advantages of email marketing is that it eliminates the requirement for customers to visit a company's website at a specified time to see what they're advertising. Instead, they'll be notified anytime an email arrives, so they'll be ready to react to anyone who seeks information about your website, no matter what they're doing or where they are. It's also a cost-effective way to communicate with your customers without being intrusive, as many other marketing methods can be. e-commerce organisations send out emails when they announce new products, become new sellers, send a politeness email if someone hasn't received their order yet, and so on. In any event, it will save you time and, at the end of the day, it will help you attract more customers.

### **2.1 Scope of Study**

Because corporations are attempting to improve their advertising's effectiveness in terms of consumer acceptability, we believe it is critical to determine whether consumers are more accepting of marketing on recognised or liked sites such as blogs and communities than on non-focused web sites. Furthermore, some businesses are utilising more personalised ads to achieve their objectives, and we will look into this topic in relation to user attitudes toward customised ads. Furthermore, there has been no agreement in past study on the differences between men and women in these situations. Private customers, in the majority of cases, build blogs and communities for specific purposes. While certain sites are primarily visited by men, others are primarily visited by women.

### **2.2 Background of the Problem**

Despite the availability of all e-commerce enterprises and the benefits they bring, customers are not fully engaged in e-commerce-related activities, according to this survey. As a result, the study's major theme is awareness. It investigates:

- (i) What are the new consumer behaviour concepts for E-Commerce?
- (ii) Do digital marketing impact sales and customer retention?

If e-commerce awareness is widely recognised and clearly defined by e-commerce activity, it will be easier to determine what should be done and by whom. The study is notable because it highlights a challenge that e-commerce buyers confront in comprehending the benefits of digital marketing.

### 2.3 Objectives

1. Influence of Digital Marketing on Consumer Behaviour for E-commerce.
2. Impact of Digital Marketing on customer retention and sales

### 2.4 Hypothesis

H1 : The significant impact of Digital Marketing on consumer behaviour in E-commerce.

H2 : There is a significant impact of digital marketing on customer retention and sales.

### 2.5 Literature Review

**Kotler** in his book "Marketing Management," Kotler formalised evolution. Production, sales, and brand management are three of his most important stages. Each of these is fueled by technical advancements that provide for new techniques and opportunities. A fourth stage, when the focus is on the individual consumer, is equally critical. As the Internet's new technology advances, it reinforces the new marketing emphasis, which is reminiscent of business at the beginning of the century in many ways.

**Fauser, Weidenhofer, and Lorenz (2011)** conducted a study on the impact of social media on the purchase decision path of consumers. **Fauser et al. (2011)** said in their research and conceptual model that while communication was at the heart of any social media platform, information sharing, collaboration, and connection building were also required to enable continued communication. Due to the rapid development of social media and changes in customer behaviour, the study (**Fauser et al, 2011**) found that social media marketing is a vital instrument for marketing brands and products. The findings demonstrated that social media may effectively influence consumers at all phases of the purchase decision path.

(**2017, Dr. Anubhuti Gupta**) The Internet is an effective tool for fostering relationships. E-marketing has opened up new horizons for marketers by providing information and time value to customers. The most important element of the digital economy is that it allows E-Marketers to bypass traditional barriers to entry before entering new markets. The inherent strength of an E-Market stems from the geometrically increasing returns from converging ideas and technological change, not from the seamless flow of goods and services from the producer to the customer. The strength of online communities has never been greater, and companies have used them to develop new markets.

**2014 (Fazal ur Rehman)** Advertisements on Facebook can be utilised to influence the purchasing decisions of young people. Furthermore, when compared to the Facebook environment, the data reveal that females have a greater influence on Facebook advertisements. In terms of leveraging social media to impact buying behaviour, the study agrees with **De Valck, Van Bruggen, and Wierenga (2009)**.

Digital advertising is used to generate likeness, attract attention, and positively affect purchasing behaviour. The attitude-towards-the-ads idea is an intriguing advertising theory that is frequently utilised to understand purchasing behaviour. Effective advertising changes people's minds about a brand and eventually leads to buy intent (**Goldsmith & Lafferty, 2002**). Consumer purchasing behaviour is, in theory, the product purchase decision (**Adelaar et al., 2003**).

In this study, **Clark and Melancon (2013)** evaluated whether investing in social media genuinely aids in the development and maintenance of meaningful customer relationships (in relationship marketing perspective). Customers have a tendency to avoid being bombarded with a multiplicity of marketing messages, therefore traditional mass media marketing communications look to be on the decline in terms of efficacy (advertisement being a paid media).

(**Mannu Garg, Ashima Bansal, and Kirti Singla, 2020**) Digital marketing plays a vital role in the decision-making process of consumers. However, one of the most significant components of attracting clients is digital marketing, which requires the development of appropriate digital strategies.

### 3. Conclusion

The focus of this research is on digital marketing as a factor that influences consumers' online shopping habits. It was highlighted in the literature review chapter that e-commerce organisations should keep a close eye on Social Media Platforms and use them to build a better connection between their services and their customers. Before making a purchase, people search practically everywhere for an actual buyer reaction. Customers rely heavily on the internet to be affected by many businesses, and marketers should study this behaviour. The study focuses on online consumer habits and Internet shopping (including the nature of online shopping, E-commerce websites, and trustworthiness) (include background, shopping motivation and decision making process). Those factors were investigated in order to determine their impact on online customer behaviour. In addition, past studies were utilised to aid researchers in gaining a more comprehensive understanding. Customers are influenced by digital marketing, which helps firms establish long-term customers with a greater retention rate, resulting in increased sales.

#### 4. Limitations of the Research

It is critical to define the scope and bounds of the research in order to ensure that the core problem and research questions are effectively addressed. This is referred to as the research delimitation ( **Leedy and Ormrod, 2005** ).

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