" An Investigation on the Effects of Digital Marketing on Brand Loyalty and Customer Retention"

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Abstract:

A common belief is that one of the most significant aspects of deciding an organization's fate is customer loyalty. Organizations in the era of digitization should consider cutting-edge tactics to boost their market share and competitiveness by utilizing the potential of digital content and improving their digital skills. The study's goal is to better understand the respondents' backgrounds and determine the influence of digital marketing on brand loyalty and customer retention. This research is descriptive in nature. Five fast food restaurants' patrons made up the research sample for this study. 240 clients consented to participate in the study after being selected using a convenient selection technique. Structured questionnaires with five-point Likert Scale statements were used in the survey. Primary data was collected from a sample of 216 respondents who are familiar with digital platforms such as Flipkart, Amazon, Myntra, and other digital marketing platforms. The questionnaire was distributed to 240 people, 216 of whom completed it. To examine the data, the statistical software SPSS 20.0 was utilized. The whole publication discusses both the analysis and the interpretation.

Keywords: Customer, Brand Loyalty, Digital Marketing, Retention, Competitiveness.

INTRODUCTION:

Customers are important to all marketing initiatives around the world. Businesses couldn't sell their goods or services to people without clients, therefore their marketing initiatives would be ineffective. While there may be exceptions where a corporation can make revenue through other means (for example, selling assets or licensing intellectual property), sustained success without consumers is extremely rare in today's business market. Customers are vital not just for revenue generation, but also for critical feedback, validation, and market demand,

all of which are required for long-term success. In today's highly competitive and globalized financial markets, customer loyalty is critical to financial institutions' profitability and survival (Badaruddin et al., 2017).

The increased availability of media communication and information has revolutionized the corporate landscape, giving both opportunities and problems for organizations seeking to expand. Businesses that adapt to these changes, embrace digital strategies, focus customer involvement, and use data-driven insights will survive in today's fast-paced and interconnected world (Muda et al. 2017).

The advancement of digital communication Technology has had a major impact on consumer behaviour by democratizing access to information, increasing social influence, and improving the whole purchasing experience. Businesses that recognize and react to these developments can leverage digital platforms to effectively communicate with customers and boost sales (Yasmin et al., 2015; Alharbi & Alhider, 2018). Internet marketing is a critical link in the new wave of marketing, harnessing the power of digital channels to contact, engage, and convert clients in a more focused, cost-effective, and quantifiable way. As technology advances, internet marketing will surely remain at the forefront of marketing innovation, propelling business growth and success in the digital age (Ariyani and Septiani, 2022). Internet marketing enables firms to create focused marketing strategies, improve advertising effectiveness, and meet marketing objectives in a dynamic and competitive digital marketplace. Businesses may connect with their target audience, drive engagement, and ultimately expand their brand and business by taking advantage of the immense opportunities provided by the internet. Internet marketing is critical for building brand awareness and becoming top-of-mind with consumers. Businesses can efficiently build brand awareness and make a lasting impression on their target audience by combining content development, SEO, social media engagement, online advertising, email marketing, influencer collaborations, and continual optimization (Azaria et al, 2014). Internet marketing is a critical component of modern company strategy, allowing businesses to effectively promote their products and services, raise brand awareness, communicate with customers, increase website traffic, and monitor and optimize performance. Businesses may achieve their marketing goals and thrive in today's competitive economy by carefully exploiting digital channels and the power of the internet. Internet marketing functions inside the broad ecosystem of the internet, which serves as a global network linking computers and gadgets from many countries and areas throughout the world. Within this network, internet marketing is a popular way for businesses to transmit messages, promote products and services, and engage with customers (Kertajaya, 2006).

Digital marketing is the most convenient and successful approach to market products and services in today's digital age. Its capacity to promote direct engagement with potential customers, cross geographic barriers, and grow with technology makes it a must-have tool for organizations hoping to survive and thrive in the digital era. Prioritizing the customer is critical to the success and sustainability of organizations in today's competitive environment. Companies may generate long-term loyalty and advocacy by designing goods with the consumer in mind, developing engaging relationships, building trust, giving important information, and personalizing experiences. Businesses may establish long-term relationships with their consumers by truly understanding them and implementing methods to deliver personalised experiences, build emotional connections, give great service, and reward loyalty. (Al-Bediree & Al-Jenaibi, 2020).

REVIEW OF LITERATURE:

- Asos is just one of many businesses that rely extensively on social media to sell their products and services nowadays. According to Parker and Alexander (2022), social media has helped the company expand its audience and improve brand perception. This section discusses how social media marketing has had a significant impact on ASOS' brand image.

- According to Chaffey and Ellis-Chadwick (2019), ASOS has a substantial fan base across several social media platforms such as Facebook, Instagram, and Twitter. The company's presence on these channels allows it to reach more people and raise awareness. This greater exposure boosts brand awareness and contributes to a more positive brand image.

- According to Al-Dmour et al. (2019), high levels of customer satisfaction are frequently associated with customer loyalty. Customers who are pleased with their interactions with a company are more likely to become loyal and driven to continue buying its products or services. When customers are pleased with their interactions with a brand, they are more likely to create trust, feel emotionally engaged, advocate for the brand, and make repeat purchases, promoting long-term loyalty and contributing to the company's success.

- Massari and Passiante's (2006) view of customer loyalty as having both attitudinal and behavioral components gives a thorough comprehension of the phenomena. Incorporating both attitudinal and behavioral components enables firms to gain a more sophisticated picture of customer loyalty and design focused tactics to boost it. Businesses can create strong and persistent relationships with their customers by encouraging good brand attitudes and repeat purchasing behaviour, resulting in long-term success and a competitive advantage in the marketplace.

- C. W. Chang & Zhang (2016) found that an offline (retail-store) channel can be used to migrate customers from an inactive state to an active state, effectively serving the purpose of ―education‖ or ―revival. On the other hand, an online channel is most effective in keeping existing active customers active, thus serving the purpose of ―retention. Vogel and Paul (2015) demonstrate that channel-based pricing differentiation benefits customers through perceived value but lowers retention due to price unfairness and limited self-determination.

OBJECTIVE OF THE STUDY:
- To Understand respondents' backgrounds.
- To Determine the impact of digital marketing on improving client loyalty.
- Examine the importance of loyalty systems and their tracking capabilities for client retention.

METHODOLOGY:

This research is descriptive in nature. The current research sample was gathered from clients of five fast food establishments. Based on a suitable sampling method, 240 clients volunteered to participate in the survey. The

survey was carried out using structured questions with 5-point Likert Scale statements. Primary data was collected from a sample of 216 respondents who are familiar with digital platforms such as Flipkart, Amazon, Myntra, and other digital marketing platforms. The questionnaire was distributed to 240 people, and 216 of them responded. The statistical tool SPSS 20.0 was used to examine the data.

ANALYSIS AND FINDINGS:

Table No: 1 Background of the Respondents

N=216

Variable	Details	Frequency	Percent
Gender	Male	130	60.2
	Female	86	39.8
Age	Below 20	76	35.2
	21 to 30	68	31.5
	31 to 40	40	18.5
	41 and above	32	14.8
Educational qualification	PUC	52	24.1
	UG	84	38.9
	PG	80	37
Marital Status	Married	120	55.6
	Unmarried	96	44.4
Employment status	Employed	56	25.9
	Student	92	42.6
	Unemployed	68	31.5

The provided table presents data on various variables including gender, age, educational qualification, marital status, and employment status, along with their respective frequencies and percentages.

- **Gender:** Among the respondents, 60.2% identify as male, while 39.8% identify as female.

- **Age:** The majority of respondents, at 35.2%, are below 20 years old. 31.5% fall within the 21 to 30 age range, followed by 18.5% in the 31 to 40 bracket, and 14.8% are 41 years and older.

- **Educational Qualification:** The distribution of educational qualifications shows that 24.1% have PUC qualifications, 38.9% have completed undergraduate (UG) studies, and 37% hold postgraduate (PG) qualifications.

- **Marital Status:** A majority of respondents, accounting for 55.6%, are married, while 44.4% are unmarried.

- **Employment Status:** Among the respondents, 25.9% are employed, 42.6% identify as students, and 31.5% are unemployed.

   Interpretation: The data suggests that the respondents comprise a diverse group in terms of gender, age, educational background, marital status, and employment status. This diversity is crucial for understanding various perspectives and experiences within the surveyed population. For example, the significant percentage of students indicates a young population with a focus on education, while the distribution of marital status

and employment status provides insights into the demographics and socioeconomic characteristics of the respondents.

Table No. 2: Selected Independent Variables and Dependent Variables Associated

Variable	Chi-Square Value	Degree of Freedom	Significant Level	Result	Testing Hypothesis
For how long you have been using DMP * I intend to keep purchasing the products and services offered by FC, A, M and ODMP	5.863[a]	3	.118	Not Significant	Accepted
For how long you have been using DMP * I consider myself to be loyal to FC, A, M and ODMP	4.353[a]	3	.226	Not Significant	Accepted
For how long you have been using DMP * I usually consider FC, A, M and ODMP as my first choice when I Purchase	3.683[a]	3	.298	Not Significant	Accepted
How often do you use DMP * I intend to keep purchasing the products and services offered by FC, A, M and ODMP	8.933[a]	4	.063	Not Significant	Accepted
How often do you use DMP * I consider myself to be loyal to FC, A, M and ODMP	12.792[a]	4	.012	Significant	Rejected
How often do you use DMP * I usually consider FC, A, M and ODMP as my first choice when I Purchase	4.729[a]	4	.316	Not Significant	Accepted
Which DM platforms do you use more * I intend to keep purchasing the products and services	7.557 [a]	4	.109	Not Significant	Accepted

offered by FC, A, M and ODMP					
Which DM platforms do you use more * I consider myself to be loyal to FC, A, M and ODMP	12.694[a]	4	.013	Significant	Rejected
Which DM platforms do you use more * I usually consider FC, A, M and ODMP as my first choice when I Purchase	8.549 [a]	4	.073	Not Significant	Accepted

The provided table displays the results of chi-square tests examining the relationship between different variables. Here's a breakdown of the results:

- For how long you have been using DMP (Digital Media Platforms) I intend to keep purchasing the products and services offered by FC, A, M, and ODMP: The chi-square value is 5.863 with 3 degrees of freedom, yielding a p-value of .118, indicating that the relationship is not significant. Thus, the null hypothesis is accepted.

- For how long you have been using DMP I consider myself to be loyal to FC, A, M, and ODMP: The chi-square value is 4.353 with 3 degrees of freedom, and the p-value is .226, which is not significant. Hence, the null hypothesis is accepted.

- For how long you have been using DMP I usually consider FC, A, M, and ODMP as my first choice when I purchase: The chi-square value is 3.683 with 3 degrees of freedom, resulting in a p-value of .298, indicating no significant relationship. Therefore, the null hypothesis is accepted.

- How often do you use DMP I intend to keep purchasing the products and services offered by FC, A, M, and ODMP: The chi-square value is 8.933 with 4 degrees of freedom, yielding a p-value of .063, which is not significant. Thus, the null hypothesis is accepted.

- How often do you use DMP I consider myself to be loyal to FC, A, M, and ODMP**: The chi-square value is 12.792 with 4 degrees of freedom, and the p-value is .012, indicating a significant relationship. Therefore, the null hypothesis is rejected.

- How often do you use DMP I usually consider FC, A, M, and ODMP as my first choice when I purchase: The chi-square value is 4.729 with 4 degrees of freedom, resulting in a p-value of .316, indicating no significant relationship. Hence, the null hypothesis is accepted.

- Which DM platforms do you use more I intend to keep purchasing the products and services offered by FC, A, M, and ODMP: The chi-square value is 7.557 with 4 degrees of freedom, yielding a p-value of .109, which is not significant. Therefore, the null hypothesis is accepted.

- Which DM platforms do you use more I consider myself to be loyal to FC, A, M, and ODMP: The chi-square value is 12.694 with 4 degrees of freedom, and the p-value is .013, indicating a significant relationship. Thus, the null hypothesis is rejected.

- Which DM platforms do you use more I usually consider FC, A, M, and ODMP as my first choice when I purchase: The chi-square value is 8.549 with 4 degrees of freedom, resulting in a p-value of .073, indicating no significant relationship. Hence, the null hypothesis is accepted.

Conclusion:

The dynamic realm of digital marketing is witnessing exponential growth, drawing in an ever-expanding audience on a daily basis. This surge in viewership not only amplifies brand visibility but also nurtures brand loyalty through the recurrent exposure of marketing ads across digital platforms. Over time, as products are showcased to consumers, brand loyalty and positioning gradually solidify. The findings from the aforementioned results suggest that digital marketing stands as a formidable catalyst for fostering customer loyalty in the era of digitization. This influence extends to both the attitudinal and behavioural aspects of customer loyalty, thereby enhancing customer engagement with the brand and concurrently heightening their inclination to make purchases.

Effectively harnessed, digital marketing not only enhances customer satisfaction but also cultivates a loyal customer base rooted in positive experiences. Consequently, organizations are urged to prioritize digital marketing strategies to augment customer loyalty. In essence, the impact of digital marketing platforms on brand loyalty is significant. The hypothesis testing reveals a discernible positive correlation between digital marketing and purchasing intent. Notably, among the internet marketing indicators, customer relationship and satisfaction emerge as pivotal variables shaping customer loyalty. Internet marketing, characterized by these variables, holds the potential to shape customer loyalty by leveraging existing brand awareness.

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