



Impact of Digital marketing on Consumer behavior

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ABSTRACT

Every entrepreneur has to adopt an innovative marketing strategy in order to encounter the plans and strategies of rival producer by retain the his regular customers and attracts new customers for promoting his sales and reaping maximum profits or minimizing losses in order to sustain in the competitive market. Digital marketing is an innovative method of marketing products and it is a successful strategy in the market system. The new strategy is a cause for paradigm shift of marketing. Adam Smith's invisible hand makes producers and customers for searching self benefit. Marshal's consumer surplus stimulates and influences a consumer behavior.

Key words: Sales, products, Consumer, Customer, strategy. Digital Marketing, Technology,

Introduction:

We are living in the reign of technology. Technology has made the world very small as it removes the boundaries of the world countries. However, technology is a web, where ever we go we will be in the web; we are always connecting with web tech. It has become a part in our day to day life. It is a great access for vast innovations. Every innovation adds colour to life.

Shumpeter considered an entrepreneur as hero as he introduces innovations in the production. The role of an entrepreneur whose brain child is an innovation is confined to production in narrow but in broad his role spreads to the introduction of a new production, the introduction of a new method of production, the opening up of a new market, the conquest of a new source of supply of raw materials or semi manufactured goods and the carrying of the new organization of any industry like the creation of monopoly.

Economy is inherent of marketing where the two forces that are demand and supply make it to move. Paul Samuelson defined a market is an arrangement by which buyers and sellers of a commodity interact to determine its price and quality.

Stonier and Hague explained market that any organization whereby the buyers and sellers are of a good are kept in close touch with each other, it is important to realize that there is no need for a market to be in a single

building as happens, further he explained that the essential feature of a market is that all buyers and sellers should be able to get in touch with each other wherever the market is open either because they are in the same building or because they are able to talk by telephone at a moment's notice.

According to Benham market is any area over which buyers and sellers are in close touch with one other, either directly or by through dealer, that the prices obtainable in one part of the market affects the prices paid in other parts.

Innovations in technology have brought flexibility in the definition of market by removing the need of an area for a market. It connects the buyers and sellers wherever they are. The wings of the market which covers the entire world has been opened in the light of economic liberalization policies of the world countries. A transaction of buying and selling has been hastened and made easy, at the same time the accessibility of marketing has been put in a distance of just a click. It is the miracle of technology. In simple we are living in the reign of digital technology. Digital marketing is another feather in its cap. Alfred Marshall's consumer surplus causes for paradigm shift of marketing products and in addition to this Adam Smith's invisible hand stimulates and influences the producer as well as customers and they causes for spreading of digital market.

Historical journey of Digital market:

The history of digital marketing system has been traced in the internet era. During early 1990s business began to create websites and communicate with customers through emails. The historical milestone was laid down by launching first banner ad in 1994, which was displayed on the website Hot Wire and it was clicked 44000 times in the first four months. This success showed to lead an explosion of new digital marketing strategies.

Today the digital marketing strategies has become an essential part in the business as it is an easy access business persons to reach their targeted groups. However, some key milestones in the history of digital marketing are given here under.

- 1990: the Archie search engine is created.
- 1994: the first banner ad is displayed on website Hot Wire.
- 1994: Yahoo! is found.
- 1994: Amazon.com is found.
- 1998: Google is found.
- 2000: Google's Ad Words programme is launched.
- 2003: My space is launched.
- 2004 Face book is launched.
- 2005 You Tube is launched.
- 2006: twitter is launched.
- 2007: The iPhone is released.
- 2010: The iPad is released.
- 2010: Instagram is launched.

- 2011: Snapchat is launched.
- 2016: TikTok is launched.

Digital marketing is a constantly evolving field that will be enriched by technology and strategies in all time as the business persons want to stay ahead in the competition.

Approaches to Digital marketing:

It is an essential way or tools in Digital marketing which channelizes business to targeted groups. Some of the key approaches are discussed below.

- **Search Engine Optimization (SEO):** It focuses on improving website's visibility in organic search engine results. It involves optimizing content, using relevant key words, enhancing website structure and obtain high quality back links to to rank higher in search engine result pages
- **Content Marketing:** This approach revolves around creating and distributing valuable, relevant and consistent content to attract and retain a clearly defined audience. Content can include blog posts, articles, videos, Infographics and more aiming to engage potential customers and drive profitable action.
- **Social media marketing:** leverage different social media plant forms to connect with audiences, build brand awareness, and promote products or services. This involves creating content, engaging with users, and running paid advertising campaigns on platforms like Face book, Instagram and Twitter, LinkedIn, and others
- **Email Marketing:** Sending targeted messages and promotional materials directly to individuals' email inboxes. This approach aims to nurture relationships with leads or customers, share valuable content, and drive sales
- **Pay-Per-Click (PPC) Advertising:** PPC involves placing ads on search engines or other websites, and advertisers pay a fee each time their ad is clicked. This model allows for immediate visibility in search engine results or on partner websites, offering a quick way to drive traffic and conversions
- **Affiliate Marketing:** Partnering with affiliates who promote products or services and earn a commission for each sales generated through their marketing efforts.
- **Influencer Marketing:** Collaborating with individuals with substantial following or influence in a particular niche to endorse products or services. Influencer marketing utilizes the influencer's credibility to expand a brand's reach and credibility.
- **Mobile Marketing:** Tailoring marketing strategies to reach users on their mobile devices, considering app-based marketing, mobile-optimized websites, SMS marketing, and location-based marketing.
- **Market Automation:** Using software platforms to automate marketing tasks such as email marketing, Social media posting, and ad campaigns. Automation streamlines processes, enhances efficiency, and allows for more personalized customer experiences.
- **Video Marketing:** Video marketing impacts the power of video content to engage and connect with audiences. It can include promotional videos, tutorials, vlogs and live streaming.

- Data Analytics and Personalization: leveraging data analytics to understand customer behavior and preferences, and tailoring marketing efforts to provide more personalized experiences. This approach helps in delivering targeted and relevant content to specific audience segments.

Behavior is not a constant element; it is a variable as it depends on psychology of a particular person. We can find different personalities in different persons due to degree of influence. In general, psychology of a person is evolved and amplified by the nature of individual, situational, social, cultural etc factors. The behavior of urban people is different than that of rural people as their culture, income levels, the habits of neighbors etc. The marketing behavior of a consumer will go changes according to his psychology.

Review of literature:

Lavanya, A and Radhikamani, M jointly conducted a study on Digital marketing and its impact. They discussed about components of digital marketing and they compare Digital marketing with traditional marketing and they touched about advantages and disadvantages of digital marketing in their study. Finally the study concluded that individuals are visiting more online content. Individuals are spending more time on internet and more digital platforms they use to play an ever-developing function in their life.

Kumar Rohit (2022) conducted a study on impact of Digital marketing on consumer buying behavior of Garwal region for his Ph.D. his thesis (study) found that education and income of the consumers influence the buying behavior of the consumer.

Research gap: the mentioned studies have not studied the reason for changing the consumer's behavior in the platform of digital marketing. The present paper will fill the gap.

Objective: 1. To study consumer surplus in the study area.

Hypothesis: 1. There is no consumer surplus in the Digital Marketing platform

Methodology: Anantapur district is divided into three revenue divisions. One revenue mandal from each revenue division one mandal is taken and from each mandal one urban area is considered as study area and altogether 100 samples are selected by lottery system irrespective of area. The study is conducted based on primary data.

Data analysis:

Attracting factors for Digital marketing:

Man is rational being. He always thinks about his benefit. He prefers to do whatever is benefit to him. We can find preferences in human behavior; human behavior can be molded according to human preferences. The human preferences can be patterned by some attracting factors. Some of them which mold human preferences are mentioned below.

Below table answers for why the customers prefer digital marketing than physical shopping. It is confirmed that all respondents (100 Respondents) unanimously agreed to the four factors that are more varieties, home delivery, customer reviews and less crowded made their preference towards digital marketing. The factors namely return and repayment facilities which are available in the digital marketing motivate customers towards digital shopping. It accounts for 95 per cent each. The table reveals that 15 per cent of respondents who do not know about 24/7 availability are there in the sample. In addition to this 20 per cent of sample does not know about the access to global brands. One more thing that 25 respondents out of 100 samples do not know about exclusive online only brand. The most influencing and the objective of the study that is low price which makes consumer surplus is also shown in the table. 70 out of 100 samples have agreed that the prices of products in the digital market are lower than physical market and 30 per cent of the samples have deviated from the former opinion.

Table No.01
Preferences molded factors

Sl. No.	Factor	Yes	NO	Unknown
1	More varieties	100	0	0
2	Low price	70	30	0
3	Return facility	95	5	0
4	Repayment	95	5	0
5	Time Saving	78	22	0
6	Home delivery	100	0	0
7	Customer reviews	100	0	0
8	Access to rarer products	90	0	10
9	Access to global brands	80	0	20
10	24/7 availability	85	0	15
11	Less crowded	100	0	0
12	exclusive online only brands	75	0	25

Source: Primary data

Results:

Hypothesis testing:

The hypothesis testing is an important tool for confirmed the significance of the hypothesis that no consumer surplus in the Digital Marketing platform at 5 per cent significance level. For the study χ^2 test is an opt test.

Table No.02

Hypothesis testing

Sl. No.	Item	yes	No	Total
1	Clothes	40	10	50
2	Cosmetics	20	10	30
3	Both	10	10	20
4	Total	70	30	100

Table No.03

Calculation of chi – square

Observed value (fo)	Expected Values (fe)	fo-fe	(fo-fe) ²	fo-fe/fe
40	35	5	25	0.7142857
10	15	-5	25	1.6666667
20	21	-1	1	0.047619
10	9	1	1	0.1111111
10	14	-4	16	1.1428571
10	6	4	16	2.6666667
Total				6.3492063

$$\text{Degree of freedom} = (r-1)(c-1) = (3-1)(2-1) = 2$$

The table value of χ^2 for degree 2 at 5 per cent level of significance is 5.991. the calculated value of χ^2 is more than this table value, hence the results of the study is does not support the hypothesis. We can thus conclude that there is a consumer surplus which influences the customers towards digital marketing.

Conclusion:

It is concluded that consumer surplus is comparatively more there in the digital marketing than physical market. Therefore low price marketing strategy is successful strategy in the competitive market for increasing customers and sales promotion. It works out as a stimulant.

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