

# AN EMPIRICAL STUDY ON THE IMPACT OF DIGITAL MARKETING ON PURCHASE INTENTION AMONG TEENAGERS IN MADURAI CITY

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## Abstract

This study assesses the impact of digital marketing on teenagers' purchase intention in Madurai city. The aim of the study is to find out the effectiveness of digital marketing and its effect on online buying decision of teenagers. The exploratory research design was adopted for the study. The data was collected from both primary and secondary data sources. Primary data was collected through structured scheduled questionnaire method. The secondary data was collected from related articles, journals, thesis, books, newspapers and internet, etc. The target population of the study consists of teenagers prefer to purchase through online in Madurai city. The sample size of the study consists of 100 customers chosen by purposive sampling technique. To analyze the data, the study applied statistical tools like descriptive, chi-square test, linear regression analysis and Friedman test. Based on the analysis, the study found that there is a significant impact of digital marketing on purchase intention among teenagers of Madurai city. It is also identified that social media marketing is the preferable digital marketing channel of teenagers to take online purchase decision.

**Key words:** Digital Marketing, Purchase Intention, Teenagers, Madurai City.

## I. Introduction

In today's scenario, companies are depending mainly on digital marketing to promote and sell their goods and services. Digital marketing has become boom to our country as it increases GDP of our economy to a greater extent. It aids the customers to buy wide range of branded goods and services wherever they resides. The effective door step delivery system, exchange offer, refund order, immediate response to query, affordable fair price for products and variety of promotional schemes offered by digital marketing attracts wide variety and all classes of people to buy through on-line. In particular, teenagers prefer to buy through online purchase mainly because of its attractive price, precise brand description and comparison with similar product, lucky corners, festival offers, combo offers, return policy and for various other promotional tools provided by online retailers like Amazon, Flipcart, Snapdeal, Bigbasket, Jabong, Myntra, Homeshop18 etc. Teenagers with the support of social media, they have the scope of evaluating the product to take right purchase decision. Hence, this study examines effectiveness of digital marketing and purchase decision of teenagers towards the products and services of online retailers.

## II. Problem Definition

In India, due to the growth, speedy and easy access to internet, customers are aware of everything through electronic devices namely computer, laptop, mobile phones etc. Industries use creative techniques to magnetize and attract a broad range of consumers to buy their goods and services through digital marketing. They offer 24\*7 services through various channels and identify the prospective customers, convince them by providing well-equipped attractive information and insist them through various promotional tools to buy their goods and services. In addition, repeated advertising creates inopportune, anxious among the customers and sometimes it leads to have an untrustworthy and negative perception towards digital marketing. Customers believe to some degree that digital marketing is fundamentally a pushing platform and not an advertisement medium. Consequently, it becomes challenge for the digital marketing to create trustworthiness on goods and services in order to retain loyal customers. Especially, by linking retailers site often to the customer's social media sites, web pages, electronic communication pages, creates fear for the potential buyers in purchasing goods through digital marketing. They focus on teenagers and emphasize eye-catching advertisement which indirectly forces them to prefer impulse purchase. Thus, the study has been undertaken to identify the impact of digital marketing on teenagers purchase decision in Madurai city,

Tamilnadu. It also finds out the significant association between demographic profile and purchase intention of teenagers.

### III. Literature Review

**Alfeel, E. and Dr. Ansari, Z.A. (2019)** assessed the impact of social media marketing on the purchase intention of the customers in Saudi Arabia. The study was quantitative in nature based primary data collected through structured close ended questionnaire, distributed online. The sample size of the study was 121 respondents and the data was analysed using factor analysis, ANOVA and regression analysis. The results showed that 92.4% of the customer purchase intention has been explained by Social Media Marketing. Hence, the study concluded that there is a significant the impact of social media marketing on the purchase intention of the customers in Saudi Arabia

**Ceesay. LB., and Sanyang, L. (2018)** explored the impact of digital media advertising on consumer intention towards fashions and luxury brands using a case of consumers in Gambia. The study is built on the new methods and concepts used in digital marketing environment with growing potential to influencing consumer behavioral intention towards fashion and luxury brands. Digital marketing factors such as privacy, familiarity, trust in advertiser and content, entertaining digital ad, digital interactivity, and relevance of digital ads were factors used to measure consumer intention in digital media ads of fashion brands. The study revealed that digital media ads that are entertaining, attracts consumer trust in the advertiser and content of digital media ads were considered to have the most significant impact on consumer intention towards fashion brands. The results of the study concluded that social media, websites, e-mails, and search engine continue to dominate the retailing of fashion brands.

**Janathanan, C., and Nizar, N. (2018)** identified the effect of digital marketing with specific reference to social media marketing on customer purchasing behaviour. The research is based on survey process, since the questionnaire was circulated to collect public data for research into the effect of social media marketing on customer purchasing behaviour. 184 Responses from the Google forms survey were obtained. In Dialog Axiata, interview was conducted between three interviewees. The study found that cost-effectiveness; knowledge quality, consumer confidence and internet shopping experience have an impact on consumer purchasing behavior.

**Rai, MK. (2018)** examined the efficiency of digital marketing on consumer purchase behavior in Allahabad District. The study was exploratory in nature. The sample size of the study was 120 respondents chosen based on purposive and convenient sampling technique. The results of the study revealed that people aware of the digital channels .In spite of their educational qualification, customers use to prefer digital channels to buy any sought of products, no much role of monthly income of people plays a role choosing a kind product buy through digital channels. The study concluded that the customers are satisfied with products they bought through the digital channels this is considered as a positive sign for the growth digital channels in customer purchase decision.

**Dr. Kumar, TP., Mohan and Shanthi, S., Shiva (2016)** examined the consumer behavior towards online marketing at Mysore. The study incorporated both exploratory as well as descriptive research design. The sample size used for the study is 100 and the sampling technique adopted was convenience sampling technique. The study found that the five dominant factors namely convenience, accessibility, scope, attraction, reliability, experience and clarity influences consumer perceptions towards online purchasing. It also found that the role of demographic factors like age, gender, income, marital status affecting on the consumer behavior towards online marketing. The study concluded that online marketing is considered as an added advantage to both the marketer as well as to the customers in fulfilling their needs and requirements.

**Mahalaxmi, KR., and Ranjith, P (2016)** examine the implication of digital marketing in consumer purchase decision and to find out that the consumers are aware of digital marketing and the digital channels influence in their purchase decision in Trichy. The study is carried out through survey from 50 respondents. The findings of the study revealed that customers are aware of digital marketing and they prefer to by electronic and shopping goods through digital channels in their purchase behavior. The study revealed that the influence of the digital channels not supporting in change of opinion of customer towards purchasing a product, but in near future the digital channels influence the customer purchase opinion as there is a consideration for digital channels among customers are evident.

### IV. Objectives of the Study

- 1) To study the demographic profile of teenagers.
- 2) To measure the level of effectiveness of digital marketing and purchase intention of teenagers.

- 3) To identify the significant association between demographic profile and purchase intention of teenagers from digital marketers.
- 4) To find out the impact of digital marketing on purchase intention of teenagers.
- 5) To ascertain teenagers' preferable digital marketing channel to decide upon online shopping.
- 6) To suggest ideas to enhance the effectiveness of digital marketing and online buying behavior of teenagers.

## V. Significance of the Study

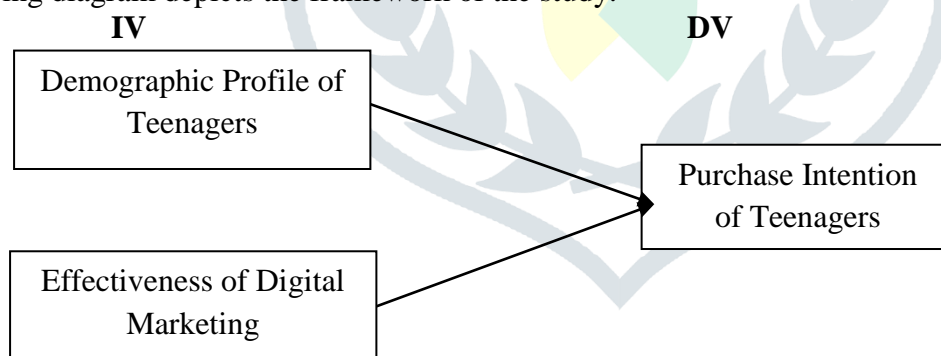
Internet plays a major role of human lives and becomes inevitable source for the people in the society as like basic needs. The transformation of traditional to digital marketing provides opportunities for the business organizations to enhance their advertising effectiveness. It has accelerated the use of mobile phones, computers and laptops leading to a significant change in both frequency and volume growth in digital marketing. In particular, teenagers spend most of their time in accessing to Internet for the use of social media, checking mail, watching YouTube videos and many more. Hence, this study highlights the level of effectiveness of digital marketing on teenagers which support the online retailers to modify selling policy in accordance with the needs and expectations of teenagers. It also identifies the purchase intention of teenagers through online marketing which helps the online retailers to serve accordingly.

## VI. Scope of the Study

The study revolves around the impact of digital marketing on purchase intention of teenagers. The digital marketing channels chosen to find out its effect on purchase intention of teenagers are Social Media Marketing, Content Marketing, Search Engine Optimization (SEO), Search Engine Marketing (SEM), Pay-Per-Click Advertising (PPC), Affiliate Marketing, Email Marketing, Mobile marketing, Blogger and remarketing. The geographic area of the study is confined to Madurai city, Tamilnadu. The findings, suggestions and conclusion are generalizable to consumers in Madurai city.

## VII. Conceptual Framework of the study

Based on the preliminary data collection and review of literature, the study has chosen two independent variables (consumers' demographic profile and effectiveness of digital marketing) and one dependent variable (purchase intention of teenagers from online retailers). The objective of the study is to find out whether these independent variables have an effect on dependent at Madurai city, Tamilnadu. The following diagram depicts the framework of the study.



## VIII. Research Methodology

The primary objective of the study is to find out the effect of digital marketing on teenagers' purchase intention in Madurai city. In order to achieve this objective, exploratory research design is adopted for the study. The data are collected from both primary and secondary data sources. Primary data is collected through structured scheduled questionnaire method. The secondary data is collected from related articles, journals, thesis, books, newspapers and internet, etc. The target population of the study consists of teenagers prefer to purchase through online in Madurai city. The sample size of the study consists of 100 customers chosen by purposive sampling technique. In order to analyze the data, the study applied statistical tools like descriptive, chi-square test, linear regression analysis and Friedman test.

## IX. Hypotheses

On the basis of conceptual framework and objectives of the study, the following hypotheses are formulated:-

H<sub>11</sub>: There is an association between teenagers' demographic profile and their purchase intention through online retailers.

H<sub>12</sub>: There is a significant impact of effectiveness of digital marketing on teenagers' purchase intention through online retailers.

H<sub>13</sub>: There is a significant difference in the mean rank of teenagers' preferences on digital marketing channel to take online purchase decision.

## X. Analysis and Interpretation

### a. Reliability Test

The researcher used Cronbach's Alpha Reliability to examine the internal consistency of variables in the construct. Cronbach's Alpha states that reliability less than 0.60 are considered to be poor, while those in the 0.70 range are acceptable and those over 0.80 are considered good (George, D., and Mallery, P., 2003 and Kline, P., 2000).

**Table 10.1**

Sl. No.	Scale	No. of Items	Cronbach's Alpha ( $\alpha$ )
1	Effectiveness of Digital Marketing	10	0.916
2	Online Purchase Intention of Teenagers	10	0.928

[Source: Primary data]

From the above table, it is learnt that Cronbach's Alpha reliability for all the factors was above 80% which means that the variables produce consistent results if measurements are made repeatedly.

### b. Descriptive Statistics

**Table 10.2**

Sl. No.	Scale	Mean	Standard Deviation
1	Effectiveness of Digital Marketing	3.31	1.104
2	Online Purchase Intention of Teenagers	3.28	1.117

[Source: Primary data]

It is inferred from the above table that the mean value of all the variables are below 3.50; which means the effectiveness of digital marketing (3.31) and online purchase intention of teenagers (3.28) are at average level. Hence, it is proven that the digital marketing is not much effective in attracting the teenagers to have purchase intention from online retailers.

### c. Chi-square test

In order to find out the significant association between teenagers' demographic profile and their purchase intention through online retailers, Chi-square test is applied.

H<sub>01</sub>: There is no association between teenagers' demographic profile and their purchase intention through online retailers.

H<sub>11</sub>: There is an association between teenagers' demographic profile and their purchase intention through online retailers.

**table 10.3 demographic profile and purchase intention of teenagers**

Demographic Profile	Chi-Square Value	P value	Conclusion
Gender	5.241	0.001**	Accepted at 1% level
Educational Qualification	12.475	0.004**	Accepted at 1% level
Occupation of family	15.983	0.003**	Accepted at 1% level
Monthly Income of family	14.728	0.008**	Accepted at 1% level

[Source: Primary data]

\*\* Denotes significant at 1% level.

Since the P value is less than 0.01, the alternate hypothesis is accepted at 1 percent level of significance. Hence, it is concluded that there is an association between gender, educational qualification, occupation and monthly income of family with purchase intention of teenagers through online retailers.

### d. Multiple Regression

In order to find out the significant impact of effectiveness of digital marketing on teenagers' purchase intention through online retailers, multiple regression analysis is applied.



H<sub>02</sub>: There is no significant impact of effectiveness of digital marketing on teenagers' purchase intention through online retailers.

H<sub>12</sub>: There is a significant impact of effectiveness of digital marketing on teenagers' purchase intention through online retailers.

table 10.4.a predictor variables of multiple regression analysis

Multiple R value	R Square value	Adjusted R <sup>2</sup> value	F value	Standard Error	P value
0.913	0.834	0.831	316.872	1.846	0.001**

[Source: Primary data]

Note: \*\* Denotes significant at 1% level

The above table revealed that the teenagers' purchase intention through online retailers can be predicted at  $R^2 = 0.834$ . In this model, the value of  $R^2$  denotes that 83.4% of the observed variability in teenagers' purchase intention through online retailers can be significantly explained by effectiveness of digital marketing. The remaining 16.6% is not explained which means that the rest 16.6% of the variation of teenagers' purchase intention through online retailers is related to other variables which are not depicted in this model.

Since the p value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence the linear combination of effectiveness of digital marketing is significantly related to teenagers' purchase intention through online retailers ( $F = 316.872$  and  $P = 0.001^{**}$ ).

table 10.4.b coefficients between effectiveness of digital marketing and teenagers' purchase intention through online retailers

Variables	USC	SE	SC	t value	P value
(Constant)	0.040	0.482		0.083	0.009
Effectiveness of Digital Marketing	0.268	0.051	0.211	5.279	0.001**

[Source: Primary data]

Note: \*\* Denotes significant at 1% level.

Dependent Variable (Y) = Online Purchase Intention of Teenagers

Independent/Predictor Variable = Effectiveness of Digital Marketing ( $X_1$ )

The Ordinary Least Squares (OLS) equation for predicting Online Purchase Intention of Teenagers is: Online Purchase Intention of Teenagers ( $Y$ ) =  $0.268X_1 + e$

The coefficient of  $X_2$  is 0.268 which represents the direct relationship between effectiveness of digital marketing and online purchase intention of teenagers. The estimated positive sign indicates that for each additional unit of effectiveness of digital marketing, there is a 0.268 unit increase in online purchase intention of teenagers and it is significant at 1% level.

#### e. Friedman test

In order to study the teenagers' preferences on digital marketing channel to take online purchase decision, Friedman test is applied. Based on mean rank, the most frequently used digital marketing channel to take online buying decision is identified.

H<sub>03</sub>: There is no significant difference in the mean rank of teenagers' preferences on digital marketing channel to take online purchase decision.

H<sub>13</sub>: There is a significant difference in the mean rank of teenagers' preferences on digital marketing channel to take online purchase decision.

Table 10.5  
Teenagers' Preferences towards Digital Marketing Channel

Digital Marketing Channels	Mean Rank	Chi-square value	P value
Search Engine Marketing (SEM)	3.46	642.782	0.001**
Social Media Marketing	1.35		
Search Engine Optimization (SEO)	5.47		
Mobile Marketing	2.85		
Pay-Per-Click Advertising (PPC)	8.21		
Affiliate Marketing	4.90		
Email Marketing	7.07		
Content Marketing	6.64		
Blogger	10.73		

Re-marketing	9.18		
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[Source: Primary data]Note: \*\* Denotes significant at 1% level

Since P value is less than 0.01, the null hypothesis is rejected at 1 percent level of significance. Hence it is concluded that there is a significant difference among the teenagers' preferences on digital marketing channel to take online purchase decision. Based on mean rank, the most significant digital marketing channel preferred by the teenagers' to take online purchase decision is Social Media Marketing(1.35), followed by Mobile Marketing(2.85), Search Engine Marketing (3.46), Affiliate Marketing (4.90), Search Engine Optimization (5.47), Content Marketing(6.64), Email Marketing (7.07), Pay-Per-Click Advertising (8.21), Re-marketing(9.18) and Blogger(10.73).

## XI. Findings

From the descriptive statistics, it is clearly learnt that the effectiveness of digital marketing and online purchase intention of teenagers are at average level. Based on chi-square test, it is understood that there is a significant association between teenagers' demographic profile and their purchase intention through online retailers. The linear regression analysis has proven that 83.4% of the observed variability in teenagers' purchase intention through online retailers can be significantly explained by effectiveness of digital marketing. Based on the Friedman test, it is found that Social Media marketing is the highly preferable digital marketing channel to take online purchase decision by teenagers.

## XII. Suggestions

Industries are very much reliant on digital marketing to promote its products and services through a variety of digital channels namely search engines, social media, email and mobile applications to connect with current and prospective customers. Based on the study, it is learnt that the effectiveness of digital marketing and online purchase intention of teenagers are at average level. Consequently, in order to increase teenagers buying intent, digital marketers are urged to provide authentic and accurate and full-fledged information on their goods and services. Based on the chi-square test, it is clearly identified that there is a significant association between teenagers' demographic profile and their purchase intention through online retailers. Hence, it is suggested for the digital marketers to discriminate their goods in terms of quality, price, promotional tools and product varieties according to the demographic factors of the customers. The result of the linear regression analysis proven that there is an impact of digital marketing on purchase intention among teenagers. Therefore, digital marketers should concentrate on quality of products, affordable price, avoid spam to develop user-friendly web page and offer consumers with safety and security while operating and transacting funds to facilitate its effectiveness and enhance purchase intention of teenagers.

## XIII. Conclusion

Digital marketing has fostered the development of trusting consumer-brand relationships, making it an increasingly important tool for optimizing brand loyalties. The main drawback in digital marketing is that the customers are unable to touch and feel the products and which forces the consumer to drop online buying decision. It is also difficult for the digital marketers to maintain customer loyalty due to entry of large number of competitors which confuses consumers in choosing and trusting the goods and services offered by them. Hence, it is advised for the digital marketers to offer reliable product and service information, its process, functioning, ingredients, fair usage and applications, reviews from previous users, and online engagement to answer questions so as to make an immediate purchase decision without going directly to shops. Based on the study, it is concluded that digital marketing have a greater effect on teenagers purchase intention of online products. Thus, it is implicated for the digital marketers to design their marketing strategies and channels as per the suggestions offered in the study.

## XIV. Limitations of the Study

- 1) The study is limited to digital marketing and its impact on teenagers' purchase intention in Madurai city, Tamilnadu.
- 2) The study is limited to 100 teenagers of Madurai city.

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