

ROLE OF IT IN MARKETING: DIGITAL MARKETING AND ITS IMPACT ON COMMUNICATION WITH CUSTOMERS AND THEIR BUYING DECISION PROCESS

Prof. Jiteshree Pramod Raut and Prof. Manali Balkrishna Churi
Assistant Professor (B.Sc.IT), P. L. Shroff College, Chinchani

ABSTRACT

Marketing is communicating the value of a product, service or brand to customers, for the purpose of selling and promoting that product, service, or brand. It is the link between a society's material requirements and its response. Information Technology led to birth of fast and effective marketing. New marketing concepts like digital marketing, chatboat technique, mobile advertising have changed the traditional concepts of marketing. Digital marketing is one of the concept which is rising in India with fast pace. Many Indian companies are using digital marketing for competitive advantage. This paper aims to understand the effect of digital marketing communication with customer and its impact on consumer buying decision process. The paper also discusses the areas of digital marketing which changed the perspective of marketing and focuses on understanding new developments in digital marketing.

Keywords: Digital marketing, global market, customers, online shopping, buying decision process.

OBJECTIVES

1. To study the customer and their buying decision process.
2. To study the factors which mainly encourage the customer to do the online shopping.
3. To identify the importance and need of digital marketing for customer point of view.
4. To identify the problems in digital marketing from the point of view of customer and their buying decision process

INTRODUCTION

As a result of globalization, not only nations are coming closer to each other but also different sector undergoes into significant changes. Marketing sector is also affected by this and experiencing so many changes continuously. Digital Marketing is a part of a Digital Economy. India is a fast moving nation towards digital economy Digital marketing is the use of the internet, mobile devices, social media, search engines, and other channels to reach consumers. Through digital media, customers have access to information whenever and for any place where they desire. Digital marketing utilizes multiple channels such as content marketing, influencer marketing, SEO, social media and online advertising to help brands connect with customers and expose performance of marketing programs in real-time. The term digital marketing has grown in popularity over time, particularly in certain countries like USA, UK, and India etc. In the India online marketing is still common. Through digital media, customers have access to information whenever and then for any place where they desire. With the use of digital media, customers do not just depend on just what the sellers says regarding brand but additionally they are able to follow what the media, friends, peers, etc. Some marketing experts consider digital marketing to be an entirely new venture that requires a new way of approaching customers and new ways of understanding how customers behave compared to traditional marketing.

According to CAM Foundation – “Digital Marketing is a broad discipline, bringing together all forms of marketing that operates through electronic devices – online, on mobile, on-screen. Over the years, digital marketing has developed enormously, and it continues to do so.”

EVOLUTION OF DIGITAL MARKETING

International Journal of Advanced Research Foundation reveals the following in 2016. Between 1971 and 1972, The ARPANET is used to arrange a sale between students at the Stanford Artificial Intelligence Laboratory and the Massachusetts Institute of Technology, the earliest example of electronics or digital commerce.

1979: Michael Aldrich demonstrates the first online shopping system.

1981: Thomson Holidays UK is first business-to-business online shopping system to be installed.

1996: India MART B2B marketplace established in India.

2007: Flipkart was established in India. Every E-marketing or commercial enterprises use majorly digital means for their marketing purposes.

In 2011, the digital marketing statistics revealed that advertising via the mobile phone and tablets was 200% lower than that of the following years. The growth was in a geometric progression as it rises to \$6 billion in 2012.

From 2013 to March 2015, the investment total increase was 1.5 billion dollars over the preceding years. There has been an impressive growth up till this present moment. The report by the International Journal of Advanced Research Foundation summarized that India is getting to see the golden period of the Internet sector between 2013 to 2018 with incredible growth opportunities and secular growth adoption for E-Commerce, Internet Advertising, Social Media, Search, Online Content, and Services relating digital marketing. Total Media, Digital and Mobile Internet Ad Spending in India (2013-2019)

RESEARCH METHODOLOGY

Data was collected in two ways i.e. primary data and secondary data. The data collection method used for collection of primary data was survey method and the data collection instrument used as structured questionnaire. The secondary data was collected from some international research papers and some articles on digital marketing.

NEED OF STUDY

These days in the era of digital marketing, the process of consumer decision making has changed beyond all recognition. User behavior has been streamlined and today's business model is a much briefer one than in the past. Now, when a consumer decides they need a product, they can surf the internet immediately, find exactly what they need virtually instantly and make a snap purchasing decision. Researching online takes a matter of minutes or hours rather than days trawling around stores and calling suppliers. Reviews are right there at the consumer's fingertips and product demos can be viewed immediately before making any purchasing decision. This accessibility has had a major impact on the standard business model. It no longer follows a linear and traditional path. It has become a moving target that has digital marketing right at its heart.

IMPORTANCE OF DIGITAL MARKETING

1. Digital marketing is considerably cheaper than other marketing methods. Digital marketing gives scope to reach out many customers at the same time and within budget.
2. Digital marketing helps you reach mobile phones and other devices. With email and text marketing, and social media like Facebook, twitter, instagram etc – you can be in front of your audience while they use many different apps on their mobile phones.
3. Many consumers do almost all of their shopping online. Digital marketing lets you appeal to these people and thus expand the reach of your company. Between Google Shopping Ads and brand awareness campaigns, you can expand your brand recognition and boost sales.
4. Customers tend to engage more with marketing materials that combine multiple types of content, including photos, video clips, and audio. It is far easier to incorporate all these content types into digital marketing than any other type of publicity and it is very important.
5. Digital marketers can easily interact with customers, through the product content given online, reviews and comments of the customers etc. The active interaction of the marketers with customers make them feel respected and marketers can easily find out what their customers actually wants. It also allows you to gather invaluable information on customers reactions and preferences.
6. Digital marketing lets you tract the interest of customer. Marketers can find out what customers actually wants and which type of ads, offers can make them more attracted towards product. This tells you which marketing methods are most effective, allowing you to refine and improve your strategy.
7. Digital marketing makes it easy to comment on issues and controversies that relate to your product or your industry. In this way, you can establish yourself as an authority on such topics, leading readers to trust you, come back for more information, and eventually make a purchase. Digital marketing allows you to come off as the industry expert that you are and will instill trust in your business.

FINDINGS AND SUGGESTIONS

1. Gender and Age Group Gender

FINDING

Out of 50 responses 66% was female customers who are doing online shopping more than male customer. Digital marketing mainly target the female customers by giving them so many offers and discounts on

various products like jewelry , textiles , beauty products etc so they do more shopping compared to male customers.

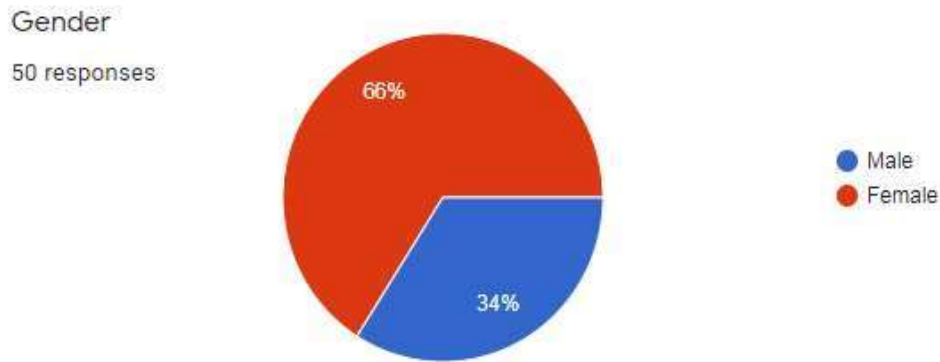


fig 1 : % Distribution of Gender

Age

Findings

81.6 % responders are from 21 – 30 age groups and remaining is from 31 – 40 age groups. From our survey we come to know that customers from age group 41 – 60 are less interested in buying product online. They still believe in shopping product offline. Some online shopping apps are not that much user friendly so people from the age group 41-60 can use it easily

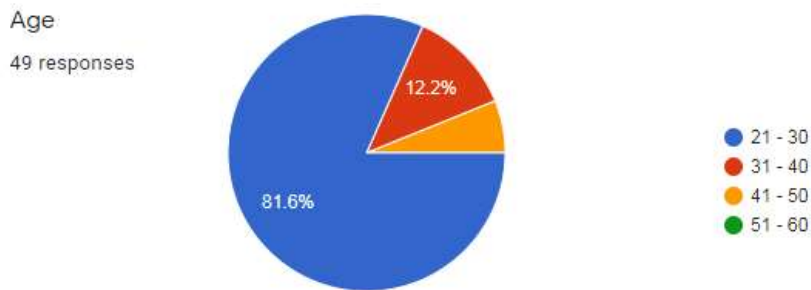


fig 2: % distribution of Age group doing online shopping

2. Marital Status and Life Stage

Finding

In our finding 72 % responses are from customers who are single. And only 28% are married customers. Our study shows that single customers are more interested in doing online shopping.

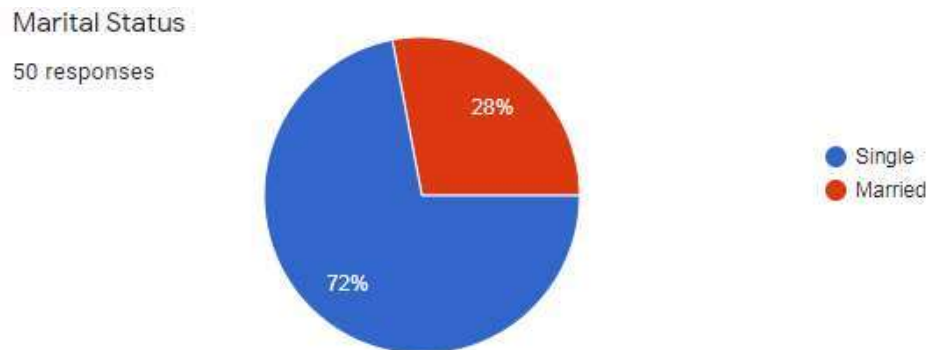


fig 3 : % Distribution of Marital Status

3. Life Stage

Finding

Mostly young and independent customers are using various online sites for shopping. According to our survey 50 % are the young and independent customer .Because they want various options & offers in one click.

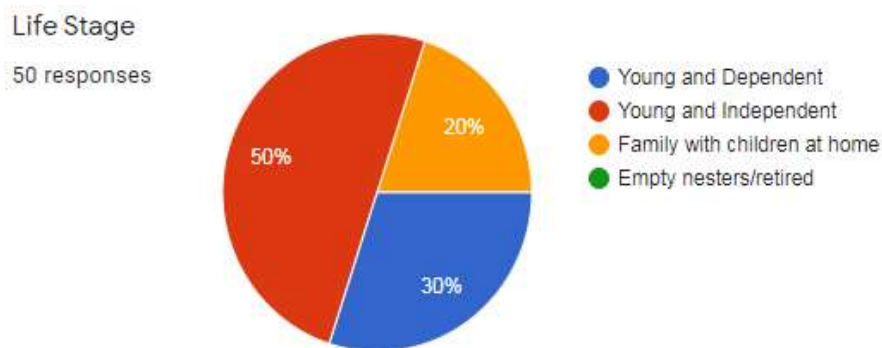


fig 4 : % Distribution of Life Stage

4. Types of Customer

Findings

Out of 50 responses 44% customers are salaried, 34% are students and 20% are professionals. Our survey shows that retired and housewife are less interested in doing online shopping, while students are taking benefit of digital marketing for purchasing study materials.

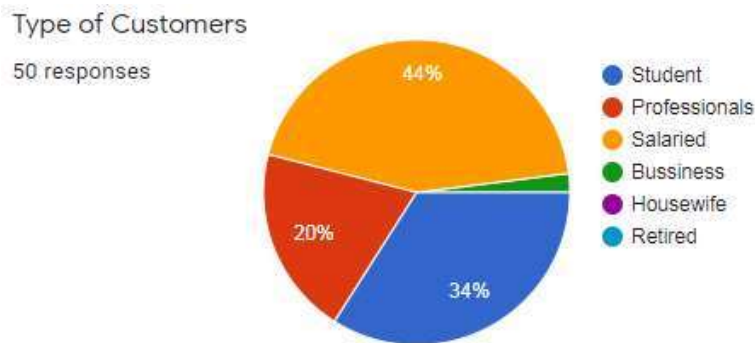


fig 5 : % Distribution of Types of Customer

5. Qualification

Findings

46% of responses we got from post graduate customers and 20% respondent are graduate and 30% are under graduate. Our survey shows that educated customers are more attracted towards the online shopping.

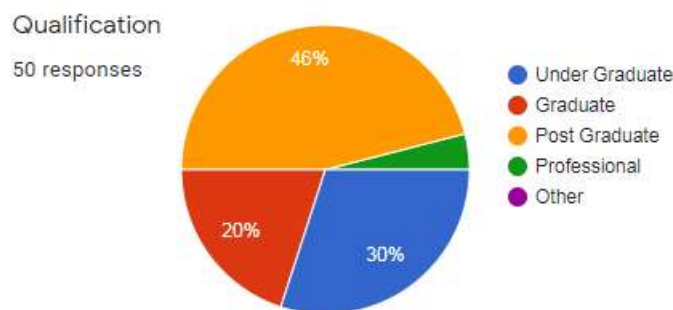


fig 6 : % Distribution according to Qualificaion

6. Types of products have regularly purchased online:

Findings

64% customers from our survey are purchasing electronic goods because various sites gives them best offers and latest model in one click, the percentage of buying jewelry is 12%, while textiles buying percentage is 32%. Customers also like to buy gift articles from online shopping sites. The total percentage of buying it is 28%. 22% of customers mentioned that they often buy books and CDs online. 38% respondent buy other things like grocery, beauty products etc.



fig 7 : % Distribution of types of product purchased online

7. Procedure followed for online shopping

Findings

Every customers buying decision process is different. 56% respondents are such type of customers who get the information from internet and discuss with others before placing order. 40% are customers who buy the products after analyzing the information provided online. 14% responses we got from the customers who visit to the shop to verify the detail and place order either online or buy locally. Only 4% customers are there who get information from online but buy the products from local dealers/shops.

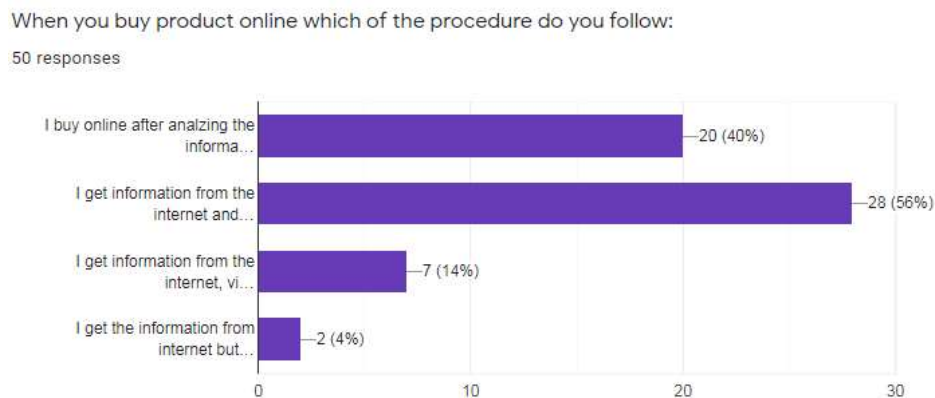


fig 8 : % Distribution of procedure followed for online shopping

8. Total values spent

Findings

Most of the respondent revealed that they prefer to spend fewer amounts while purchasing online. The 64% customers prefer to spend less than Rs. 5000 per year on online shopping. 26% customers spent between Rs. 10000 – Rs. 25000 and only 8% customers spent between Rs. 25000 - Rs. 50000 per year.

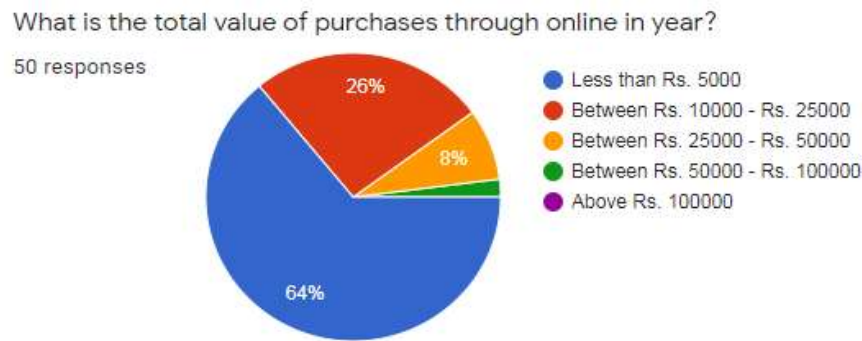


fig 9 : % Distribuion of total value spent for online shopping

9. Reasons for purchasing online

Findings

There are several reasons customers get attracted towards online shopping. From our survey we come to know that speed and saving of time is the primary reason behind online shopping. Almost 64% of respondent mentioned this reason. Deals offered by the company are also main reason for purchasing online 52% of customers are interested in purchasing online because of such deals. 50% of customers say that they can get wide range of choice while purchasing online. 46% of customers believe that online shopping is easy to use. 32 % of customers do online shopping due to easy payment mechanism. 32% customers believe that online shopping is the way where they get access to global market. Only 30 % of customers do online shopping because of security and reliability. 10 % of customers mention that they can gather more information about the product.

Please tick the reasons for purchasing online.

50 responses

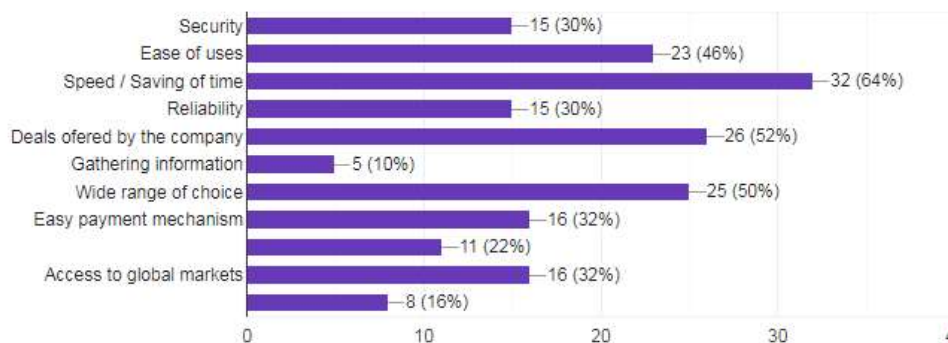


fig 10 : % Distribuion of reasons for purchasing online

SUGGESTIONS

1. Digital marketers should focus on male customers by giving them attractive offers and discounts on the products male customers mainly like to buy. The area of buying interest of male customers should be researched and studied by the marketers, so they can attract them towards online shopping.
2. Some initiative should be taken by digital marketer to attract this age group. Online shopping apps must be user friendly so anyone can use it easily.
3. While purchasing textile product, sometimes it mismatch with the description shown on the sites. Company should take care of this.
4. Product quality cannot find easily. Company should give them assurity of product quality.
5. Housewives and retired persons are doing very less online shopping. Company must give various offers and deals according to their needs.
6. More security should be provided to the customers so they can trust on online shopping.

CONCLUSION

India is one of the developing countries and it is moving towards becoming developed country. Digitization in India is the way which can seen make India one developed country. Population of youth is more in our country, and almost all the youth are using Smartphone's and smart ways to do their work. Online shopping is the example of this. Before digitization, people used to depend on some traditional ways like newspaper, TV etc. But nowadays marketers have so many ways like blog, social media etc. to advertise their product. Digital Marketers can target young population of India, by giving them offers, product assurity & brand assurity.

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