

# A Role of Digital Marketing in Consumer Behaviour with reference to Coimbatore City

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## ABSTRACT

Digital marketing is the avenue of electronic communication which is used by the marketers to endorse the goods and the services towards the marketplace. The supreme purpose of the digital marketing is concerned with consumers and allows the customers to intermingle with the product by virtue of digital media. The main objective of digital marketing is attracting customers and allowing them to interact with the brand through digital media. Digital marketing extends beyond internet marketing to include channel that do not require the use of the internet .It includes mobile phones (both SMS and MMS),social media marketing ,display advertising ,search engine marketing and any other form of digital media. Most experts believe that digital is not just yet another channel for marketing .It requires a new approach to marketing and a new understanding of customer behavior.

## 1. Introduction to Digital Marketing

Digital Marketing can be understood as a well-targeted, conversion-oriented, quantifiable, and interactive marketing of products or services by utilizing digital innovation to achieve the customers, and transform them into clients in a sustainable fashion. The whole concept and functionalities of Digital Marketing are more competent, effective, result-oriented and measurable, which make it very different from traditional marketing. The traditional way of marketing lets businesses market their products or administrations on print media, radio and TV commercials, bill boards, business cards, and in numerous other comparable ways where Internet or web-based social networking sites were not utilized for promoting.

## 2. The benefits of digital marketing include

- **Global reach** - a website allows you to find new markets and trade globally for only a small investment.
- **Lower cost** - a properly planned and effectively targeted digital marketing campaign can reach the right customers at a much lower cost than traditional marketing methods.
- **Trackable, measurable results** - measuring your online marketing with web analytics and other online metric tools makes it easier to establish how effective your campaign has been. You can obtain detailed information about how customers use your website or respond to your advertising. Web analytics can be set up to show you exactly how much money you make from each digital tactic.
- **Personalisation** - if your customer database is linked to your website, then whenever someone visits the site, you can greet them with targeted offers. The

more they buy from you, the more you can refine your customer profile and market effectively to them.

- **Openness** - by getting involved with social media and managing it carefully, you can build customer loyalty and create a reputation for being easy to engage with.
- **Social currency** - digital marketing lets you create engaging campaigns using different types of rich media content. On the internet these campaigns can gain social currency - being passed from user to user and becoming viral.
- **Improved conversion rates** - if you have a website, then your customers are only ever a few clicks away from completing a purchase. Unlike other media which require people to get up and make a phone call, or go to a shop, digital marketing can be seamless and immediate.

## 3. Traditional Marketing & Digital Marketing

### Traditional Marketing

1. Communication is unidirectional in traditional marketing, which means, an organization communicates about its services with its audiences.
2. Medium of communication in traditional marketing is generally phone calls, emails, and letters.
3. Campaign in Traditional marketing takes more time as designing, preparing, and launching are involved.
4. It is best for reaching local audience.
5. It is almost impossible to measure the effectiveness of a traditional marketing campaign.

### Digital Marketing

1. Communication is bidirectional in Digital Marketing as businesses can communicate with customers and customers can ask queries or make suggestions to businesses as well.
2. Medium of communication is more powerful and involves social media websites, chats, apps and Email.
3. Digital marketing campaigns can be developed quite rapidly and with digital tools, channelizing Digital Marketing campaigns is easier.
4. It is very effective for reaching global audiences.
5. Digital Marketing lets you measure the effectiveness of a digital marketing campaign through analytics.

#### 4. Statement of Problem

Efficient and effective digital marketing communications influence consumer behavior in terms of purchase frequency and regular visits to online shopping stores. This generates the problem of discovering the effect of efficient digital marketing, effective communication, and online delivery on the regularity of visits and consumer patronage to shopping sites. So the present study made an attempt to reveal the impact of digital marketing on consumer purchase.

#### 5. Objectives of the study

- To study the socio demographic profile of the respondents.
- To find the factors influencing the consumers preference towards digital marketing.
- To recognize the usefulness of digital marketing in the competitive market.
- To study the impact of digital marketing on consumers Behaviour.

#### 6. Scope of the study

The finding of this research will significantly create awareness of the impact of digital marketing on the buying behavior of individuals who wish to purchase through online. The study will serve as a piece of motivation to organizations wishing to market their products via online websites. It will also be beneficial to web designers who are instrumental in the designing and launching of online stores. This study will be helpful in getting an insight into the impact of digital marketing in customer buying decision.

#### 7. Review of Literature

**K.R. Mahalaxmi, P. Ranjith (2016)** The aim of the study is to 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. The study is carried out through survey from 50 respondents. The results of the survey are analyzed using chi square test. The findings revealed that customers are aware of digital marketing and they prefer to buy electronic and shopping goods through digital channels in their purchase behaviour. The study is performed in a particular geographical area and this may

be considered as a limitation to judge the purchase decisions of all customers of various regions. As the world moving towards digital era, the digital channels play a vital role in increase of sales of any firm's products. So the present study made an attempt to reveal the impact of digital marketing on customer purchase decision

**P. Sathya (2015)** Digital marketing is the avenue of electronic communication which is used by the marketers to endorse the goods and the services towards the marketplace. The supreme purpose of the digital marketing is concerned with consumers and allows the customers to intermingle with the product by virtue of digital media. This editorial concentrates on the magnitude of digital promotion for both customers and marketers. We scrutinize the result of digital marketing on the base of firm's sales. 100 respondents opinion are collected to get the clear picture about the present study.

#### **Afrina Yasmin, Sadia Tasneem, Kaniz Fatema(2015)**

Marketers are faced with new challenges and opportunities within this digital age. Digital marketing is the utilization of electronic media by the marketers to promote the products or services into the market. The main objective of digital marketing is attracting customers and allowing them to interact with the brand through digital media. This article focuses on the importance of digital marketing for both marketers and consumers. We examine the effect of digital marketing on the firms' sales. Additionally the differences between traditional marketing and digital marketing in this paper are presented. This study has described various forms of digital marketing, effectiveness of it and the impact it has on firm's sales. The examined sample consists of one hundred fifty firms and fifty executives which have been randomly selected to prove the effectiveness of digital marketing. Collected data has been analyzed with the help of various statistical tools and techniques.

#### 8. Research Methodology

##### **Research Design**

Research design is considered as a "blueprint" for research, dealing with at least four problems: which question to study, which data are relevant, what data to collect, and how to analyze the results. The best design depends on the research question as well as the orientation of the researcher.

##### **Area of the study**

The study was conducted in Coimbatore city from the consumers who presently purchasing products with a help of digital marketing.

##### **Sample Design**

Convenience Random sampling.

##### **Sample Size**

The data are collected from 100 respondents.

##### **Sources Of Data**

**Primary Data**

Primary data refers to the first data collection from the primary source. Primary data are always collected from the source. It is collected either by the investigator himself or through his agents. The Questionnaire method is used to collect the data for this study.

**Secondary Data**

Secondary data are the one which are not originally collected but rather obtained from published and unpublished sources and website.

**Tools For Analysis**

**Simple Percentage analysis**

The tool used for the analysis of data is Simple percentage analysis.

$$\text{Simple percentage analysis} = \frac{\text{No. of respondents}}{\text{Total no of respondents}} \times 100$$

**Correlation**

Correlation is a statistical measurement of the relationship between two variables. Possible correlations range from +1 to -1. A zero correlation indicates that there is no relationship between the variables. A correlation of -1 indicates a perfect negative correlation, meaning that as one variable goes up, the other goes down. A correlation of +1 indicates a perfect positive correlation, meaning that both variables move in the same direction together.

**Chi-Square**

- O - observed frequency
- E - expected frequency

Expected frequency can be calculate by,

$$E = \frac{RT \times CT}{N}$$

Where, N-Total number of observations, RT – ROW TOTAL, CT – COLUMN TOTAL.

Table value is found at 5% Level of significance and for the available degree of freedom.

Degrees of freedom =(R-1)\*(C-1) Where,

R-Number of rows

C-Number of columns

Thus chi-square can be calculated by using the formula given below.

$$\text{Chi Square} = \frac{(O-E)^2}{E}$$

If the calculated value is lesser than the tabulated value then the hypothesis is accepted and if the calculated value is greater than the tabulated value then the hypothesis is rejected.

**9. Analysis and Findings**

**Table:1 Showing The Socio Demographic Profile Of The Respondents**

Factors No. of Respondents	Category No. of Respondents	Category No. of Respondents	Percentage (%)
GENDER	Male	44	44

	Female	56	56
	Total	100	100
AGE	Below 15 years	1	1
	16 – 30 years	30	30
	31 – 45 years	32	32
	Above 45 years	37	37
	Total	100	100
MARITAL STATUS	Married	75	75
	Unmarried	25	25
	Total	100	100
MONTHLY INCOME	Below Rs 10000	30	30
	Rs 10001 – Rs15000	41	41
	Rs 15001 – Rs 25000	27	27
	Above Rs 25000	2	2
	Total	100	100
FAMILY TYPE	Joined	42	42
	Nuclear	58	58
	Total	50	100
NO OF EARNING MEMBERS IN THE FAMS	1 Member	44	44
	2 Members	33	33
	3 Members	16	16
	Above 3 Members	7	7
	Total	50	100

**Table:2. Showing the Factors influencing the consumers preference towards Digital marketing**

Factor	Classification	No. of Respondents	%
Towards Customer	Wide variety of Products	30	30
	Easy buying Procedures	20	20
	Lower Prices	14	14
	Various Modes of Payments	6	6
	Technological Development	10	10
	Prevention of Exploitation	20	20
Towards marketer	Consumer database	7	7
	Time Saving	30	30
	Expand business reach	8	8
	Decrease of Frauds	13	13
	Less Formalities	12	12
	Instant transactions	30	30

**Table:3. Showing Frequency of Online Purchasing**

Particulars	Number of Respondents	Percentage of Respondents
purchase once Annually	12	12
2-5 Purchases Annually	46	46
6-10 Purchases Annually	26	26
11 Purchases and above Annually	16	16
Total	100	100

**Table No. 4 Correlation**

**Gender of the respondents vs Availability of online information about product**

Gender	Availability of online information about product			TOTAL
	Excellent	Average	Poor	
Male	15	26	3	44
Female	21	32	3	56
TOTAL	36	58	6	100

x	y	xy	x <sup>2</sup>	y <sup>2</sup>
44	36	1584	1936	1296
56	58	3248	3136	3364
0	6	0	0	36
100	100	4832	5072	4696

$$r = \frac{N\sum xy - (\sum x)(\sum y)}{\sqrt{N\sum x^2 - (\sum x)^2} \sqrt{N\sum y^2 - (\sum y)^2}}$$

$$= 0.97$$

The coefficient of correlation is 0.97

Hence x and y are correlated.

From the above table, it is clear that the coefficient of correlation is +1 (0.97), which indicates a perfect positive correlation, meaning that both variables, gender of the respondents & Availability of online information about product move in the same direction together.

**Table No. 5. Family Type of the respondents and Frequency of Online Purchasing**

**Hypothesis:**

There is no significant relationship between family type of the respondents and Frequency of Online Purchasing

Factor	Degree of Freedom	Table Value	Calculated Value	Accepted / Rejected	S / NS
Family Type	1	3.8	1.62	Accepted	NS

**Test Result**

**Significant – Significant value (0.05)**

**Not Significant – Significant value (0.05)**

From the above table, it is clear that the calculated value is less than the table value. Hence the hypothesis is accepted. Thus it is found that there is no significant relationship between family type of the respondents and Frequency of Online Purchasing.

**Table No. 6. Monthly income of the respondents and usage of Digital marketing**

**Hypothesis:**

There is no significant relationship between Monthly income of the respondents and usage of Digital marketing

Family Type	Digital Marketing				TOTAL
	Safety	Organized information	comfort	Reduce fraud	
Below Rs 10000	12	3	10	5	30
Rs 10001 - Rs15000	13	3	15	10	41
Rs 15001 – Rs 25000	13	1	8	3	25
Above Rs 25000	2	1	1	0	4
TOTAL	40	8	34	18	100

Factor	Degree of Freedom	Table Value	Calculated Value	Accepted / Rejected	S / NS
Monthly Income	9	16.9	4.7	Accepted	NS

**Test Result**

**Significant – Significant value (0.05)**

**Not Significant – Significant value (0.05)**

From the above table, it is clear that the calculated value is less than the table value. Hence the hypothesis is accepted. Thus it is found that there is no significant relationship between Monthly income of the respondents and usage of Digital marketing.

**10. Suggestion**

- Improve technical advancement in promotion of digital marketing.
- Collect and implement the feedback provided by the consumer in the right way.
- Complete description need to provide about the product to the online shoppers.
- Create awareness among the people about digital marketing.

**11. Conclusion**

Digital channel in marketing has become essential part of strategy of many companies. Nowadays, even small business owners has a very cheap and efficient way to market their products or services. Digital marketing has no boundaries. Company can utilize any devices such as tablets, smart phones, TV, laptops, media, social media, e-mail and lot other to support company and its products and services. Digital marketing may achieve something more if it considers consumer desires as a peak priority.

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