

# A Study on Impact of Digital Marketing in Customer Purchase Decision in Trichy

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## Abstract

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.

**Keywords: Customer Purchase Behavior, Digital Channels, Digital Marketing**

## I. INTRODUCTION

American Marketing Association defined marketing is the motion, set of association and processes for create, communicate, deliver and exchange aid that have value for customers, clients, allies, and society at large. Throughout the history, it has always been important to market the product to its audience and it's the best way to get the brand name out and make sales. Though promotion can be made through many ways, but it's necessary to satisfy the objectives of the organization by minimize the expenses. Digital marketing is the way to satisfy.

Chaffey (2012) The application of the internet and related digital technologies in combination with conventional communication to accomplish marketing objectives

Digital marketing is the use of the channels in order to reach the desired target market via some of the following channels social media, websites, multimedia advertising, online search engine advertisement, E-marketing, interactive marketing (polls, game adds, mobile marketing)

Digital marketing has been considered a new form of marketing and provided new opportunities for companies to do businesses. Marketing activities conducted via digital channels enable advertisers to directly communicate with potential customers in a rapid velocity and regardless the geographical location. Digital marketing has been recently referred as one of the best means to cut through the mess and interact directly with the consumer. Hence, with the trend toward direct, one-to-one marketing, additional attention is being paid to the use of the digital channels as a means of effectively advertising to consumers. While considering digital channels, the recent development is mobile marketing. Indian mobile market is one of the fastest growing markets due to the increase in the number of middle-income consumers, and is forecasted to attain millions of users in the upcoming decade. Thus, research on digital channel advertising would impact greatly on the way business is done. The development and widespread use of internet technologies have transformed the way society communicates both in their daily and professional life. One of the most important indicators of this transformation is emergence of new communication tools. New communication tools emerging with the development of technologies are called "digital marketing". When we talk about digital channels, what comes to intellect are Facebook, Twitter, Instagram and similar social networks that are used online and virtual platforms like web sites, micro blogs and search engines. With the advent of new communication to customers with digital channels, already available communication tools are now fetching to be called as "traditional communication tools". Traditional communication tools are printed (journals, newspapers etc.), visual (television, cinema etc.) and audio (radio) communication tools.

## II. LITERATURE REVIEW

Thirty papers considered for literature review to gain knowledge about digital marketing, from that 10 papers eliminated from consideration due to insufficient information for the concern study. Elisabeta Ionals et al., (2014) studied the impact of social media on consumer behaviour with 16 respondents through structured questionnaire. His findings revealed that social media has impacted on behaviour changes of consumers. Antoine Camarre et al., (2012) discussed in his article about the future direction of mobile marketing in various areas. (Roger Strom et al.,) discussed that mobile marketing can increase value for consumers and also

retailers. Basheer et al., (2010) examined the impact of SMS advertising on consumer attitude and purchase intentions. His findings revealed that there exist a positive relationship between perceived usefulness of advertisement and purchase intention. Sadia Afzal et al., (2015) discussed in his paper the impact of online and conventional advertisement on consumer buying behaviour of branded garments results revealed that quality, design, content of advertisement, loyalty of consumer towards brand and previous buying experience of consumer are significant factors which influence consumer buying behaviour. Joseph omotoya et al., (2009) studied swithcing cost and its relationship with customer retention, loyalty and satisfication and foud that swiching cost has significant effect on customer retention. Fusun CIZMECI et al., (2015) investigated the impact of digital marketing tools on brand awareness gneration among housing companies. Under this study theoritical framework was drawn for usage of trends in digital marketing.

Based on the review made its apparent that there is a chane in trend of the shoppin behaviour of the consumers because of the emergence of digital marketing . hence the study focus towards measuring the awarness level of consumers about digital marketing and the impat of the dgital channels on their purchase decision. The study also made an attempt to examine the preference of digital channels by the consumers based on product types.

#### **A. Objectives of The Study**

- To study the awareness of digital marketing in Trichy consumers.
- To analyze the influence of digital marketing in purchase decision.
- To know about the kind of products bought by utilizing digital channels.
- To analyze the impact of digital marketing in purchase decision.

#### **B. Scope of The Study**

The suggestion from the study is based on the responses given by the consumers in a specific area. This study will be helpful in getting an insight into the impact of digital marketing in customer buying decision.

### **III. RESEARCH METHODOLOGY**

#### **A. Research Design**

The study carried out with both primary and secondary data. The primary data was collected through structured questionnaire from samples of 50 respondents from the specified area. The samples have been considered by using non-probability technique (convenient sampling method) was validated and took it for further analysis. secondary data is also being collected from articles, journals etc.

The tool used to analyze the data is chi-square test

#### **B. Research Model**

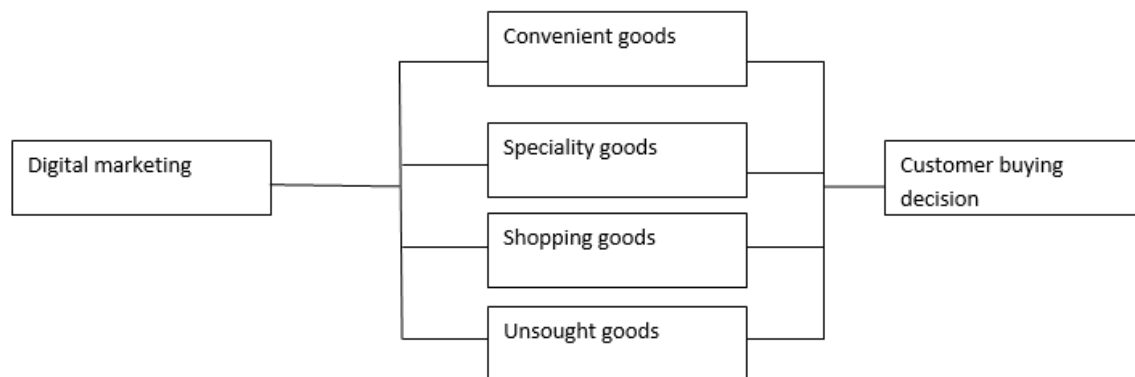


Fig. 2: Research model

The research design clearly examines the impact of digital marketing in the customer buying decision. The study mainly focused to examine the intension of the customers to make utilize of the digital marketing channels in their buying decision and also to analyses that what kind of products that they should buy make use of digital marketing more preferably.

#### **C. Area of the Study**

For this study the respondents are randomly selected in the Trichy city.

**D. Research Approach**

For this study, survey method is used for collecting data, respondents are requested to fill the questionnaire by self after explaining the various aspects mentioned in it. It contained both open and closed ended questions in a structured format.

**E. Sampling Technique and Sample Size**

The sample size of 50 was taken for the purpose of conducting pilot study to find the respondent makes use of digital channel to buy products

**F. Data Usage**

For analysis and interpretation, the data collected through questionnaire are only taken into the consideration and it is analyzed by using chi-square test

**G. Research Instrument**

Data was collected through structured questionnaire by using non comparative scaling technique likert scaling is used in the questionnaire. It has been classified into two parts explain the awareness of digital marketing and it influences over the customer buying decision the impact of digital marketing can be studied through analyzing the collected data. Secondary data were collected Journal, Case Studies, web sites, E-book, etc.

**IV. ANALYSIS AND INTERPRETATION**

S.No	Question	Options	Res 1	Res 2	Res 3	Res 4	Res 5	Res 6	Res 7	Res 8	Res 9	Res 10	Res 11	Res 12	Res 13	Res 14	Res 15	Res 16	Res 17	Res 18	Res 19	Res 20	Res 21	Res 22	Res 23	Res 24	Res 25	total	percentage					
1	Age	20 or below																											0					
		21-25	1	2	3		4	5	6	7					8	9							10	11	12	13	14		14	0.56	56			
		26-30																											1	1	0.04	4		
		31-35																											3	3	0.12	12		
		36and above				1						1		2	3		4		5		6								11	6	0.24	24		
2	Gender	male	1	2				3	4	5	6			7	8						9	10	11	12	13			13	0.52	52				
		female			1	2	3					4	5	6		7	8	9	10									11	11	0.44	44			
3	Educational qualification	Graduation																								1				1	0.04	4		
		Post-graduation	1	2	3		4	5	6	7				8	9	10		11										15	0.6	60				
		bhd				1						2	3	4					5				6					7	7	0.28	28			
		Others																			1								1	1	0.04	4		
4	Occupation	Business people																				1						3	3	0.12	12			
		Professionals			1	2						3	4	5			6	7	8	9									9	0.36	36			
		Students													1	2							3	4				5	5	0.2	20			
5	Monthly income	Others	1	2		3	4	5	6																				7	0.28	28			
		<10,000	1	2		3	4	5	6																				7	0.28	28			
		10,000-20,000													1	2														3	0.12	12		
		20,000-30,000			1																									1	0.04	4		
		>30000				1						2	3	4				5	6		7	8							9	9	0.36	36		
6	Which of the following digital channel do you aware of?	Social media			1	2	3			4		5	6		7	8													10	0.4	40			
		websites/blogs	1	2	3	4	5	6	7	8	9	10	11	12		13		14	15	16	17	18						19	19	0.76	76			
		multimedia advertising			1	2	3				4	5																	6	6	0.24	24		
		E-mail			1	2						3	4		5															5	0.2	20		
		others			1	2						3	4										5							5	0.2	20		
7	From which of the digital channels, you bought products?	Social media											1																	3	0.12	12		
		websites/blogs	1	2	3	4	5	6	7		8	9	10	11	12	13												18	18	0.72	72			
		multimedia advertising																													1	0.04	4	
		E-mail										1				2															2	0.08	8	
		others										1						2	3											4	0.16	16		
8	which digital channel influences you more to buy?	Social media																												2	0.08	8		
		websites/blogs	1	2	3	4		5	1			6	7		8	9	10												11	15	0.6	60		
		multimedia advertising																												3	0.12	12		
		E-mail																													2	0.08	8	
		others																													4	0.16	16	
9	What kind of products would you prefer to buy using digital channels?	Convenience goods																												5	0.2	20		
		Shopping goods	1	2	3	4		5			6	7	8	9	10															18	0.72	72		
		Speciality goods																													3	0.12	12	
		Unsought goods																													0	0	0	
10	Does digital chnnels change your opinion towards the buying decisions?	strongly agree	1																											10	0.4	40		
		Agree		1				2	4	5	6		7		8	9	10													7	0.28	28		
		No opinion																													3	0.12	12	
		Disagree																													2	0.08	8	
11	Are you satisfied with the product bought using digital channels?	Strongly disagree																													2	0.08	8	
		Agree																															0	0
		No opinion	1	2	3		4	5			6	7	8		9	10															4	0.16	16	
		Disagree																														0	0	0
12	How often you buy products using digital channels?	Strongly disagree																													0	0	0	
		Frequently	1	2		3																									7	0.28	28	
		Sometimes				1																									11	0.44	44	
		Rarely																													4	0.16	16	
13	Mention the products would you like to buy using digital channels?	Never																												2	0.08	8		

**A. Chi-Square Test**

Hypothesis 1 H<sub>0</sub> Educational qualification is not associated with the awareness about digital marketing

	SM	WB	MA	E	O	Total
G	1	0	0	0	0	1
PG	5	12	3	3	3	26
Phd	3	5	3	2	2	15
O	1	1	0	1	0	3
<b>Total</b>	<b>10</b>	<b>18</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>45</b>

Chi-square analysis

<i>observed</i>	<i>Exp</i>	<i>chi-sq</i>
1	0.2222	2.7222
0	0.4	0.4000
0	0.13333	0.1333
0	0.13333	0.1333
0	0.11111	0.1111
5	5.77778	0.1047
12	10.4	0.2462
3	3.46667	0.0628
3	3.46667	0.0628
3	2.88889	0.0043
3	3.33333	0.0333
5	6	0.1667
3	2	0.5000
2	2	0.0000
2	1.66667	0.0667
1	0.66667	0.1667
1	1.2	0.0333
0	0.4	0.4000
1	0.4	0.9000
0	0.33333	0.3333
	<i>Total</i>	6.5808

d.f- 12

Hypothesis 2 H<sub>0</sub> Monthly income is not associated with the kind of products prefer to buy through digital channels

	<i>c</i>	<i>Sh</i>	<i>Sp</i>	<i>Total</i>
1	4	5	0	9
2	1	3	2	6
3	0	1	0	1
4	1	7	1	9
<b>Total</b>	<b>6</b>	<b>16</b>	<b>3</b>	<b>25</b>

<i>observed</i>	<i>Exp</i>	<i>chi-sq</i>
4	2.16	1.5674
5	5.76	0.1003
0	1.08	1.0800
1	1.44	0.1344

3	3.84	0.1838
2	0.72	2.2756
0	0.24	0.2400
1	0.64	0.2025
0	0.12	0.1200
1	2.16	0.6230
7	5.76	0.2669
1	1.08	0.0059
	Total	6.7998

D.F- 6

Hypothesis 3 H<sub>0</sub> Digital channels is not associated with the change of opinion towards the Consumer buying decision

	1	2	3	4	5	Total
SM	1	1	0	0	0	2
WB	8	5	1	2	1	17
MA	0	1	0	0	1	2
E	2	0	1	0	0	3
O	1	1	1	1	0	4
Total	12	8	3	3	2	28

observed	Exp	Chi-sq
1	0.8571	0.0238
1	0.5714	0.3214
0	0.2143	0.2143
0	0.2143	0.2143
0	0.1429	0.1429
8	7.2857	0.0700
5	4.8571	0.0042
1	1.8214	0.3704
2	1.8214	0.0175
1	1.2143	0.0378
0	0.8571	0.8571
1	0.5714	0.3214
0	0.2143	0.2143
0	0.2143	0.2143
1	0.1429	5.1429
2	1.2857	0.3968
0	0.8571	0.8571
1	0.3214	1.4325
0	0.3214	0.3214
0	0.2143	0.2143
1	1.7143	0.2976
1	1.1429	0.0179
1	0.4286	0.7619
1	0.4286	0.7619

0	0.2857	0.2857
	Total	13.5139

D.F- 16

Hypothesis 4  $H_0$  customer satisfaction is not associated with product buy through digital Channels

	1	2	3	4	Total
SM	1	3	0	0	4
WB	2	13	2	0	17
MA	0	1	0	0	1
E	1	0	1	1	3
O	1	0	3	0	4
Total	5	17	6	1	29

observed	Exp	Chi-sq
1	0.6897	0.1397
3	2.3448	0.1831
0	0.8276	0.8276
0	0.1379	0.1379
2	2.9310	0.2957
13	9.9655	0.9240
2	3.5172	0.6545
0	0.5862	0.5862
0	0.1724	0.1724
1	0.5862	0.2921
0	0.2069	0.2069
0	0.0345	0.0345
1	0.5172	0.4506
0	1.7586	1.7586
1	0.6207	0.2318
1	0.1034	7.7701
1	0.6897	0.1397
0	2.3448	2.3448
3	0.8276	5.7026
0	0.1379	0.1379
	Total	22.9907

D.F-12

**B. Findings From The Chi-Square Test**

1) Hypothesis 1 Calculated value 6.5808, Table value 21.026

C.V < T.V,  $H_0$  is accepted

Educational qualification is not associated with awareness about digital channels

2) Hypothesis 2 Calculated value 6.7798, Table value 12.592

C.V < T.V,  $H_0$  is accepted

Monthly income is not associated with the kind of the product prefer to buy through digital channel by the consumers

3) Hypothesis 3 Calculated value 13.5139, Table value 26.919

C.V < T.V,  $H_0$  is accepted

Influence of digital channels is not associated with their change of opinion in their buying decision

4) Hypothesis 4 Calculated value 22.9907, Table value 16.2960

C.V > T.V  $H_0$  is rejected

Customer satisfaction is associated with the digital channels

### C. Findings

This study reveals that people aware of digital channels in spite of their educational qualification and the customer prefer digital channels to buy any sort of products. By analyzing the collected data from the respondent using Chi-square test it is found out that no much role of monthly income of the people associate with the kind of products they wish to buy preferring digital channel. The present study shows that the influence of the digital channels not supporting in change of opinion of customer towards purchasing a product.

### V. CONCLUSION AND RECOMMENDATION

The study is made in a particular geographical region the results of the study reveals 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. Mostly people prefer shopping and electronic goods to buy through digital channels and its came to known from the study that there is a rise in purchase of convenience goods through digital channels among people. Effective reach of advertisements for convenience goods will increase the sales of those goods through digital channels. 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. The present study shows 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. As mentioned earlier this study made in particular region accurate results on the variables could not be able to obtain. There exists a future scope to analyses the impact of digital channels on customer purchase decision for a wider geographic area to obtain more accurate results.

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