A STUDY ON IMPACT OF DIGITAL MARKETING IN CONSUMER PURCHASE DECISION IN VISAKHAPATNAM

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Abstract:

Today every economy is slowly moving towards digitalisation, we are witnessing that the traditional business models are no more valid and today the business world is dominated by e-commerce companies. When commerce is becoming e-commerce the traditional communication channels have to converted to digital communication in order to understand and satisfy the desired needs of the consumers. The purpose of this paper is to study the impact of digital marketing on purchasing decision of consumers in the city of Visakhapatnam. For this we have collected responses from 100 respondents to analyse the purpose of the present study.

Key Words: Digital Marketing, Purchase Decisions, Channels, Consumer.

Introduction:

Digital Marketing is a buzz word in the modern-day Digital Economy. India is one of the fast-moving nations towards digital economy and this movement has been accelerated with move of the demonetization of the Indian Currency in November 2016 by the government of India. After that move of demonetization various digital payment promotion schemes has been launched. Digital market requires digital promotion and marketing strategies. Adding fuel to the fire even the telecom sector is also played an important role in the digitalization movement. Launch of reliance telecom Jio with the free & unlimited internet facilities has played a revolutionary role even the other prominent companies like Airtel, Idea, Vadofone& BSNL also started offering attractive internet plans. Thus, usage of smart phone with unlimited internet plan by the common man resulted in Indian consumer is spending more time on social media and internet surfing which forced the companies to use digital channel to promote their products. Thus, the visibility of any product is more through digital medium than traditional marketing techniques.

The key player's role players and infrastructure providers in Digitization of an Economy are government, banking system, Shopping Portal in India, Internet Service Providers and Software Service Providers.

Digital Marketing:

Digital Marketing is the latest buzz word which is used more frequently these days in the modern competitive business world., so that is the term we focus on. In simple words we define digital marketing is "Achieving marketing objectives through applying digital technologies and media". From a layman point of view Digital Marketing can be defined as buying and selling of information, products, and services via computer networks or internet. In the present-day scenario internet and electronic commerce technologies are transforming the entire economy and they are influencing many companies to change their business models, revenue streams, customer bases, and supply chains. As a result of this altering environment many innovative business models are emerging in every industry of the Digital Economy.

Digital marketing techniques includes Content Marketing, Marketing Automation, AdWords, SEO (Search Engine optimisation), Social Media, Email Marketing and Website Design.

Review of Literature:

Dr. Amit Singh Rathore, Mr.Mohit Pant, and Mr.Chetan Sharma**(2017)** in their study they have concluded that India being youngest country of the world it is experiencing and moving towards digitalisation. They even found that the Indian consumers are searching for the best deals from the online retailers and recent mobile revolution and easy accessibility of internet resulted in increasing use of social media creating wide opportunities for the digital marketers to attract new generation of customers through digital platform.

Veena Tripathi **(2016)** in her study has concluded that Digital marketing in India is still in beginning stage and it has to be fully explored, she also states that social media is the most influencing digital channel in our country as the massive user are youth of the country this media has immense potential as compared to other media channels available in digital marketing. In her study she concludes that the time has come for the companies to reprioritize their communication channels to reach their target group of consumers.

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P.Sathya**(2015)** states that Digital marketing has became a crucial part of every company, particularly it is so useful to small and tiny business as digital marketing is the inexpensive and competent method to communicate about their products and services with their target group. She suggest that if digital marketing will achieve all its gaols for the companies who adopt it if they consider desires of consumers as a peak priorities.

Objectives of the Study:
1. To study the awareness of digital marketing in Visakhapatnam consumers.
2. To interpret the influence of digital marketing in purchase decision.
3. To know about the kind of products bought by utilizing digital channels.

Research Methodology:
The sources of data for the present research paper are both primary and secondary data. Astructured questionnaire has been designed to conduct a survey and was collected primarydata Information from 100 respondents in Visakhapatnam city using convenience sampling.For the analysis of data descriptive statistics have been applied. All questions are closed-ended because all possible answers were given to respondents. Secondary data is collectedfrom various text books, registers, magazines, journals. Dissertations, the informationcollected is carefully coded, computed, classified, analysed and interpreted using SPSS 21.0software.

Cronbach's Alpha has been used to find out the level of reliability of the data.

Chi-Square test has been used to find the difference of age on channel influence on buying decisions, satisfaction with product brought online and frequency of using channels. The

following hypothesis has been formulated to know the differences of age impact on purchase decisions.

$H_0 1$: There is no significant relation between and age and channel influence on buying decision.

$H_0 2$: There is no significant relationship between age and satisfaction levels with the products purchased online.

$H_0 3$: There is no significant relationship between age and frequency of using various digital channels for purchasing products online.

$H_0 4$: There is no significant relationship between channel used to buy products and satisfaction with products purchased online.

Analysis and Interpretation:

Table:1 Demographic profile of the Respondents

S.No	Variable	Options	Frequency	Percentage
1	Gender	Male	59	59
		Female	41	41
2	Age	Below 20	2	2
		20-30	33	33
		30-40	50	50
		Above 40	15	15
		Below-10,000	18	18
3	Income	10,001-20,000	23	23
		20,001-30,000	16	16
		Above 30,000	43	43
4	Occupation	Employee	35	35
		Business	20	20
		Professional	18	18
		Housewife	12	12
		Others	15	15

Table 1 shows demographic profile of respondents in Visakhapatnam. From the above table it is observed that out of 100 respondents that 59% of the respondents are male and 41% of the respondents are female. Maximum number of respondents are in the age group of 30-40 years only 2 percent are below 20 years. We can see from the above table that 43 percent of respondents fall under the category of Rs. 30,000 above income per month, 16 percent of respondents fall under Rs. 20001-30000 per month, 23 percent of respondents fall under Rs. 10001-20000 per month, 18 percent of the people fall under Rs. 10000 below income per month category.

Table:2- Age difference and channelinfluenceon Purchase decision

Chi-Square Tests			
	Value	**df**	**Asymp. Sig. (2-sided)**
Pearson Chi-Square	**20.321[a]**	**9**	**0.016**
Likelihood Ratio	**19.292**	**9**	**0.023**
N of Valid Cases	**100**		

At 5% significance level at 9 degrees of freedom table Value is 16.92 and calculated value is 18.507. Here calculated chi-square value is more than table value hence we reject the null hypothesis i.e., there is significant relationship between the age and the channel influence on purchasing products online.

Table:3- Age and Satisfaction with products purchased online.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.507[a]	9	0.03
Likelihood Ratio	22.739	9	0.007
N of Valid Cases	100		

At 5% significance level at 9 degrees of freedom table Value is 16.92 and calculated value is 20.321. We can see that the calculated chi-square value is more than table value hence the hypothesis 2 has been rejected viz., satisfaction of products purchased is been different among different age groups.

Table:4- Age and frequency of Using various digital Channels

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	13.927[a]	6	.030
Likelihood Ratio	14.993	6	.020
N of Valid Cases	100		

At 5% significance level at 6 degrees of freedom table Value is 12.59 and calculated value is 13.927. Here calculated chi-square value is more than table value hence we rejec hypothesis 3 as there is significant relationship between the age and the frequency of using a digital channel for purchasing products.

Table:5- Digital Channel used and satisfaction of Products purchased online

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	51.096[a]	12	.000
Likelihood Ratio	38.341	12	.000
N of Valid Cases	100		

At 5% significance level at 12 degrees of freedom table Value is 21.03 and calculated value is 51.096. Here calculated chi-square value is more than table value hence we reject the hypothesis 4 as there is a significant relationship between the digital channel used and the customers satisfaction levels on the products purchased through online.

Conclusion:

From the study it can be concluded India being the youngest country o the world and with massive growing rate of internet user the future of Digital marketing is very bright. In the present-day scenario where e-commerce is changing the way business models further to reach the target group of people companies must transform from traditional communication to digital communication channels in order to sustain and grow in the digital economy.

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