

**Piyush Kumar and Dr. Sandeep Kumar (November 2022). AN ANALYTICAL STUDY ON IMPACT OF DIGITAL ADVERTISING ON CONSUMER BUYING BEHAVIOR**

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**AN ANALYTICAL STUDY ON IMPACT OF DIGITAL ADVERTISING ON CONSUMER BUYING BEHAVIOR**

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## **ABSTRACT**

*The study investigates the effect of demographic variables on consumer purchasing behaviour when it comes to online purchases. The demographic characteristics of gender, age, education, and income were examined in this study. The poll looked into a variety of aspects of online shopping customer behaviour. The goal of this research was to determine the effect of digital advertising on consumer purchasing behaviour in the NCR region of Uttar Pradesh. The sample consisted of only business professionals, students, and other educated residents of the aforementioned city. The study made use of convenience sampling. Age, income, education, and occupation were among the factors used to categorise the population. A total of 500 people were chosen to complete the study's questionnaire. However, only 498 people responded or completed the questionnaire.*

*Keywords- digital advertising, consumer buying behavior, factors affecting, online purchasing*

## **INTRODUCTION**

Digital marketing is the promotion of goods and services through the use of cutting-edge electronic technologies such as communication and the Internet. Digital marketing refers to all business operations that use the internet to advertise, promote, and sell goods and services. It engages customers through direct and indirect marketing strategies, as well as cutting-edge internet technologies. The goal

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of digital marketing is to help businesses retain former customers and businesses, acquire new customers, and develop the company's goodwill and identity (Aveyard, 2010).

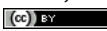
The invention of the Internet changed the way people lived around the world. It has changed the way we work, live, and interact with one another. Online shopping is becoming increasingly popular in India. The younger generation prefers to buy products and services online. Internet marketing, online marketing, digital marketing, online purchasing, and other marketing terms have synonyms (Youn & Lee, 2003).

E-marketing benefits consumers because it is less expensive, more convenient, engaging, and saves them time, money, and energy. Consumers who want to buy expensive products must sometimes visit physical stores because this purchase requires a tactile and experience aspect. With the introduction of electronic commerce in the 1970s, the concept of digital marketing took off. The desire for businesses and governments to better exploit computer technology detection and application to improve consumer engagement, business operations, and information sharing has fueled demand for electronic commerce. In the 1970s, the introduction of electronic money transfers (EFT) between banks via secure private networks revolutionised the financing markets. Electronic money transfer optimises payments and remittance/payment information. There are several EFT solutions available today, including the use of debit cards at POS in grocery stores and other outlets, as well as direct deposit into bank accounts. (Tsang & Sandy 2005).

Many factors influence consumer purchasing behaviour. Examples include cultural influences, societal elements, personal factors, psychological factors, economic considerations, and so on.

### **CULTURAL FACTORS**

Culture is a fundamental factor that influences an individual's desires, interests, and behaviour. Culture is composed of both material and non-material elements. People learn about their fundamental beliefs, desires, and daily necessities from their families and other social groups. Consumer purchasing habits differ from one region to the next and from one country to the next. Marketers should tailor their product policies to customers' cultural beliefs and desires. Young members of a family learn the values, institutions, traditions, languages, and other conventions of

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their family members and society. Culture influences consumer behaviour and decisions. Marketers should create marketing strategies that are based on the people's culture. America and India have very different cultures. Their clients' requirements are also distinct. In India, for example, it is common for businesses to offer discounts and free vehicle insurance with the purchase of new cars or other items. In the United States and other Western countries, it is customary to invite guests over for a drink or supper at one's home, but this is not acceptable in Indian local settings. North Indians prefer to buy simple meals, whereas South Indians prefer to buy rice and fish (Nielsen Report, 2015 & 2017)


**Subculture:** A subculture is a subculture that exists within another culture. It is made up of small groups of customers who share a similar or shared lifestyle. They are fragmented marketplaces for marketers, and these groups influence customer behaviour. Asian, American, and Afro-American organisations are examples of subcultures. Asian women buy skin lightening creams. Asian city women are interested in fashion, and Indian women want to be fashionable and enjoy purchasing sarees. Customer purchasing habits are influenced by gender, age, and nationality. A child wants something different, and an elderly man wants something different to eat.

**Social Class:** Social class in society refers to a set of shared demands, such as education, money, and values. A single variable does not define social class; rather, it is a combination of variables. One social class prefers different clothes, accessories, lifestyles, and other items than the other. There are several social classes in society, including the upper class of wealthy people, the middle class of middle-income people, and the lower class of impoverished people. These organisations have an impact on societal consumer behaviour.

## **SOCIAL FACTORS**

Consumer purchasing behaviour is also influenced by social factors. Reference groups, family members, roles and positions in society all influence consumer decisions.

**Reference Groups:** Reference groups are the groups that influence an individual's choice patterns. Family has the greatest influence on an individual's purchasing behaviour. In general, reference groups consist of family members, friends, relatives, and other societal members. The family has a huge influence on the

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members' thinking and influences their decision-making process. Customers who have a father, mother, wife, or children are likely to want to buy something for them (Nasscom Akamai Report, 2016)

**Role and Status:** An individual's role and position in society influence his purchasing habits and preferences for products and services. A person with the rank of officer wants to purchase luxury things for his family. People in the lower and middle classes want to buy everyday necessities.

### **PERSONAL FACTORS**

Individual variables can affect customer purchasing behaviour and decisions. Consumer behaviour reflects the impact of characteristics such as age, employment, lifestyle, economic status, and personality. We may learn about customer purchasing habits, tendencies, and preferences by researching their purchasing habits, tendencies, and preferences. The employment or profession of a person has a direct influence on his purchases of products and services. The consumer's choice of items is determined by his age at the time of purchase. A young kid wants to purchase her a smart phone and a pair of pants. A middle-aged individual would like stylish clothing. A person's lifestyle is very significant in their existence. Fashionable people prefer to acquire the most recent technologies, phones, clothing, and motorcycles. A person's likes, dislikes, attitudes, and life views describe his purchasing behaviour.


### **ECONOMIC FACTORS**

The nature of individuals is also influenced by economic success. Rich individuals like to live their lives with the services of luxury items. Poor individuals desire products and services that are essential to their survival. Consumers' personalities also have an impact on their purchasing decisions. Marketers must develop their approach depending on unique customer variables. (PwC Report, 2015)

### **PSYCHOLOGICAL FACTORS**

Psychological factors are those that influence people's psyche when they buy products and services. These variables impact individual nature and are discussed in terms of the individual psychology of consumer behaviour. learning, perception, Motivation, and beliefs and attitudes are all psychological variables.

**Motivation:** The amount of consumer motivation impacts a person's behaviour. A person's conduct is influenced by his physical and psychological circumstances. According to Maslow's hierarchy of requirements, the consumer's

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first priority is to fulfill hunger and thirst (physiological needs), followed by the need for protection, then the need for respect, and lastly the desire for self-actualization. (Maslow, 1943)

**Perception:** Consumer impressions of products and services have a significant impact on their behaviour decisions. Consumers' perceptions differ in similar situations. The latest Lenovo phones may be acceptable to a brand-conscious customer, but not to the broader public.

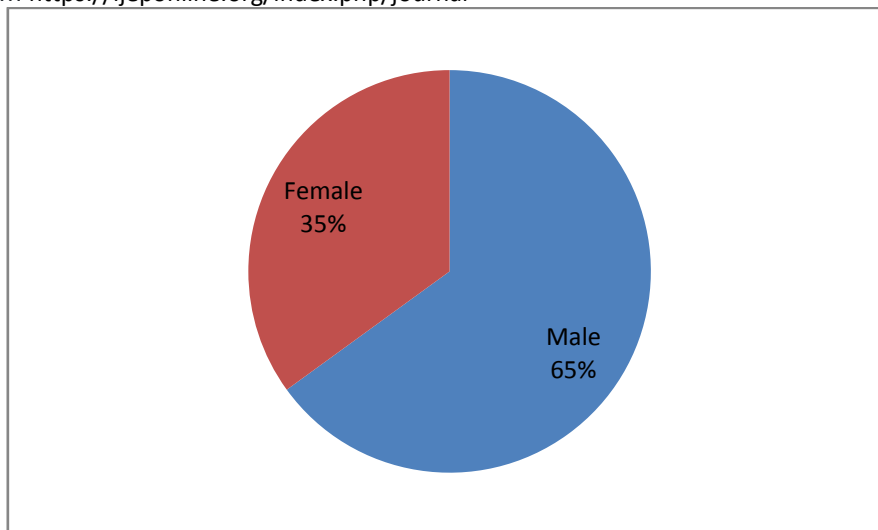
**Learning:** In general, people learn from their experiences. People learn via their activities, relationships, motives, and abilities. There's an ancient adage that 'practice makes perfect.' When a guy attempts to learn to drive, he constantly practices on a motorcycle. Eventually, he learns to drive. People may also learn from their abilities, attitudes, and understanding about an issue.

**Attitudes and Beliefs:** Consumers have certain attitudes and ideas towards goods and services. These attitudes and beliefs should be included into marketers' marketing tactics. A customer purchases goods and services based on his or her views and ideas. He purchases the items if he loves them. He doesn't like the goods, he won't buy them, however good quality they may be.

## OBJECTIVES

- To investigate the effect of demographic variables on consumer purchasing behaviour when it comes to online purchases.
- To determine the effect of digital advertising on consumer purchasing behaviour in the NCR region of Uttar Pradesh.

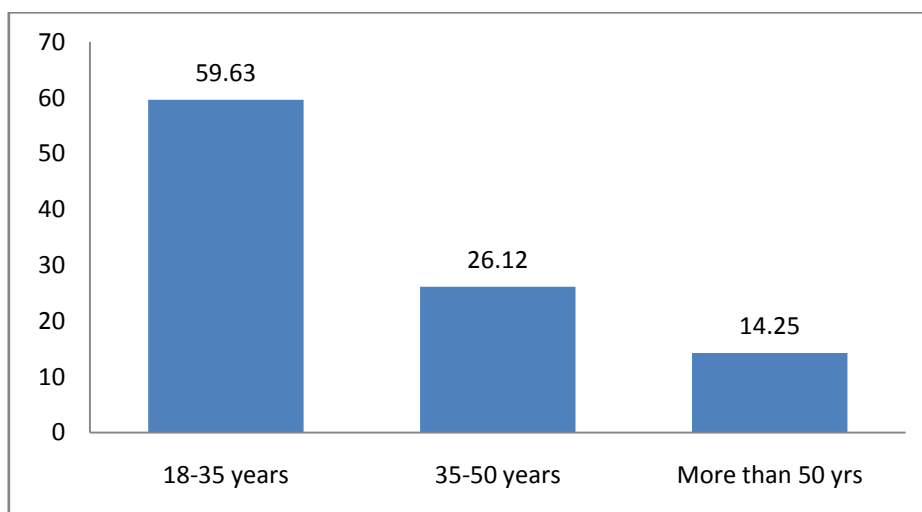
<b>Gender</b>	<b>N</b>	<b>%</b>
Male	324	65
Female	174	35
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig. 1: % of Gender of Respondents**

“According to the above table and figure, 324 male respondents (65%) and 174 female respondents (35%) responded to the questions. We can conclude it as male consumers are more inclined towards shopping online and more aware of digital advertising as compare to female consumers.

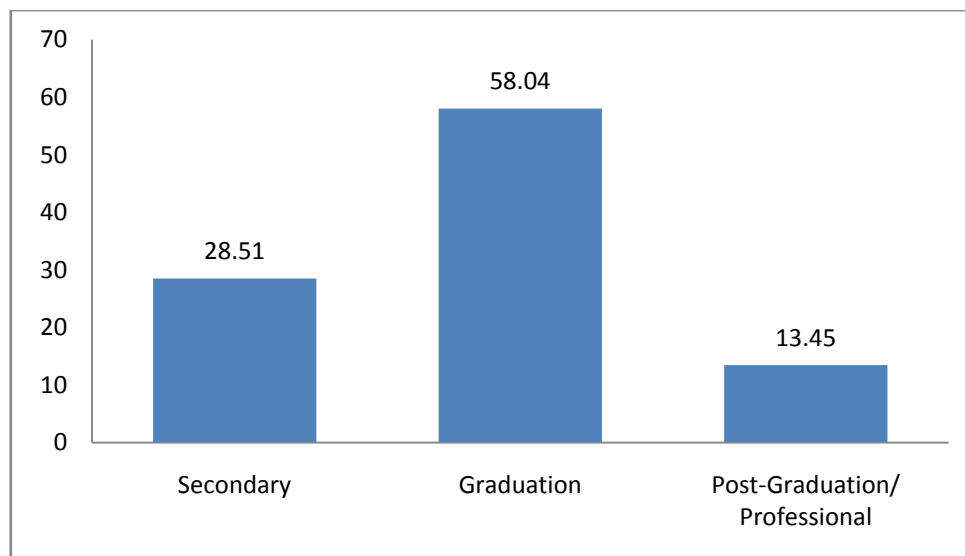
Age	N	%
18-35 years	297	59.63
35-50 years	130	26.12
More than 50 yrs	71	14.25
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 2: Age Distribution of Respondents**

“According to the age group study, 297 (59.63 per cent) of respondents were between the age of 18-35 yrs, 130 (26.12 per cent) of respondents were between the age of 35-50 yrs and 71 (14.25 per cent) of respondents were above the age of 50. The questionnaire results show that the youth people actively takes participate in the research as well as deals in online shopping.”

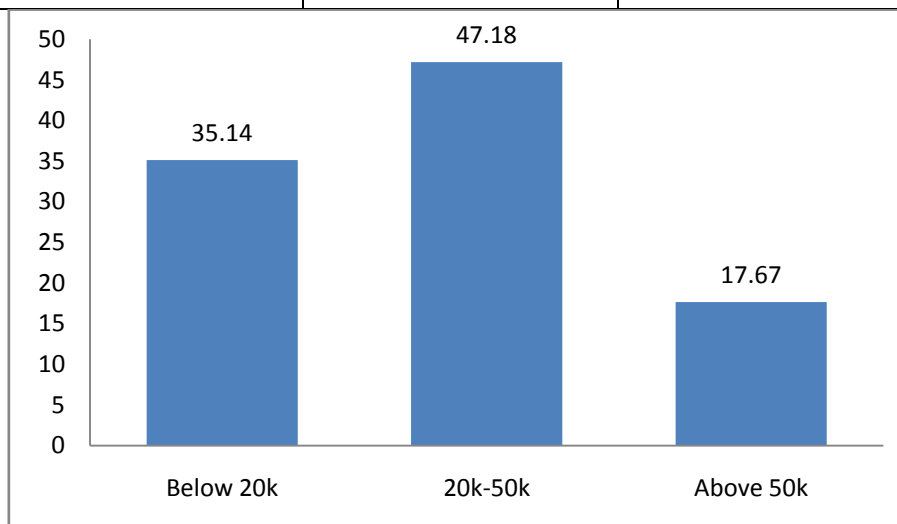
<b>Table 3: Educational Level of Respondents</b>		
<b>Education</b>	<b>N</b>	<b>%</b>
Secondary	142	28.51
Graduation	289	58.04
Post-Graduation/ Professional	67	13.45
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 3: Educational Level of Respondents**

The largest frequency (58 per cent) of replies falls under the graduation level group, followed by 29 percent who have a secondary level degree and 13 percent who have a post-graduate or professional level degree. Hence one can say that college going graduates and above them are more interested in online shopping and took much participation in the survey.”

<b>Income</b>	<b>N</b>	<b>%</b>
Below 20k	175	35.14
20k-50k	235	47.18
Above 50k	88	17.67
<b>Total</b>	<b>498</b>	<b>100</b>

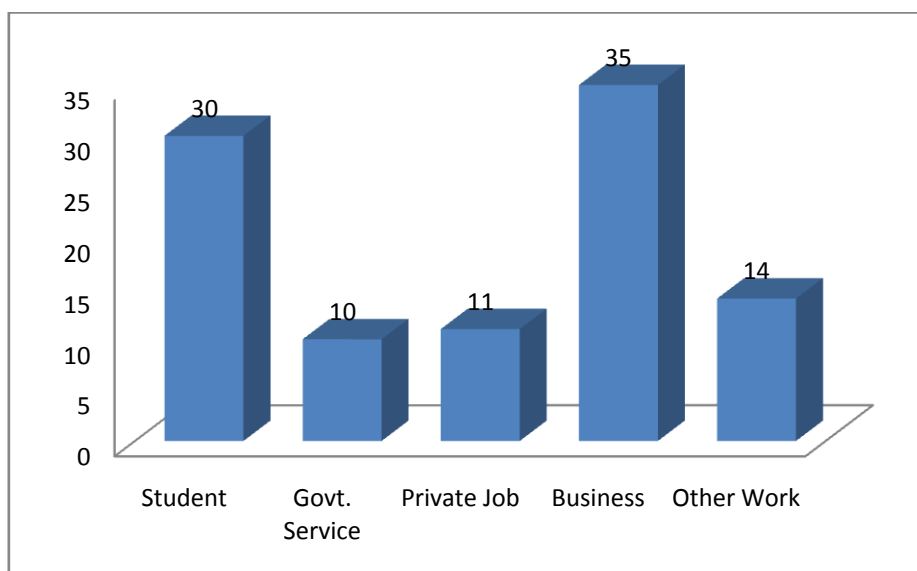


**Fig 4: Income of respondents**

“According to the research study of income distribution, the greatest proportion 47 percent comes under the category of 20k-50k p.m., followed by less than 20kp.m. –35 per cent respondents and more than 50k income p.m. – 18 per cent respondents. Hence, it is clear that customers having 20k-50k income segments are more inclined towards online shopping and more aware of digital advertising. We can say these people could be newly graduates and newly job fresher’s if we see relates it with education graph.”

<b>Occupation of Respondents</b>	<b>N</b>	<b>%</b>
Student	150	30
Govt. Service	50	10
Private Job	54	11
Business	174	35
Other Work	70	14
<b>Total</b>	<b>498</b>	<b>100</b>



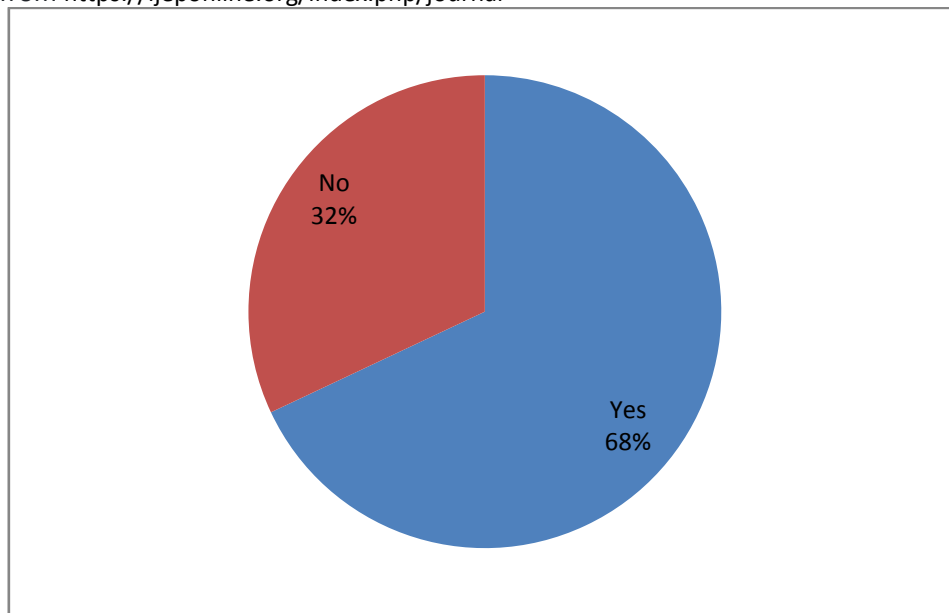


**Fig 5: Occupation Details of Respondents**

“As we can study the chart along with table, can identify that 35 percent of respondents are business people, followed by 30 percent of respondents are students (from previous charts we can see most of the ratio is employed). Hence we can say 65 per cent of total are young people as well as more engaged people who don’t have time for outside shopping and more incline towards online buying and more aware of digital advertising.”

## CONSUMER BUYING BEHAVIOUR

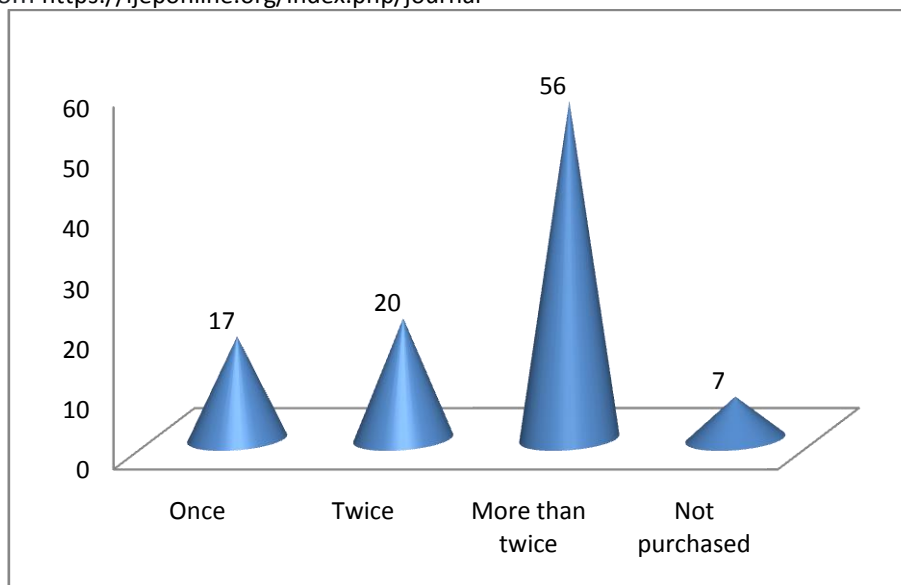
<b>Table 6: Have you ever purchased goods from online shopping?</b>		
<b>Responses</b>	<b>N</b>	<b>%</b>
Yes	339	68
No	159	32
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 6: % of response on purchased goods from online shopping**

“It was discovered that 68 per cent of respondents had purchased products and services over the internet, while 32 per cent stated that they had not ever purchased items online. Reason might be security or lack of knowledge of online apps for not shopping online, whereas a large portion of respondents prefers online shopping due to discounts, attractive deals, time saving, and security as well. It has been analysed that customers' favourable attitude toward online buying may have improved online sales.”

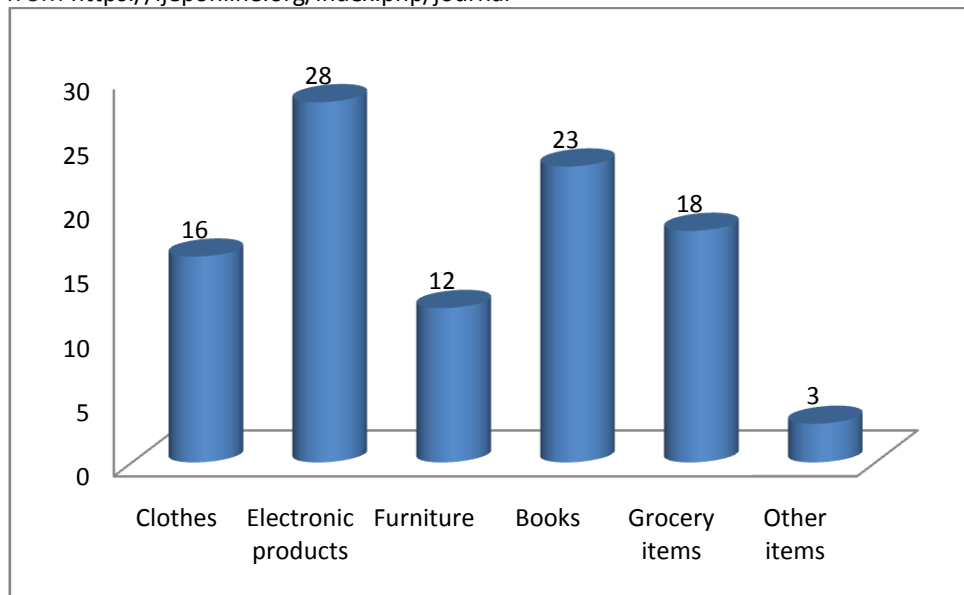
No. of online purchase	N	%
Once	85	17
Twice	100	20
More than twice	279	56
Not purchased	34	7
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 7: % of respondents purchased online after seeing advertisement**

“As per the findings from the given figure, 20 per cent and 56 per cent of the total population shop online twice and more than twice after seeing advertisement. Rest of the people either do shop once or not shop after seeing advertisement. Hence, we can conclude that people are more aware after seeing advertisement of product from digital and social media are from students and business class group and they shop due to online shopping convenience. It also explains that they are from good income segments, and at least graduate and above.”

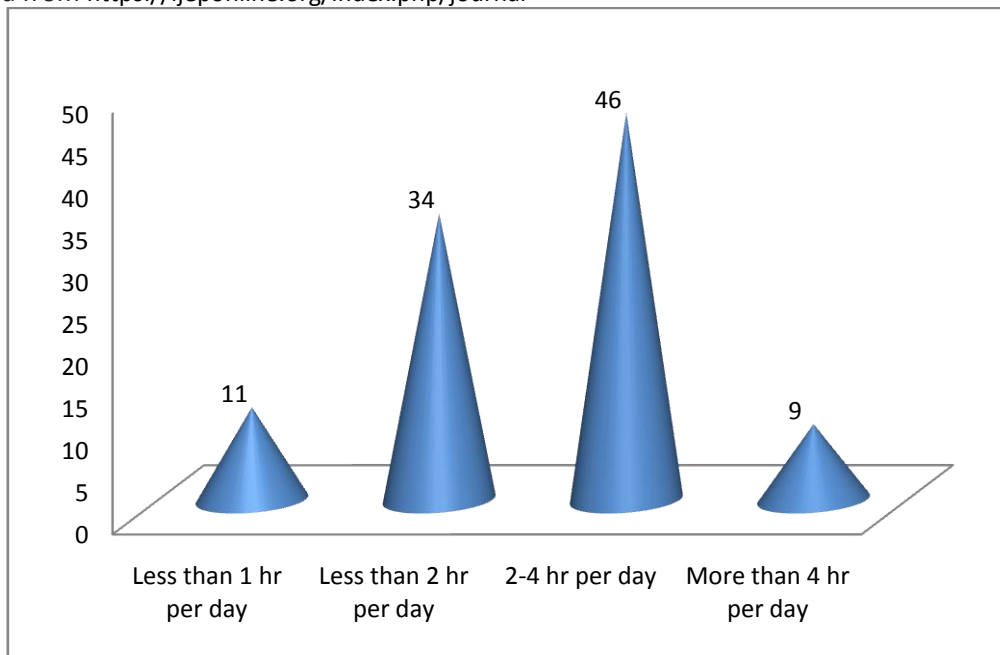
<b>Type of products respondents preferred by online</b>	<b>N</b>	<b>%</b>
Clothes	80	16
Electronic products	140	28
Furniture	60	12
Books	114	23
Grocery items	90	18
Other items	14	3
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 8: % of response on products prefers to purchase by respondents**

“As per above table and figure, 28 percent of respondents bought gadgets online, followed by 16 percent who bought clothing, 23 percent who bought books, 12 percent who bought furniture, 18 percent who bought groceries, and 3 percent who bought other required goods services. This demonstrates the respondents' current purchasing behaviour, in which their first priority was to purchase electronic items.”

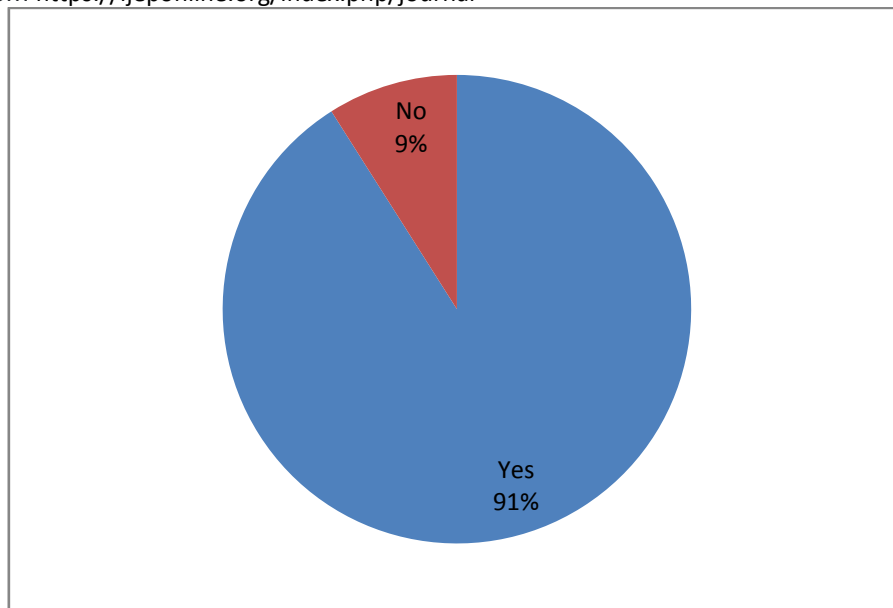
<b>Table 9: How do you often use internet every day?</b>		
Use of Internet Per Day	N	%
Less than 1 hr per day	55	11
Less than 2 hr per day	169	34
2-4 hr per day	229	46
More than 4 hr per day	45	9
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 9: % of respondent uses of internet every day**

“According to the above table and statistic, 46 percent of respondents use the internet 2-4 hours per day, 34 percent use it less than 2 hours per day, 11 percent use it one hour per day, and 9 percent use it more than four hours per day. According to the research, the majority of respondents use the internet on a daily basis. Respondents enjoy the internet because it is convenient, saves time and money, and eliminates the need for transportation. It is also simple to use and allows them to shop from home 24 hours a day, 365 days a year.”

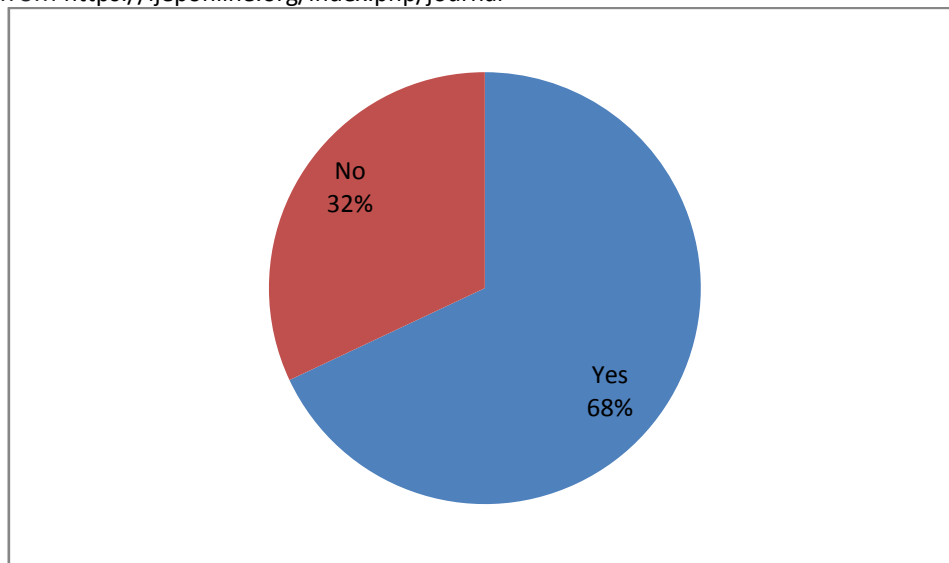
<b>Table 10: Do you search about the product on the internet before making an online purchase?</b>		
<b>Response</b>	<b>N</b>	<b>%</b>
Yes	453	91
No	45	9
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 10: % of respondents on online purchase**

“From the study of above table and figure, most respondents (91 percent) browse online shopping sites and acquire information about items and services before making a buy online, while only 9 percent buy things directly visiting market physically.”

<b>Table 11: Awareness about online advertisement</b>		
<b>Responses</b>	<b>N</b>	<b>%</b>
Yes	404	81
No	94	19
<b>Total</b>	<b>498</b>	<b>100</b>



**Fig 6: % of response on awareness about online advertisement**

“It was discovered that 81 percent of respondents had aware about online advertisement over the internet, while 19 per cent stated that they had not ever known about online advertisement. Reasons for not aware about online advertisement may be lack of knowledge of security or online apps, while a large proportion of respondents have knowledge of online advertising, there are still some who rarely use mobile phones, television, social sites etc., due to which they are not aware of online advertising.

## **CONCLUSIONS**

The “current study looked at possible variations in customer subgroups based on gender, age, education, and income According to the findings, there is no link between advertising and consumer awareness. An examination of the data and findings revealed that internet shopping is easy, time-saving, and cost-effective for customers. The majority of people in NCR region of UP are interested in purchasing mobile phones through internet shopping. Consumers tend to be concerned about the security and privacy of online purchases. It was obvious that this issue looked to be a substantial impediment to making greater use of internet shopping in the NCR UP.

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