

RISING TREND IN DIGITAL CONSUMERS

Srinivasan B Iyer, Ph. D.

Kes Shroff College of Arts & Commerce Mumbai (drsrinivasan0819@gmail.com)

Abstract

Digital consumer behaviour is one of the most important metrics that any modern marketer can measure—but we've noticed that people are often getting overwhelmed by the sheer number of tools and metrics out there. After all, everyone claims their method (and their method alone) is groundbreaking Digital consumer behaviour, in terms of marketing research, essentially boils down to anything that a person does online. What devices they use, the sites they visit, the ads they engage with, the pages they navigate to, when they leave and how, and so on. If a customer clicks on something, it is recorded—and sometimes even when they don't click on something

The objective of the paper is to analysis the growing trend of digital customers in the market and to understand if they will continue to be the same even in future. The researcher has made use of simple tools to understand the behaviour of such digital consumers

Key words: *Digital, Consumer, click, Internet*



[Scholarly Research Journal's](http://www.srjis.com) is licensed Based on a work at www.srjis.com

1. Introduction:

Remember when we used to spend hours browsing in a book store in order to find our next read? What about the time we had spent visiting different stores in-person so that we could do comparison among the goods in different shop? Today the things have changed, thanks to e-commerce, we don't have to.

Companies are just focused in easing the life of consumers. The more relaxed the consumer experience, the better chances you have of making them regular customers who are, essentially, a volunteer sales team for you.

There has been significant shift in the behaviour of the consumer over the years. The impact of e-commerce has been very significant there has been entry and exit of many business units in e-commerce over a last few year. The researcher has observed some changes in the behaviour of the consumer which are mentioned here.

2. Trends in Digital Consumer

2.1 From Brick to Click

Still there are many consumers who prefer to shop by visiting physical stores and engage themselves with the product feature before they thrive on e-commerce. In 1998, roughly 0.2% of all retail purchases were made online, according to the Department of Commerce. In the fourth quarter of 2019, online purchases comprised nearly 12% of all retail sales in the U.S. — or \$158 billion. There can be many reasons for such changes.

To begin with many consumers, care able to compare many products across the stores for different ranges of product. This helps them to make wider selection of products. They are able to see the review and ratings given by consumers that enables them to take wise decision in shopping. Consumers have focused more on level of convenience in buying products. They can access countless goods from all over the globe using digital media, especially phones & computers.

The business had been very strong and optimistic on e-commerce sector over a few decades. But the trend in digital consumer is on rise over a few years and it is very important for the e-commerce founders to focus on few important things as far as consumers requirements is considered. The first being to improve consumers experiences to buy products online and the second is provide better than the best product to the consumer, making them feel delighted.

However, it is observed that the e-commerce business is pooling and channelizing their resources in finding out the best sources of attracting consumer to them to buy products again. They feel that it is easy to make money from the existing consumers as it cost less as compared to attract new e consumer. Moreover, if the quality of the consumer is better the lifetime values are higher. Therefore, it is very perilous to have an exceptional consumers experiences if one is operating e-commerce business today.

2.2 From PCs to Mobiles

The growth and increased use of mobile phone has added to digital consumer. The year 2015 saw the growth of mobile phone as a service provider called JIO had launched with free internet connectivity under the guise of 'Digital India' The use of mobile phone and tables took over the use of Computer and laptop. One may feel that it hardly makes any different as far as device is concerned used for shopping, However, there are many distinguished features that makes shopping convenient on phone than computers.

The Screen of the mobile is considerably smaller that computer. This makes it difficult to fit lots of products onto one scree. Therefore, e-business started leveraging their data to display

only those products that are of consumers interest and intended to buy. This has enabled them to use this data to retarget consumers and increase consumers life time value.

Secondly, there is no physical keyboards on the mobile phone. As a result, the checkout process for making payment and completing other formality would be difficult for the consumer. To overcome such problem, e- business has introduced better electronic payment systems like digital wallets, OTP facility. This has encouraged and motivated many consumers to switch to mobile as a tool for shopping. Mobile commerce, or m-commerce, is on the rise. Not only are the user experience and checkout flow essential for mobile users, but it's also crucial that e business should understand why customers might opt for mobile over PC. One example shift is that mobile users enjoy the convenience and speed of mobile shopping, so it is important to make the checkout flow as minimal as clicking just one button.

2.3 From Human to Algorithm

With the increasing demands of e-commerce, the need for better and faster customer services is also an essential thing for companies to succeed. It is estimated that many companies face lose due to bad or poor experiences of the consumers. This is the reason CRM is gaining popularity in this era CRM software not only allows companies to automate the workflow for better and faster customer experiences, but it also enables companies to study their customers' unique personas. By analyzing their buyers' personas, companies can then use this knowledge to further target advertising on similar audiences in order to reduce customer acquisition costs. And in recent years, companies have developed a new category of solutions to transform customer behaviors even further by using artificial intelligence.

However, the researcher feels that e business they should focus more on brand building rather than focusing on algorithm. It all depends on the sale that will enable to decide for creation of algorithm. This will help the business to understand customers and will assist them to provide better service with highly personalized recommendations.

2.4 How will the customer behaviors evolve from here?

With fast advancements in technological capabilities, companies are able to collect a massive amount of data instances about their customers. But this has glinted criticisms about privacy concerns, which is important for entrepreneurs to consider. However, digital shopping is here to stay, at least for now. For founders who want to be successful in building e-commerce brands, they need to study their customer personas, close the feedback loop, and index the feedbacks. This way, you can ensure you understand the pain points of their customers and build customer loyalties consistently.

3. Research Methodology

3.1 Methodology

The study tried to explore the consumer's perception of online marketing and measure the correlation between consumer purchase behaviour and online marketing tools, consumer attitude and the digital concept of marketing, and consumer purchase intention

3.2 Samples and Method of deciding sample

The sample selected is random method among the given cluster keeping in mind the requirement as per the questionnaire. The method of sampling is coincidental. It is limited to 150 respondents, of which only 139 respondents were considered after sorting the data in a complete google form

3.3 Design and the procedures

The study applied an analytical model of investigation, a questionnaire survey and regression analysis to guide the study productively, the study aims at solving existing problems within the organization and individuals to make them more concerned about the concept of “Digital consumers”. Both secondary and primary data have been compiled and analyzed with a view to examining the research objectives. The first phase of the study was an extensive search for relevant scholars' articles, books, and reports to set the boundary of the subject area. The study was extended out in different areas of Mumbai. The primary data was gathered via a questionnaire prepared by the authors with an extensive support from different studies and researches.

The questionnaire comprises 4 sections respectively demographic data, knowledge base data, behavioural data, and questions regarding the indicators scale which sub-sectioned by Consumer Attitude, Purchase Intention, and Purchase Behaviour

3.4 Objective:

To know the reasons for rising trends of consumers

To know the trends set up to shape digital consumers

3.5 Scope and Limitation

Though the level of digital platform had gained momentum in recent years, yet the awareness and readiness to use digital platform and be a digital consumer has a long way to go. The study can be further extended to know the level of comfort that the consumer experience and the nature of products and services that the consumer avail form online shops.

The study is limited to the area of Mumbai. Mumbai being defined geographically (From CST and Churchgate to Mankurd, Bandra, Mulund). The responses given by the respondent is assumed to be correct

Consumers' response is highly subjective. It depends on individual perception and willingness to answer. Keeping this in mind the researcher has made some statements which are generalized and such statements may not be the fact for the study

4. Data Analysis

The following statistical analysis was used in the study in order to draw conclusions based on the empirical research findings. Descriptive statistics were used in assessing the composition of the sample and inferential statistics were employed in order to make inferences about the population. Frequency distributions are used to analyse the survey data in the current study as shown in the questionnaire. The data is presented by means of bar charts and tables. The data was analyzed using the Statistical Package for Social Sciences (SPSS) software. Various statistical tools were used to analyse the test- frequency distribution method, cross tabulation, Chi-square test

4.1 Reasons for rising trends in digital consumer

What people value the most in experiencing digital shopping

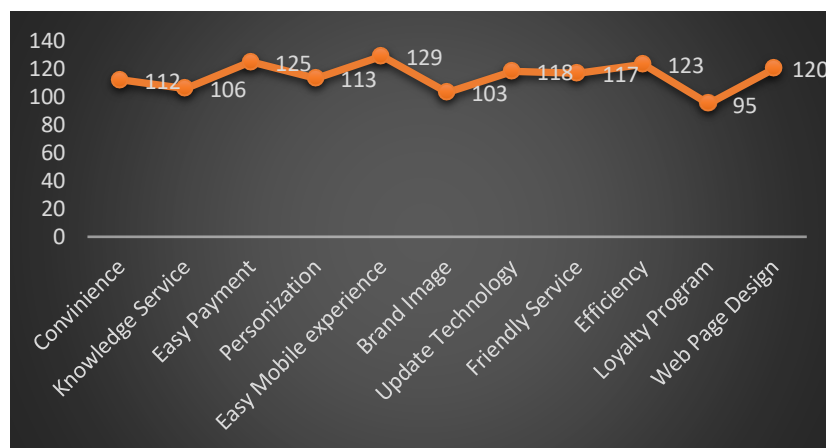


Figure 1: People value the most in experiencing digital shopping

The above chart shows the level of experience that consumers get while doing online shopping. It is observed that the level of experience is highest in case of using mobile phone followed by easy payment method. This shows that digital consumers are keen on hassle-free and time-saving processes. This has enabled them to buy more products. Coming to loyalty programs, the response is not considerable as most online merchants refrain from offering loyalty programs in the form of coupons to all consumers. It depends on the frequency of the same consumers buying products from the same merchandiser as in the case of Amazon

Role of Visual content for buying online products

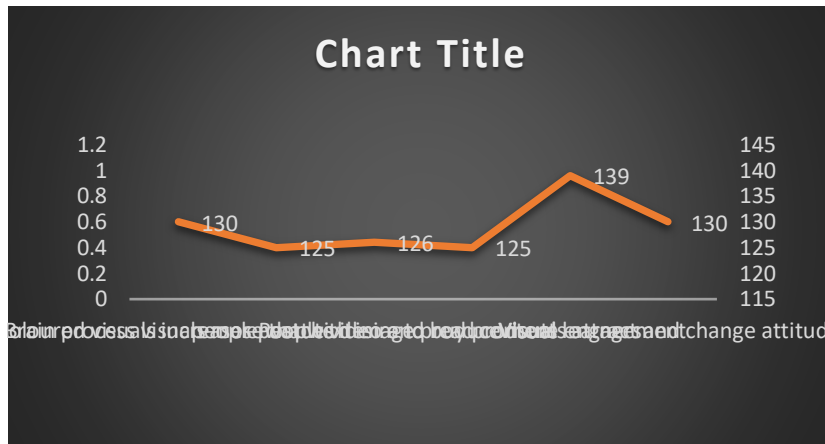


Figure 2: Role of visual content for buying online products

It is observed that all the respondent are visual learners, showing that how important is the visualization of products. This enables them to decide though it lacks tangibility. Most of the consumers are also of the opinion that they change their attitude to buy the product after seeing visual effects as the brain process visuals more than any text related to the product. Similarly, consumers have a distinct idea about the product when it comes to audio visual process. The researcher is of the opinion that the role of visual effect is greater and pivot for retaining the existing consumers and attracting new consumer to the world of digitalization.

Google, Pinterest, and several other companies are also investing in visual search technology. Images are already returned for 19% of searches on Google, and 62% of millennials say they are more interest in visual search than any other new technology.

How do you most prefer to learn about a new product or service?

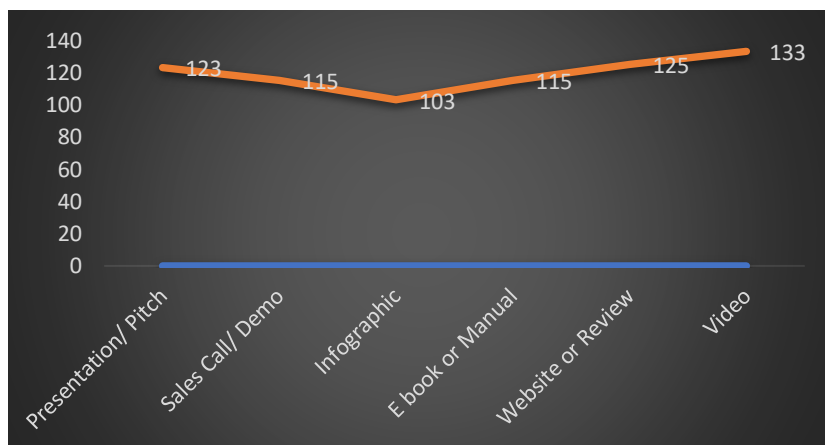


Figure 3: Prefer to learn about new product or services

The chart reflects the responses of the consumer about the source of seeking information about the product. Most of the consumers get influenced by video and decide to buy the product. The impact of infographic is comparably less. Sales call or demo is experienced after see the video of the product. The researchers feels that many companies must make efforts to explore different ways and methods to manifest their product through online.

Who is responsible for future environment?

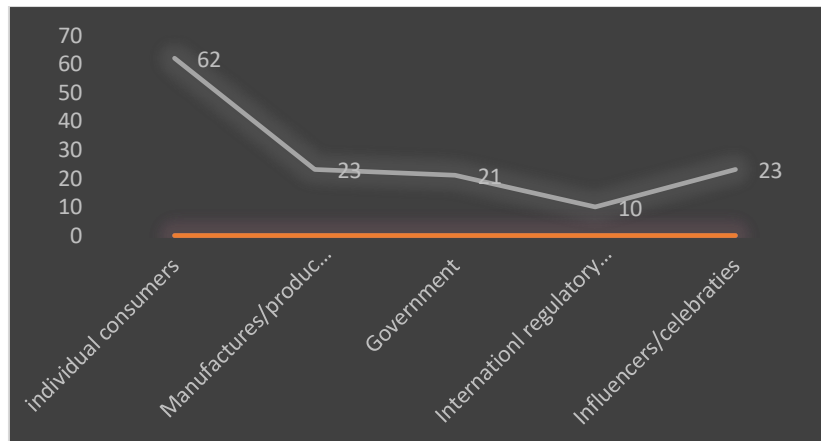


Figure 4: Responsible for future environment

The charts show that most of the consumers hold themselves responsible for taking care of the environment. The role as digital consumers has motivated them to be responsible

5. Trends shaping digital consumers

Consumers Spend More Time with Digital Content

There has been more usage of digital content and the reason is the different formats such as video social themes etc. It is observed that on an average, consumers spend more than 6- 8 hrs in digital content. A comparative behaviour is observed in gen Z. This indicates that the growth of digital consumer is not only in terms of shopping but also procuring information and sharing the same. They feel left out if they do not spend sufficient hours over internet.

Use of Emerging Tech to Consume Digital Content Is on the Rise

Of all the emerging technologies, voice seems to be gaining momentum among the consumers. They feel comfortable buying products online by visiting the website directly and venturing them.

It has become very easy to search the product just by voice call rather than typing it. The researcher feels that the growth of Artificial intelligence will further add to digital consumers. It is expected that more immersive content formats would become more and more mainstream over the next years to come

Most Consumers Still Trust Social Media

Though there has been lot of fraudulent and rough time in social media, the usage has increased over a period. The trust they have on online marketing is gaining importance day by day. Social media like face book twitter etc has not only helped the consumers to connect friend circles but also have given an opportunity for B2C business.

6. Conclusion:

The researcher concludes that visualization is easier to remember as compared to written text. It will make products more interesting and spread the message to its content to the

The development of technology combined with increased data package will give more insights to social media. It will be easier to personalize the products as per the needs of the consumer. The experiences that the consumer will have will helps as a big messaging tool for non-digital consumers

Diversity in the audience will further enhance the market content, which will be more competitive and challenging. The future generation will be the source for new segmentation for e business. The business will implement new ideas and plan to reach the ne generation consumers. The upcoming generation will be a new workforce and decision makers of tomorrow

References:

- Bradley, J., Connell, K.O. and Barbier, J. (2015). *Winning the New Digital Consumer with Hyper-Relevance. In Retail, Insight Is Currency.* <http://www.cisco.com/c/dam/en/us/solutions/collateral/executive-perspectives/ioe-retail-whitepaper.pdf> (05.05.2016).
- Domańska, K. (2009). *Kim jest prosument. Marketing w Praktyce*, 2, 35–38, <http://bazekon.icm.edu.pl/bazekon/element/bwmeta1.element.ekon-element-000157974803> (06.05.2016).
- Główny Urząd Statystyczny (2015). *Wartości i zaufanie społeczne w Polsce w 2015 r.*, Warszawa, <http://stat.gov.pl/obszary-tematyczne/warunki-zycia/> (05.05.2016).
- Euromonitor (2016). *Consumers in 2016: Generation 'swipe'.*
- Euromonitor (2015). *Consumers in the Digital World: Hyperconnectivity and Technology Trends.*
- Evans, M. (2016). *Top 3 Trends for the Digital Consumer in 2016*, <http://blog.euromonitor.com/2016/01/top-3-trends-for-the-digital-consumer-in-2016> (05.05.2016).
- PWC (2016). *(Współ)dział i rządź! Twój nowy model biznesowy jeszcze nie istnieje*, www.pwc.pl/ekonomia-wspoldzielenia-1-raport-pwc.pdf
- Stephen, A. (2015). *The role of digital and social media marketing in consumer behavior. Current Opinion in Psychology*, 12(9), 1689–1699.
- Tapscott, D. (2008). *Net Gen Transforms Marketing.* Bloomberg, <http://www.bloomberg.com/news/articles/2008-11-17/net-gen-transforms-marketing-businessweek-business-news-stock-market-and-financial-advice>
- Vejlgaard, H. (2012). *Anatomia trendu.* Warszawa: Wolters Kluwer.
- Wolny, R. (2012). *Polski e-konsument na rynku usług. Konsumpcja i Rozwój*, 1(2), 117–129, <http://yadda.icm.edu.pl/yadda/element/bwmeta1.element>.