



## “Consumer psychology and its role in digital marketing”.

*Mohammad Asad<sup>1</sup>, Dr. Azra Ishrat<sup>2</sup>*

<sup>1</sup>(Student, Amity Business School, Amity University, Lucknow, Uttar Pradesh)

<sup>2</sup>(Assistant Professor, Amity Business School, Amity University, Lucknow, Uttar Pradesh)

### ABSTRACT:

To describe how people strive to analyze their psychology in digital marketing, this research was conducted using the appropriate research methodologies. Making and keeping clients is the main goal of any business. They employ a variety of strategies, including a variety of research techniques, to identify the most effective ways to generate revenues. For businesses, the adage "the customer is god" essential to their success. The first step toward a successful understanding of clients is to observe their purchase behavior. Branding is an essential marketing tactic that consistently influences client perception and purchasing behavior. Understanding consumer purchasing patterns will allow marketers to take a closer look at how important it is for them to understand the fundamental link the consumer has with the brand. To determine whether there is any relationship between consumer purchasing behavior and these issues, the research divides them into a variety of dimensions. In other words, it enables one to determine whether branding genuinely influences customer purchase behavior. The study's main goals are to determine whether factors including the premium price of branded items, perceived quality of those goods, social standing, and brand names connected with brand consumption have an impact on consumers' purchasing decisions and how much of an influence they have. The goal of the study is to have a thorough understanding of what consumer behavior genuinely are, in addition to determining the impact of brand on customer purchasing behaviour.

Keywords – Consumer psychology, Digital marketing, Consumer psychology role in digital marketing

### INTRODUCTION

Consumer psychology is the study of how individuals make decisions about what to buy, use, or discard. It explores the underlying psychological factors that influence consumer behavior, such as attitudes, perceptions, motivations, and emotions. Understanding consumer psychology helps businesses and marketers develop effective strategies to attract, engage, and retain customers by tapping into their needs, desires, and decision-making processes. Consumer psychology plays a pivotal role in digital marketing by delving into the understanding of consumer behavior, motivations, preferences, and decision-making processes in the online realm. It helps marketers create more targeted and effective digital marketing strategies by leveraging insights into how consumers perceive, engage with, and respond to digital content, advertisements, and user experiences. By applying principles of consumer psychology, marketers can optimize website design, content messaging, social media campaigns, and personalized marketing efforts to resonate with their target audience and drive desired actions, such as purchases, sign-ups, or brand engagement.

### Objectives of the study

As a result, study's primary objective is to examine the role of consumer psychology and its role in digital marketing. Following are the objectives listed below:

- To study about the consumer behaviour when they purchase products online.
- To analyze the strategies applicable by the marketers which attracts the consumer and influences their consumer purchasing decisions.
- To figure out the working of a successful brand and how it works in order to gain consumer base.

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### ROLE OF CONSUMER PSYCHOLOGY IN DIGITAL MARKETING

Consumer psychology plays a crucial role in digital marketing. Experts in this field observe how internet users navigate search engines, what type of content they consume on websites, how they interact with information, and when they make purchases. This understanding helps businesses position themselves effectively in the digital world. Marketers are always looking for ways to engage and influence consumer behaviour. To do this successfully, it is important for marketers to grasp the psychological factors that shape consumers' decisions. While much research has been done on this in physical stores, the online realm still has a long way to go.

Despite the argument that face-to-face interactions hold more sway, there are strategies that can be employed online to achieve similar, if not better, results. Influencing opinions online can lead to a more positive customer experience. For example, consider a scenario where you visit a car dealership for a casual look around but are immediately approached by a pushy salesperson. This aggressive approach is outdated and off-putting. Instead, marketers should focus on guiding consumers to form their own opinions at their own pace, rather than bombarding them with sales pitches.

Digital psychology enables marketers to:

- Understand why customers make online purchases
- Improve conversion rates
- Reduce bounce rates
- Increase the average amount spent per transaction
- Retain existing customers
- Boost repeat purchases
- Implement testing methods to enhance results.

## 2.1 Tactics of consumer psychology

### 1. Using Failure as a Smart Tactic

If you haven't heard about it before, failure can actually be a clever tactic to make consumers want to buy something quickly. When products are labelled as 'low in stock' or 'in high demand' on e-commerce websites, it creates a sense of urgency that pushes consumers to make a purchase before it's too late. Even service-based businesses can use this tactic by offering limited-time discounts or limited appointment slots for consultations. Research has shown that using phrases like 'only 1 room left' or 'limited stock' can make consumers feel the need to buy before the items run out. Similarly, phrases like '24-hour flash sale' or '1,437 sold moments' can create a sense of urgency and increase the likelihood of consumers making a purchase. By making customers feel like they have a unique opportunity or exclusive access to a deal, businesses can make them feel special and more likely to buy.

### 2. The Bait Effect in Digital Marketing

The bait effect is a common technique used in pricing models to influence consumer decisions. By introducing a third price point that falls between two others, businesses can make the more expensive option seem more attractive. For example, look at the pricing options on monday.com. By introducing a 'Standard' subscription that is priced between the 'Basic' and 'Pro' options, the 'Pro' subscription suddenly seems like a better deal. Instead of paying double for the top-tier subscription, customers can now choose the 'Pro' option for just a little more than the 'Standard' one. This pricing strategy is a powerful tool in digital marketing that can guide consumers towards choosing the option that benefits the business the most.

### 3. Reciprocity in Everyday Life

Giving and receiving. It's a natural part of human life. When someone gives us something for free, we feel like we should give something back to them. We see reciprocity in our daily lives. For example, have you ever invited someone to a party because they invited you to theirs? Or bought a Christmas gift for someone because they bought one for you? It's a feeling of wanting to do something for someone who has done something for you.

In a consumer society, this is an important tool. Giving gifts creates connections and loyalty, ultimately preparing the giver to gain a paying customer. It's not just about attracting new customers, but also about building long-lasting relationships with existing ones. Reciprocity is a great way to create brand loyalty and advocacy.

*Consider these 5 key principles:*

- Make customers feel special and valued - add a personal touch to your communication
- Give customers a valuable gift that improves their lives - address their needs
- Suggest ways for customers to reciprocate - donate, make a purchase, try a product
- Be proactive in giving - offer something without waiting for a request
- Keep the cycle going - continue giving even after they have made a purchase! A great opportunity for email marketing.

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## 4. Social Proof in Digital Marketing

Another effective way to apply digital psychology is by showing social proof of your product or service. Studies have shown that 92% of online consumers read at least one product review before making a purchase, with most reading between 1 and 6 reviews before deciding.

Humans like to follow the crowd! Positive reviews of a product or service make us more likely to try it ourselves. There are several ways to display social proof:

- Customer reviews
- Number of subscribers
- Social media shares
- Success stories from customers

- Third-party endorsements
- Security badges
- Customer testimonials

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## FINDINGS

In the competitive business world of today, a strong consumer psychology must be there in the eyes of digital marketers, or they should employ many tactics to increase their product recognition through consumer psychology. As a result of this research, we can make the following highly recommended changes.

1. Marketers need to make sure that potential customers see more value in their products. This can be done by promising them high-quality products as well as other things like the best pricing, best value, availability, trend, etc by knowing in advance their buying psychology in digital marketing.
2. Digital marketers should make sure to provide best quality of products to make the consumers loyal towards them.
3. Digital marketers must know in advance which website is their consumer is using to purchase the product or services online.

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## CONCLUSION

In conclusion, consumer psychology plays a vital role in shaping digital marketing strategies and tactics. By understanding the psychological factors that influence online consumer behavior, marketers can create more effective and targeted campaigns that resonate with their target audience. From information processing and social influence to personalization and user experience design, consumer psychology provides valuable insights into how individuals engage with digital content and make purchasing decisions online. Moreover, as digital technology continues to evolve, consumer psychology remains a key area of research and application for marketers seeking to leverage digital platforms to drive engagement, conversion, and brand loyalty. Overall, integrating consumer psychology principles into digital marketing efforts can lead to more successful outcomes and improved customer satisfaction in today's increasingly digital landscape.

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