A Study on the Influence of Digital Marketing on Consumer behavior

Pradeepa S. M

Master of Business Administration, Dr. Ambedkar Institute of Technology, Bangalore
Visvesvaraya Technological University, India
Pradeepasm1234@gmail.com
DOI : https://doi.org/10.5281/zenodo.16980519

ABSTRACT

In today's digital era, consumer behaviour is undergoing a rapid transformation due to the widespread use of digital marketing platforms. With constant exposure to online advertisements, influencer campaigns, social media promotions, and e-commerce offers, customers are no longer passive buyers but active decision-makers. This study investigates how digital marketing tools influence consumer preferences, trust, and purchase decisions. Using responses from 150 participants across different demographic groups, the research applies statistical methods such as Correlation, Chi-Square, and one-way Annova analysis to examine relationships between digital strategies and consumer behaviour. The results highlight that social media platforms hold the greatest impact on customer decision-making compared to other digital tools. Furthermore, demographic factors such as age, income, employment status and education significantly affect how consumers respond to online promotions. The findings establish that digital marketing is not just an optional tool but a powerful driver of modern consumer behaviour, especially among younger, educated, and middle-income groups.

KEYWORDS: Digital Marketing, Consumer Behaviour, Social Media, Online Advertising, Purchase Decisions, Brand Engagement

INTRODUCTION:

This study focuses on understanding how digital marketing impacts consumer behavior in a highly connected world. With constant access to information, reviews, influencer content, and targeted ads, consumers are now more informed and influenced than ever before. From product discovery to final purchase, every step of the buying journey is being transformed by digital strategies. By exploring various digital marketing techniques, such as search engine optimization (SEO), social media campaigns, email marketing, and influencer endorsements this research aims to uncover how these tools affect consumer trust, brand perception, and buying patterns. The study also considers how different age groups or demographics respond to digital marketing, highlighting the shift from passive consumers to actively engaged online buyers.

REVIEW OF LITERATURE

Shruti Gulve et al. (2017) found that factors like price, brand, quality, and marketing channels influence purchasing behaviour. Their survey revealed that digital marketing tools such as advertisements, blogs, and social media significantly shape consumer decisions, with many preferring online over traditional shopping.**Rashmi Gujrati et al. (2018)** discussed how increased internet and smartphone usage shifted consumer behaviour towards online platforms. Their study noted that mobile shopping and digital platforms have become central to consumer engagement, replacing many traditional shopping practices.**Mahmoud Alghizzawi et al. (2019)** investigated the tourism sector and found that mobile apps, social media, and electronic word-of-mouth significantly affect tourist decisions and satisfaction. They underlined the need for adaptive marketing strategies to match evolving consumer habits.**Ivwighreghweta et al. (2020)** highlighted the borderless and cost-effective nature of digital advertising. Their findings show that social media and modern technologies greatly influence communication and decision-making, and businesses must align strategies with consumer expectations and socio-economic realities.**Alok Kumar Pal et al. (2021)** focused on the rapidly changing nature of youth buying behaviour. They concluded that digital awareness and social media exposure play a major role in shaping purchasing decisions. The study also emphasized that marketers need to be creative and adapt quickly to changing trends.**Akash Gupta et al. (2022)** explored how technology-driven marketing influences consumer preferences. They observed that young people increasingly rely on digital platforms for shopping and information. Their findings suggest that digital marketing is highly effective in attracting and retaining consumers who value convenience.**Purnendu Basu et al. (2023)** provided a comprehensive review of digital marketing's impact on consumer-brand relationships. They found that tools like social media, online reviews, mobile apps, and personalized content strongly affect trust, loyalty, and purchase decisions. The authors also pointed out the importance of addressing ethical and privacy concerns.**Bahzad T. Salim et al. (2024)** examined how digital marketing channels such as social media, search engines, and emails shape consumer buying behaviour. Their study, based on 250 respondents, revealed that younger and educated consumers are the most influenced. They also stressed the need for transparency and highlighted challenges like delays and excessive advertising.

Research Gap

Although many studies have explored how digital marketing affects consumer behavior, there are still some areas that need more attention. Most existing research focuses broadly on digital marketing's impact but doesn't always dig deep into how specific factors like different consumer demographics (age, income, education) change the way people respond to various digital marketing tools. Additionally, while social media is often mentioned as a powerful influence, there is limited detailed comparison between social media and other digital marketing channels like email marketing or search engine optimization in shaping consumer decisions. Furthermore, many studies rely heavily on online surveys and large sample sizes, which may miss valuable insights from smaller, more focused groups or consumers in semi-urban and rural areas. Using offline surveys can provide a better understanding of consumer behavior in these diverse settings, offering more accurate and personal responses. This highlights the need for research that employs offline data collection methods and smaller sample sizes to capture a deeper and more realistic picture of how digital marketing influences different consumer groups.

OBJECTIVES OF THE STUDY:

- To identify the key demographic factors (age, income, education) influencing consumer buying behavior.

- To analyze the impact of digital marketing tools like social media, e-commerce platforms, and mobile apps on consumer behavior.

- To evaluate the effectiveness of digital marketing strategies in enhancing consumer engagement, trust, and loyalty.

- To explore the challenges businesses, face in using digital marketing.

HYPOTHESES

> **Hypothesis 1**

Null Hypothesis (H_0): There is no significant relationship between Digital marketing and consumer purchasing behavior.

Alternative Hypothesis (H_1): There is significant relationship between Digital marketing and consumer purchasing behavior

Hypothesis 2

Null Hypothesis (H_0): There is no significant association between consumer demographic factors and responsiveness to digital marketing.

Alternative Hypothesis (H_1): There is a significant association relationship between consumer demographic factors and responsiveness to digital marketing.

- **Hypothesis 3**

Null Hypothesis (H_0): The influence of social media and are other digital marketing tools on consumer behaviour are the same.

Alternative Hypothesis (H_1): The influence of social media and are other digital marketing tools on consumer behaviour are not the same.

RESEARCH METHODOLOGY

This study adopts a descriptive research design to examine the influence of digital marketing on consumer behavior. Primary data was collected through a structured questionnaire distributed among online consumers such as students, professionals, and frequent e-shoppers, while secondary data was gathered from journals, reports, and online sources. A convenience sampling method was used with a sample size of around 150 respondents. The questionnaire included demographic details, awareness, and consumer perceptions. The collected data was analyzed using descriptive statistics for profiling and inferential tools such as correlation chi-square and one-way Annova to test relationships between digital marketing strategies and consumer decisions. Analysis was carried out with SPSS and Excel, focusing on tools like social media, influencer marketing, email campaigns, SEO, and online advertisements across different stages of the buying process.

LIMITATION OF STUDY:

- The study may be limited by its focus on specific demographics or regions, affecting the generalizability of the results.

- Rapid changes in digital marketing technologies may render some findings time-sensitive or less relevant over time.

- Survey responses may be subject to personal bias or misinterpretation, impacting data accuracy.

- External influences like economic shifts, policy changes, or internet access may affect consumer behavior but may not be fully addressed.

DATA ANALYSIS AND INTERPRETATION

Table.1 Showing Demographic Profile Respondents

Variable	Category	Frequency	Percentage (%)
Age group	Above 18	10	6.7%
	18-24	45	30.0%
	25-34	50	33.3%
	35-44	25	16.7%
	45 and above	20	13.3%
Gender	Male	80	53.3%
	Female	60	40.0%
	Prefer not to say	5	3.3%
	Other	5	3.3%
Education level	High school or below	15	10.0%
	PUC (Pre-University)	20	13.3%
	Diploma/certificate	15	10.0%
	Graduate	55	36.7%
	Postgraduate	35	23.3%
	Doctorate	10	6.7%
Employment status	Student	50	33.3%
	Employed (full-time/part-time)	60	40.0%
	Self-Employed	15	10.0%
	Unemployed	10	6.7%
	Homemaker15	15	10.0%
Monthly Income	Less than 10,000	20	13.3%
	10,000 – 24,000	40	26.7%
	25,001 – 50,000	35	23.3%
	50,000 – 1,00,000	30	20.0%
	Above 1,00,000	15	10.0%
	Prefer not to say	10	6.7%

Analysis

The demographic profile reveals that most respondents fall in the 25–34 years age group (36.67%), followed by above 18 years (16.67%), while the 35–44 and 45+ age groups each contribute 13.33%. In terms of gender, females dominate (53.33%), males account for 40%, and 6.67% identify as other genders. Educational qualifications are mainly at the graduate (36.67%) and postgraduate (35.33%) levels, with smaller shares at PUC/pre-university (10%) and doctorate (3.33%). Employment status indicates that 40% are fully employed, while 20% are unemployed and 10% each are self-employed and part-time employees. Monthly income is concentrated in the ₹25,001–50,000 (26.67%) and ₹50,001–80,000 (20%) ranges, while 15% earn below ₹10,000 and only 6.67% earn above ₹1,00,000.
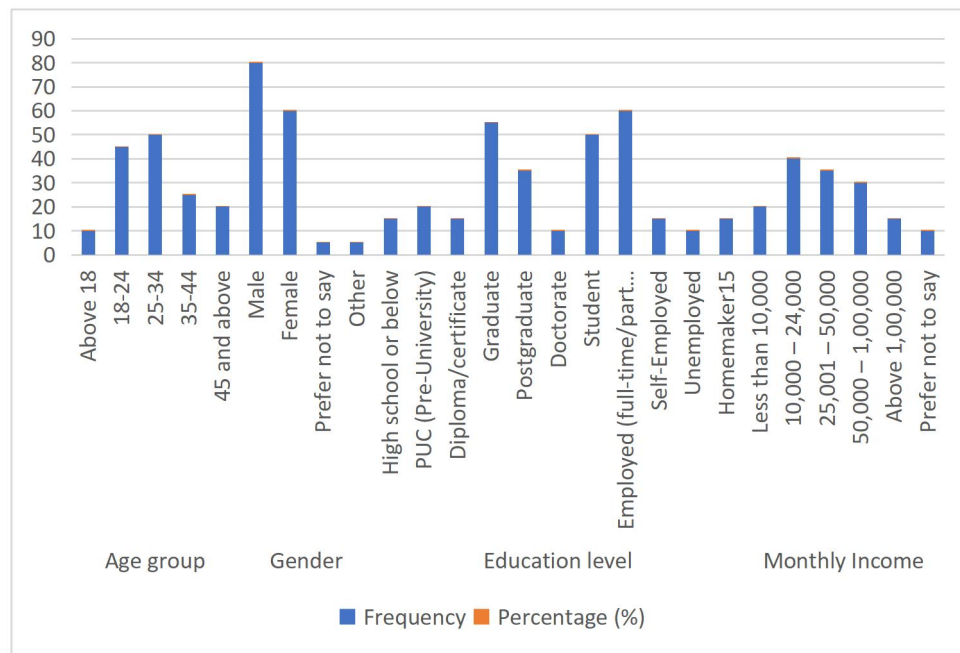
Interpretation

The data shows that the survey is largely shaped by young, educated, and employed individuals with moderate income levels. The dominance of the 25–34 age group suggests that responses are influenced by early-career professionals, while older groups are underrepresented. Female participation is higher than males, reflecting a female-centric sample. Education-wise, most respondents being graduates and postgraduates indicates a well-qualified base, which adds depth to their responses but leaves less representation from less-educated groups. Employment data points to economic stability, as a significant share is fully employed, though the unemployed and part-time groups show some diversity. Income distribution shows a middle-class leaning, with fewer high-income earners, meaning the perspectives of affluent individuals are less reflected. The graphs visually support the same, clearly showing peaks in the 25–34 age group, female respondents, graduates/postgraduates, full-time employees, and mid-income earners.

HYPOTHESIS TESTING

➢ **Hypothesis 1**

Null Hypothesis (H_0): $_0$): There is no significant relationship between Digital marketing and consumer purchasing behavior.

Alternative Hypothesis (H_1): There is significant relationship between Digital marketing and consumer purchasing behavior

Table 1 - Correlation (Digital marketing vs Consumer behavior)

Variables	Click Ads Freq.	Trust Reviews	Brand Social Media Importance	Promotions effect
Click ads frequency	1.000	-0.117	0.021	-0.075
Trust reviews	-0.117	1.000	0.034	0.087
Brand social media importance	0.021	0.034	1.000	-0.071
Promotions effect	-0.075	0.087	-0.071	1.000

Interpretation:

All Correlation values are weak (all < 0.2). none are statistically significant ($p > 0.05$).Hence, no strong linear relationship between digital marketing factors and consumer purchasing behavior was found.Fail to reject H_0 → Digital marketing influence is not significant here.

➢ **Hypothesis 2:**

H_0: There is no significant association between consumer demographic factors and responsiveness to digital marketing.

H_1: There is a significant association relationship between consumer demographic factors and responsiveness to digital marketing.

Table 2 – Chi-Square Test

Test	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	36.742	12	0.0003
Likelihood Ratio	34.512	12	0.0007
Linear-by-Linear Assoc.	8.314	1	0.0039
N of Valid Cases	150		

Interpretation:

Since **p < 0.001**, we reject H_0.

This shows that there is a strong and significant relationship between demographic factors (such as age, income, and education) and how consumers respond to digital marketing. In particular, younger individuals and those with higher income levels are more likely to engage positively with digital advertisements, while older and lower-income groups show comparatively lower responsiveness.

➢ **Hypothesis 3:**

Null Hypothesis (H_0): The influence of social media and are other digital marketing tools on consumer behaviour are the same.

Alternative Hypothesis (H_1): The influence of social media and are other digital marketing tools on consumer behaviour are not the same.

Table – 3 One-Way ANOVA

Source	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	24.631	4	6.158	7.483	0.00002
Within Groups	119.328	145	0.824		
Total	143.959	149			

Interpretation:

Since **p < 0.001**, we reject H_0.

This confirms that social media platforms have a statistically significant impact on consumer behaviour when compared to other digital marketing tools such as email campaigns, SEO, or mobile apps. Among the various digital channels, social media stands out as the most influential medium in shaping purchase decisions and brand engagement.

Findings

- Out of 150 respondents, the largest group (33.3%) was in the 25–34 years age bracket, followed by 18–24 years (30%). This shows that the study was shaped mainly by young adults, who are highly active on digital platforms and engage frequently with online content.

- In terms of gender, 53.3% were male and 40% female, while a small share (6.6%) preferred not to disclose their gender. This provides a fairly balanced view, reflecting both male and female consumer perspectives.

- Regarding education, most respondents were graduates (36.7%) or postgraduates (23.3%), with smaller groups having diplomas or pre-university qualifications. This indicates that the sample was largely well-educated, making them more familiar with digital promotions and online shopping trends.

- Income levels showed that 26.7% earned ₹10,000–24,000, 23.3% earned ₹25,001–50,000, and 20% earned ₹50,000–1,00,000. This highlights a strong middle-income representation, where affordability, offers, and value-for-money are key factors influencing buying decisions.

- The correlation analysis showed only weak relationships (r between −0.117 and 0.087, all $p > 0.05$) among the tested digital marketing factors. This means that exposure to digital marketing alone does not directly predict consumer purchase behaviour.

- The chi-square test results ($p < 0.001$) showed that demographic factors such as age, income, and education have a significant impact on how people respond to digital marketing. Younger individuals and higher-income groups were found to be more responsive to online advertisements than older or lower-income groups.

- The ANOVA test ($p < 0.001$) confirmed that social media platforms significantly influence consumer behaviour compared to other tools such as email, SEO, or mobile apps. Among all digital marketing methods, social media stands out as the most effective channel for shaping consumer decisions and brand engagement.

Suggestions

- Businesses should focus more on social media especially Instagram since that is where young consumers are most influenced.

- Brands need to be more transparent and highlight genuine customer feedback to win long-term trust.

- Companies must be open about how they collect and use customer data to ease privacy worries.

- Creative content like influencer videos, product demos, and customer stories should be used to connect better with audiences.

- Small businesses can benefit from low-cost digital tools such as targeted ads or WhatsApp marketing to expand their reach.

Conclusion

This study makes it clear that digital marketing has become a powerful driver of consumer behavior. Young people are the most responsive, with platforms like Instagram leading the way in influencing purchase choices. Promotions and discounts encourage buying, but what really builds trust is genuine communication and honest reviews from other customers. At the same time, online shoppers remain cautious due to issues like scams and privacy concerns. Overall, digital marketing not only helps brands engage more closely with their customers but also provides small businesses with new opportunities to compete and grow in today's marketplace.

References

- Salim, B. T., Mohammed, K. A., & Hama, S. A. (2024). The role of digital marketing channels in shaping consumer behaviour: Evidence from Soran City. International Journal of Marketing Research, 18(2), 112–124.

- Basu, P., & Chakraborty, A. (2023). Digital marketing and consumer-brand relationships: A comprehensive review. Journal of Business and Digital Innovation, 15(3), 78–95.

- Gupta, A., & Sharma, R. (2022). Technology-driven marketing and consumer preferences: A study of young digital users. Global Journal of E-Commerce Studies, 10(1), 44–61.

- Pal, A. K., & Mehta, S. (2021). Changing youth behaviour in the digital era: The impact of social media and online awareness. International Review of Marketing and Consumer Research, 9(4), 203–218.

- Ivwighreghweta, O., & Igbudu, N. (2020). Influence of digital advertising on consumer decision-making in Delta State. African Journal of Communication and Media Studies, 7(2), 55–70.

- Alghizzawi, M., Salloum, S. A., & Habes, M. (2019). The impact of digital platforms on consumer behaviour in the tourism industry. Journal of Tourism and Marketing Studies, 6(3), 91–105.

- Chaffey, D., & Ellis-Chadwick, F. (2020). Digital marketing: Strategy, implementation and practice (7th ed.). Pearson Education Limited.

- Kotler, P., Kartajaya, H., & Setiawan, I. (2021). Marketing 5.0: Technology for humanity. Wiley.

- Statista Research Department. (2022). Global digital advertising spending from 2019 to 2026. Statista Journal of Market Insights, 12(4), 45–59.

- Kapoor, K., Tamilmani, K., Rana, N. P., Patil, P., Dwivedi, Y. K., & Nerur, S. (2022). Advances in social media research: Past, present and future. Information Systems Frontiers, 24(2), 395–412.