Assessment of Digitalization as a Marketing Tool in Consumer Engagement

Abhishek Kumar Gautam, Prashant Kumar Pandey, Sukanta Kumar Baral

Abstract: Now-a-days, the business environment is changing at a rapid pace due to the evolution of high-speed internet around the globe, and this will lead the world towards digitalisation. Digitalisation has a direct impact on consumers’ behaviour. These days consumer can forget anything before leaving home except mobile-phone because it encompasses everything, whether it is digital payment mode or the digital market. The world is at the fingers of consumers. Digitalisation is affecting each corner of the globe. Consumers’ behaviour is also changing in terms of their lifestyle, their demands, and consumption pattern. This article aims to present the impact of digitalisation as a marketing tool on consumer engagement. Generation Z is very much inclined towards the digitalised due to the time and place value. The conventional market is also taking a shift towards the digitalised market due to the advancement in technologies. Digital marketing gives a scope of expansion for the marketer as well as consumers in the future. Marketers have to design their strategies accordingly. They have to redefine their goal and objective per the digitalised world’s demand. An organisation must comply with the digitalised world’s changes to survive in this intensely competitive world. This research focuses on how digitalisation as a marketing tool redefined the perception, awareness, and ultimately the consumers’ behaviour.

Keywords: Digitalisation, Consumer engagement, GenerationZ.

JEL Classification: M15, M31, M37, O33.
the young generation as these marketing channels are interactive, attractive, and informative. Digital media platforms made it practical for marketers to communicate with consumers and discuss the product and services offered by them (Priyabadini 2022; Duffett, 2017). Digital marketing has a direct impact on brand awareness and brand value-addition. It will also affect consumer decision-making, brand equity, loyalty, willingness to pay extra, and consumer response (Godey et al., 2016; Bapat et al., 2021). Consumers always fear losing money and getting fake or sub-standardized products while engaging in the digital world. But over time, different policies have evolved to safeguard consumers’ interests to make them feel safe and secure during the engagement (Tripathy 2022; Raunaque et al., 2016). Due to the introduction and continued innovation of current technologies, there is a slight change in consumer behavior and marketing strategies. These technologies and digital platforms came up with many advantages over conventional marketing, such as reducing marketing costs, easy access to the target consumers, and a tremendous increase in sales. Despite the edges, it will have some challenges, such as no accurate measure available to check the efficiency and effectiveness and continuously changing technologies (Dwivedi et al., 2012). Consumers’ purchasing behavior is shifting due to the digitalization of the world. They have the advantage of comparing the product, selecting the best available, and, importantly, getting every service at a place. They can access the vast market at a minimum cost and effort. Even marketers also have an opportunity to expose their products and services to local as well as global consumers. It is the result of advancements in technologies and the high-speed internet that the young generation is very much comfortable with the digitalized world.

Objectives of the study

- To study the impacts of social media platforms on marketing tools in consumer engagement,
- To study the engagement of the best marketing tool in consumer awareness,
- To study the consumer perception towards social media and web-based marketing, and
- To study the impact of consumers’ digital marketing perception on their buying behavior.

Review of literature

Schutte & Chauke (2022) concluded that millennial consumers thought digital marketing helped to achieve their goals. The study found potential issues like privacy concerns that would prevent the implementation of this marketing strategy. Visually appealing advertising is well received by millennials, and they often elicit positive responses.

Nagrani & Kumar (2021) concluded in their study that Online merchants are responsible for the success of online shopping and e-commerce by making the required adjustments to their business models and better understanding their customers.

Saha (2021) suggested that digital marketing is a pervasive phenomenon that affects all business sectors and is used in them all. There is no shadow of a doubt that in the future, with the world embracing digital methods of transaction, particularly considering the pandemic, digital marketing may surpass conventional methods of marketing.

Emini & Zekjiri (2021) examined the dynamic changes in marketing strategy and the effect of digital marketing on North Macedonian consumers’ purchasing patterns. The paper’s findings indicate that digital marketing has a significant impact on
consumers’ purchasing decisions, but the empirical data indicates that there is no remarkable relationship exist between consumer behavior and the type of digital channels that consumers use statistically.

Dissanayake et al. (2019) drew attention to the potential of social media as a tool for increasing customer engagement and brand-related behaviour. Empirical findings are explored on the potential applications of social networking sites (SNS) and user-generated content (UGC) in marketing.

Lee et al. (2019) proposed a model that demonstrated how digitalization moderates the pace and competence of international business. The model also contended that the influence of digitalization has allowed small and medium-sized businesses to reach global marketplaces at a quick pace.

Hendriyani & Raharja (2018), in their findings, demonstrated the significant relationships that aim for sustainability were discovered using internet technologies in banking, including websites, online customer care, email, and social media marketing. As a result, it shows that using e-CRM undoubtedly resulted in customer involvement and solutions.

Saputro & Hidayat (2020) suggested that social network marketing significantly and favourably affects the intention to choose. Consumer Engagement is positively and significantly impacted by social network marketing. Consumer Engagement significantly and favourably influences consumer choice intentions.

Chu & Kim (2011) showed that homophily has a negative association with the total eWOM behaviour of users, while tie strength, trust, normative impact, and informational influence have favourable relationships. According to this study, product-focused eWOM on SNSs is a distinct phenomenon with significant societal ramifications.

Shanthi & Desti Kannaiah (2015) studied how people see online buying. Their study’s main goal was to identify the kind of things that consumers buy online. A sample of 100 people was used for the analysis. Most respondents are from the student population. The study indicated that a few variables that encouraged customers to make online purchases were product information, flexibility, pricing, product variety, and delivery time.

Hypotheses of the study

H01: There is no relationship between social media platforms on marketing tools and consumer engagement.

H02: There is no relation between the Web marketing tool and consumer awareness.

H03: There is no relation between consumer perception and social media & web-based marketing.

H04: There is no relationship between consumers’ digital marketing perception and buying behaviour.

Research Methodology

The nature of this research is exploratory. In the study, the sample size is 280. For the data collection, a convenience sampling method has been used, and this research is based chiefly on Z-generation netizens of universities. For hypothesis testing, correlation and regression analysis have been used.

Data Analysis:

Reliability Analysis: As per the doctrine of statistics, an alpha value of more than 0.70 is a good fit for social sciences research. Furthermore, there liability table shows that there liability value is 0.850, which is greater than the required alpha value. So, the research tool has excellent reliability of items.
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reflects that the young generation of graduate has faith and willingness in modern marketing concept. They are more frequent in technology adoption. In this study, more than 70% of respondents belong to urban and semi-urban areas, reflecting that this population is more tech-friendly than rural. Most of the respondent’s monthly family income was less than 1 lakh which was 40% per cent of the total population. Only 5% of respondents have more than 4 lakh monthly family income. Which reflects that the researcher tried to cover almost all income group respondents in his study. They are aware of tech-based marketing and shopping activity.

### Analysis of Data

Table 2: Correlation analysis of data

<table>
<thead>
<tr>
<th>Social media marketing (Pearson’s Correlation) R</th>
<th>Web-based marketing (Pearson’s Correlation) R</th>
<th>Consumers' perception (Pearson’s Correlation) R</th>
<th>Consumers' buying behavior (Pearson’s Correlation) R</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social media Marketing</td>
<td>1</td>
<td>0.433</td>
<td>0.509</td>
</tr>
<tr>
<td>Web-based marketing</td>
<td>1</td>
<td>0.440</td>
<td>0.387</td>
</tr>
<tr>
<td>Consumers’ perception</td>
<td>1</td>
<td>0.718</td>
<td></td>
</tr>
<tr>
<td>Consumers’ buying behavior</td>
<td>1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**. Correlation is at the 0.01 significant level (2-tailed).

The correlation Table shows an R-value of 0.433 as an association between web-based marketing & social media marketing which was a medium-effect correlation. And Consumer perception also has a medium effect correlation with web-based marketing and social media marketing in which R-value is 0.509 and 0.440, respectively. Consumers’ buying behavior is highly associated with Consumer perception, as shown in the table where the Value of R is 0.718 and has a medium effect correlation with Web-based marketing and social media.

Descriptive table 1 shows that the proportion of males is more than 50 per cent and the proportion of female respondents is 45%, meaning males are more familiar with tech-based marketing and shopping activities than females. Most respondents are of Generation Z, and their age group was 21-25. Most of them (50%) is graduate, which also
The above table shows the results of the hypothesis analysis, which was based on linear regression analysis. Standardized beta coefficient, p-value, and $R^2$ show the degree of variance. The Durbin-Watson test was used to check the multicollinearity, which obtained a value in all above models between 1 and 3, which is enough for further analysis per the statistics doctrine. In this way, model fit was tested, based on the f-value and p-value at the 0.5 per cent of significance level; results indicate that all the above models of the hypothesis were fit. In this study, all of the above null hypothesis was rejected.

This study indicates that the alternate hypothesis is accepted, which means the independent variable social media marketing, significantly impacts the dependent variable, consumer perceptions by 28.3% ($R^2$ value). In the same way, Web-based marketing impact Consumer perception by 13.6 %. And in the third hypothesis, Consumer perception is considered an independent variable and Consumer buying behavior consider a dependent variable which an $R^2$ value was 0.540, which means Consumer perceptions significantly impact Consumer Buying behaviour. In the same way, social media marketing and Web-based marketing were considered independent variables. Consumer buying behaviour was considered a dependent variable in which variance was 18.2% and 13.9%, respectively, which is based on the $R^2$ value.

Fig.1: Relationship among Hypotheses
Source: Compiled by the researchers

**Interpretation & Conclusion:**

In this study, the researcher tried to analyze the impact of digital marketing tools on consumer engagement, or we can say consumer perception and buying behaviour. More than 500 questionnaires were sent offline and online to serve this study’s purpose of which 280 respondents were found suitable for further analysis. In the Data set 55% were male, and the rest was female. They belonged
to different family Income groups, residence areas, and educational backgrounds; most of the respondents belong to Generation Z, in this way researcher tried to adopt a holistic approach to data collection. After data collection reliability of the study tool was checked with Cronbach alpha and found suitable for the analysis. Then after descriptive analysis was made, after that to fulfil the assumption regression analysis, correlation analysis was done, and multi collinearity was checked through the Durbin-Watson test with SPSS version 26. In this way, the null hypothesis was tested and rejected in each model based on the p-value at 0.05 percent of the Significance level.

Research model shows that social media marketing (Youtube, Instagram, Facebook, LinkedIn) tools significantly impact Consumer perception and consumer buying behaviour by 28.3% and 18.2%, respectively. And web-based marketing (Email, websites, and blogs) tools affect Consumer perception and buying behaviour by 13.6% and 13.9%, respectively. In the same way, Consumer perception plays a very crucial role in buying behaviour of the Consumer, which was found to be 54%.

The study reveals that different digital marketing tools of social media and web-based media in which advertising content (video, text, memes etc.) played a significant role in structuring consumer perception and buying behaviour towards brands and products. But sometimes unusual repetitive emails, over-advertising, restrictions, and they ask for personal information just for advertising. Some advertising content may be controversial and create a worse impression about the organization and brand, which is unethical. So social media and web-based organizations and advertising partners must try to maintain peace & privacy of individuals and harmony in society. Governing authorities of the state may also get insights into the contents and policies of advertising organizations and platforms and make proper regulations for digital marketing.

References:


