



The Impact of Digital Marketing Strategies on Consumer Behavior: A Case Study of an Indian E-commerce Company

Student Name: Riya Khosla

1.0 Introduction

Consumer behaviour is the actions people or households take while choosing, buying, using, or consuming a product or service. As a set of planned actions, a digital marketing strategy is an online method to reach specific business goals. In simple terms, it is a method of performing consistent actions through the most suitable online channels at the right time to improve revenue with the audience and increase revenue.

2.0 Background

Marketing strategies are policies that markets and organisations use to provide appropriate services and products at low costs. With increasing demands for company products and services besides rising profits and efficiency, interacting with distribution outlets and an efficient marketing advertising strategy play a vital role in reaching the global marketplace just a mouse click away. The Indian e-commerce companies, via digital marketing strategies with internationalisation, multi-nationalisation and outsourcing, aim to get better reach to the customers to sell products or services online.

3.0 Research Aim

The aim of the research is to analyse the impact of digital marketing strategies on consumer behaviour.

4.0 Research Objective and Questions

4.1 Research Objectives

- To analyse the role of digital marketing strategies in enhancing consumer behaviour.
- To identify challenges to applying digital marketing strategies to consumer behaviour.
- To analyse the impact of digital marketing strategies on consumer behaviour.

4.2 Research Questions

- What is the role of digital marketing strategies in enhancing consumer behaviour?
- What are the challenges to applying digital marketing strategies to consumer behaviour?
- What is the impact of digital marketing strategies on consumer behaviour?

5.0 Rationale

Commercial companies aim to increase sales and market shares in the present competitive environment. The Indian e-commerce companies, via digital marketing strategies with internationalisation, multi-nationalisation and outsourcing, aim to get better reach to the customers to sell products or services online. The digital marketing tactics of organisations attempt to explore new facilities and technologies to make customers and the initiatives of the Indian Government through programs like Digital India, Make in India, and Start-up India by supporting the growth of Indian E-commerce in the country (IBEF, 2024). To enhance its e-commerce services, Tata Group, in October 2023, announced a US \$1 billion investment in the super app Tata Neu and to the digital division with US\$2 billion in 2022 (IBEF, 2024).

6.0 Literature Review

6.1 Evaluation of the role of digital marketing strategies in enhancing consumer behaviour

Digital marketing strategies play a significant role to shape consumer behaviour and influencing purchase decisions. The quick evolution of digital marketing channels impacted on consumers interact with brands and make buying decisions. According to, Kurdi *et al.* (2022), *online advertising* has confirmed to be a strong tool for influencing consumer behaviour. It shows that, that targeted online ads captured attention of the consumer. The ability to adapt ads based on user data and preferences allows for more engaging content. It can enhance consumer decision-making processes. On the other hand, Rosário *et al.* (2021), said that *e-mail marketing* rests a highly effective method to take effort on consumer engagement and sales. The companies can spread potential customers and nurture leads through sending modified commercial messages. Effective email marketing strategies like, personalised offers and informative content, also impacts on purchasing decisions of consumers.

Ali *et al.* (2021), said that, *search engines* provide consumers with easy contact to product information and comparison tools. Companies that optimise their websites for search engines can improve reflectivity and influence consumer choices. Moreover, positive information and detailed product descriptions available through search engines. It also gives to favourable perception of consumer and informed purchasing decisions.

Similarly, Veleva *et al.* (2020), said that *social media platforms* are important to shape consumer opinions and behaviours. In this case, interactions on social media like, reviews and recommendations, effects on observations and purchasing decisions of consumes social media serves as a channel to build brand awareness and engage with customers. On the contrary, Dastane, (2020), e-WOM like, “online reviews, and feedback” also show as an important role on behaviours of consumers Consumers trust on e-WOM to make informed decisions because it provides information regarding product quality and customer experiences. Consumers depends on eWOM to

make informed decisions as it provides information regarding product quality and customer experiences. The extensive reach and quick distribution of eWOM contributes to its effectiveness in influencing consumer choices

6.2 Identification of challenges to applying digital marketing strategies to consumer behaviour

Digital marketing also creates significant challenges to consumer behaviour. According to, Katsikeas *et al.* (2020), Programmatic platforms support in machine learning and AI for real-time ad request and placement. It creates challenges for marketers adapted to traditional methods. The difficulty and speed of these platforms can be threatening. It creates obstacles to adoption and efficient utilisation. On the other hand, Veleva *et al.* (2020), there are possible for higher returns and smooth workflows to make overcoming this challenge to stay competitive.

As per, Kingsnorth, (2022), the rapid evolution of digital marketing trends like, “the emergence of new platforms and advertising formats” creates another significant challenge. Marketers continuously adapt to new trends such as, energetic search ads to decide which trends to invest in. This rapid change can central to investments in platforms. It creates a to confuse long-term strategic planning.

On the other hand, Dwityas *et al.* (2020), smaller businesses face difficulty due to taking part with national and international brands. It is possible due to larger marketing budgets and resources. The challenge shows in distinguishing from these larger competitors and establish a unique brand identity. Effective content marketing and strategic positioning are also essential for smaller businesses to make an impact as well as attract their audience. Similarly, Dastane, (2020), said that, budget optimisation is another challenge that also effects on consumer behaviour. Businesses require to identify the most effective channels and track performance metrics. The difficulty to evaluate which metrics are pertinent can lead to the misallocation of resources and useless strategies. Dwivedi *et al.* (2021), argues that, volatile consumer purchasing behaviour remains challenging. The complexity of tracking user interactions and attributing conversions to specific marketing efforts mainly confused the ability to effectively target consumer decisions

6.3 Analyse the impact of digital marketing strategies on consumer behaviour

In the digital era, the digital marketing strategies creates impacts on consumer behaviour effectively. As per, Kurdi *et al.* (2022), digital marketing experts operates data analytics to ability personalised content and targeted advertising. They deliver modified messages that reverberate with specific demographic segments with the help of analysing consumer preferences.

Similarly, Olson *et al.* (2021), said that, the collaborating nature of digital marketing allows for immediate feedback through metrics like, “click-through rates, conversion rates, and social media interactions”. These real-time data enable marketers to adjust strategies smoothly. It raised campaigns to better align with changing consumer preferences as well as behaviours.

As per, Kingsnorth, (2022), digital marketing effectively creates platforms like Facebook, Instagram that have transformed interaction between brand and consumer. Digital marketing specialists use these platforms for promotion and to supports direct engagement with customers. The brands build trust and loyalty and influenced consumer perceptions and purchase decisions through responding to comments and addressing concerns, Faruk

et al. (2021), the richness of online information allows consumers to conduct thorough research before making purchasing decisions. Digital marketing strategies also provides valuable content, such as blog posts and product reviews. It also positioned businesses as trustworthy sources of information. It helps to guide consumers through their purchasing journey and influences their choices.

7.0 Research Methodology

7.1 Philosophy

Research philosophy is a way in which research data is gathered, analysed and used. In this research, the researcher used positivist research philosophy to encompass various philosophies of research approach. In positivist research philosophy, the knowledge is revealed from neutral and measurable activity or observation, action or reaction (Pandey and Pandey, 2021). Through positivist research philosophy, the researcher in this research revealed genuine knowledge about the impact of digital marketing strategies on consumer behaviour (Nougarahiya *et al.* 2021). Through the positivist philosophy, a detailed knowledge of the e-commerce industry and its impact on consumer behaviour and the impact of digital marketing strategies on consumer behaviour is analysed with a detailed view (Verma *et al.* 2024)

7.2 Design

10.2 Design

Research design is a method of providing an accurate and unbiased result of research. Four types of research designs are presented to describe a research methodology descriptive research design, explanatory research design, correlational research design and experimental research design (Kumari *et al.* 2023). In this research, the researcher followed an explanatory research design to illustrate the impact of digital marketing strategies on consumer behaviour and enhance the performance of the e-commerce industry. An explanatory research design aims to investigate the fact that has not been explained in the previous research properly (Cheong *et al.* 2023). Using an explanatory research design, the researcher revealed a detailed study about the impact of digital marketing strategies on consumer behaviour and the enhancement of e-commerce industries (Pandey and Pandey, 2021).

7.3 Approaches

A research approach is a process and procedure to establish a research methodology. There are two types of research methodology available in the completion of research deductive and inductive approaches. In this research methodology, the researcher used deductive research methodology to span the steps from broad assumption to a detailed data collection, analysis and interpretation process (Verma *et al.* 2024). Using a deductive research approach, the researcher in this research analyses the role of digital marketing and consumer behaviour in enhancing the growth of the e-commerce market (Cheong *et al.* 2023). The deductive approach in this research also helped the researcher find the facts about avoiding the challenges related to applying digital marketing strategies.

7.4 Data Collection

The process of gathering qualitative or quantitative data and information regarding various aspects of the research is called the data collection method. In this research, the researcher used secondary data collection methods to gather both qualitative and quantitative data regarding the impact of digital marketing strategies on the growth and enhancement of consumer behaviour and the e-commerce industry (Pandey and Pandey, 2021). To analyse the numerical data related to consumer behaviour and digital marketing strategies, the researcher used quantitative data to gather characteristic data related to the topic; the researcher used qualitative data (Verma *et al.* 2024).

7.5 Ethical Consideration

The researcher used various incorporated data from various open-sourced academic papers and research journals to understand the impact of digital marketing strategies in enhancing consumer behaviour in the e-commerce industry (Cheong *et al.* 2023). For secondary open-sourced data, the researcher credited the authors by providing references and citations. The researcher in this research avoided any kind of misinterpretation about the provided data by ensuring the honesty and transparency of the research findings.

8.0 Data Analysis and Findings

8.1 The role of digital marketing strategies in enhancing consumer behaviour in Indian E-Commerce

To impact consumer buying behaviour, digital marketing is an essential tool which aims to present consumer behaviour with the right product advertisement at the right time. Digital marketing strategies are evolving the growth of the Indian e-commerce market by changing consumer behaviour. Presently, the Gross Merchandise value of the e-market platform of India is US\$ 60 billion in 2023, with an increment of 22% from the previous year (IBEF, 2024). Social media engagement and digital marketing enhance the growth of the Indian economy by enhancing its operational efficiency.

The term digital marketing is defined as a simple and self-exploratory method of exploiting digital sources to reach the target audience and customers by using marketing tools and technologies (Nougarahiya *et al.* 2021). The blessing of digital marketing strategies, along with the digitalisation of the economy and the provision of affordable internet, boosts the growth of digital sales in India. As a result, e-commerce sales across India in 2014 were estimated to grow about 19%. Besides this, the potential of generating revenue has also increased; as a result, the average collected revenue from retail e-commerce exceeded 85 U.S. dollars (Minhas, 2024). Depending on the market revenue of the e-commerce industry of India was US 123 billion dollars in 2024, and this number is expected to reach US 300 billion dollars by 2030 (Minhas, 2024).

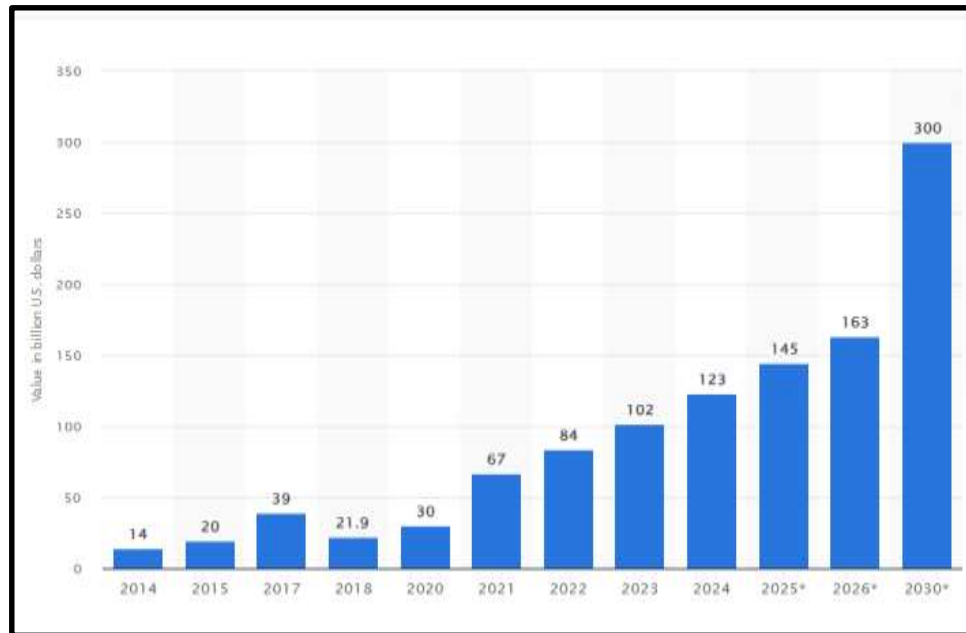


Figure 1: Market Size of E-commerce Industry Across India

(Source: Minhas, 2024)

To connect digitally, social media, websites, smartphones, search engines and other channels have made it wider to create better growth in the digital marketing landscape (Nougarahiya *et al.* 2021). Digital marketing is about directly connecting with the customers by getting feedback and providing timely responses. The digital marketing methods changed people's mindset by reaching the audience in as shortest time possible and in the most effective manner (Varma and Ray, 2023).

8.2 Challenges of applying digital marketing strategies to consumer behaviour in Indian E-commerce

The digital marketing method, with its advancements, impacts the overall image of an e-commerce company by leading to an impact on sales. By connecting with potential customers, the key purpose of digital marketing is to raise awareness about the business by generating better sales opportunities (Akther, 2023). Though there are a number of advancements in adopting digital market strategies to improve consumer behaviour and enhance the growth of the Indian e-commerce industry, there are several challenges presented by applying digital marketing strategies to consumer behaviours in the Indian e-commerce industry (Varma and Ray, 2023).

As digital marketing is highly dependent on the Internet, marketers sometimes find it difficult to make the advertisement more comprehensive and fail to start a conversation with the customers due to the poor Internet connection (Nougarahiya *et al.* 2021). The digital marketing method can be unsuccessful in places where the internet is not accessible. There are many places in India, such as Dawki in Meghalaya, Kalpa in Himachal Pradesh, and Lachen and Lachung in Sikkim, inaccessible to the Internet due to geographical barriers (Times of India, 2019). In these places, e-commerce marketing failed because of the absence of Internet services.

To sell specific products or services, digital marketing has a drawback depending on the customer search, as several competitive goods and services presented in India appear on the home page of a consumer (Akther, 2023).

The digital marketing strategies with a competitive pricing offer allow customers to choose cheaper and better-quality products than other companies (Medium, 2023). As a result, consumers need more trust in advertisements appearing on social media and other online apps due to looking like a dishonest brand.

The managerial process of the digitalisation strategies is another major reason in the Indian e-commerce industry, due to which businesses in India face marketing issues to attract and enhance consumer behaviour (Nougarahiya *et al.* 2021). The compliance framework of the Indian e-commerce industry, along with the brand risk, creates a different presence for enhancing the growth of the Indian e-commerce market.

8.3 The impact of digital marketing strategies on consumer behaviour in Indian E-commerce

The first and foremost privacy of the digital marketing strategy is the change in consumers' habits. The buying procedure of consumers has changed due to the rapid advent and expansion of information and communication technology (Joseph, 2023). The role of digital marketing in rapid expansion and information has considerably affected digital media by proving people's economic and socio-economic needs. The usage of the internet and the people around them utilising cell phone devices with extreme connecting people more easily, especially with social media platforms (Akther, 2023). A changing shift towards the e-commerce sector started during COVID-19, as many brands were forced to enrol for e-commerce usage.

As a result, an unexpected hike towards the e-commerce industry was noticed, and the brands started to spend heavily on the digital marketing initiatives of the company. The brands are allowed to put their best foot forward with the involvement of digital marketing strategies (Varma and Ray, 2023). The biggest factor affecting consumer behaviour is “word-of-mouth, now called ‘review’”. Previously, consumers were loyal towards the brands, as the brands delivered a limited range of products and services, unlike today (Joseph, 2023).

Comparatively, in the present situation, consumers are not very loyal to their brands as they quickly switch from the go-to brands to completely new ones. Now, consumers are unwilling to waste their time going from one place to another to purchase (Akther, 2023). In the first-moving digital world, change is the only constant and Indian e-commerce. Adopting digital marketing strategies evolves the growth to reach the customers better. The Indian markets are now exploring investment options in marketing technology by gearing up the era of Web 3.0 with the advent of digital marketing (Basuroy, 2024). Depending on this, the Indian Influencer Marketing industry is expected to reach 28 billion Indian rupees by 2026 (Basuroy, 2024).

9.0 Conclusion

From the above discussion, it can be concluded that digital marketing strategies shape consumer behavior through supporting real-time feedback and different interactive platforms. These strategies also enhance consumer engagement through targeted advertising and social media interactions. On the other hand, challenges like adapting to rapid trends, budget constraints, and the complications of new technologies can impact on their effectiveness. The successful implementation of digital marketing strategies in Indian e-commerce companies can increase consumer reach and loyalty. It also enhanced business performance in a competitive market.

10.0 Recommendation

To enhance the digital presence in the Indian e-commerce industry, organisations should optimise the performance of mobile phones and websites to examine the user experience and ensure fast website loading times. In this term, Core Web Vitals of Google provide real-world experience as a set of matrices to measure the page's real-world experience and visual stability. Organisations must ensure the app's user-friendly and mobile app-friendly usage, as mobile usage is high in India. Organisations should leverage the usage of SEO and SEM technologies besides optimising product pages that enable companies to maximise visibility and attract target customers. Along with this, by leveraging SEO and SEM technologies, organisations can use relevant keywords and create high-quality content for ranking higher in search engine results. Organisations should become familiar usage with social media marketing, email marketing, and content marketing through e-mail campaigns and social media campaigns to purchase follow-ups and enhance customer engagement.

References

- Akther, F., 2023. E-commerce in India: trends, hurdles, and growth opportunities. *Formosa Journal of Science and Technology*, 2(10), pp.2871-2880.
- Ali, B.J. and Anwar, G., 2021. Marketing Strategy: Pricing strategies and its influence on consumer purchasing decision. Ali, BJ, & Anwar, G.(2021). *Marketing Strategy: Pricing strategies and its influence on consumer purchasing decision. International journal of Rural Development, Environment and Health Research*, 5(2), pp.26-39.
- Basuroy, T. 2024 Topic: Digital Marketing in India, Statista. Available at: <https://www.statista.com/topics/9327/digital-marketing-in-india/#topicOverview> (Accessed: 29 July 2024).
- Cheong, H.I., Lyons, A., Houghton, R. and Majumdar, A., 2023. Secondary qualitative research methodology using online data within the context of social sciences. *International Journal of Qualitative Methods*, 22, p.16094069231180160.
- Dastane, D.O., 2020. Impact of digital marketing on online purchase intention: Mediation effect of customer relationship management. *Journal of Asian Business Strategy, DOI*, 10, pp.142-158.
- Dastane, D.O., 2020. Impact of digital marketing on online purchase intention: Mediation effect of customer relationship management. *Journal of Asian Business Strategy, DOI*, 10, pp.142-158.
- Dwityas, N.A., Mulyana, A., Hesti, S., Briandana, R. and Putrianti, M.K., 2020. Digital marketing communication strategies: the case of indonesian News 'Portals. *International Journal of Economics and Business Administration*, 8(3), pp.307-316.

Dwivedi, Y.K., Ismagilova, E., Hughes, D.L., Carlson, J., Filieri, R., Jacobson, J., Jain, V., Karjaluo, H., Kefi, H., Krishen, A.S. and Kumar, V., 2021. Setting the future of digital and social media marketing research: Perspectives and research propositions. *International journal of information management*, 59, p.102168.

Faruk, M., Rahman, M. and Hasan, S., 2021. How digital marketing evolved over time: A bibliometric analysis on scopus database. *Heliyon*, 7(12).

IBEF 2024 *India's E-commerce boom: Growth, Trends & Future Prospects: IBEF* (no date) *India Brand Equity Foundation*. Available at: <https://www.ibef.org/industry/ecommerce> (Accessed: 29 July 2024).

Joseph, P.T., 2023. *E-commerce: An Indian perspective*. PHI Learning Pvt. Ltd..

Katsikeas, C., Leonidou, L. and Zeriti, A., 2020. Revisiting international marketing strategy in a digital era: Opportunities, challenges, and research directions. *International Marketing Review*, 37(3), pp.405-424.

Kingsnorth, S., 2022. *Digital marketing strategy: an integrated approach to online marketing*. Kogan Page Publishers.

Kingsnorth, S., 2022. *Digital marketing strategy: an integrated approach to online marketing*. Kogan Page Publishers.

Kumari, S.K.V., Lavanya, K., Vidhya, V., Premila, G.A.D.J.S. and Lawrence, B., 2023. *Research methodology* (Vol. 1). Darshan Publishers.

Kurdi, B., Alshurideh, M., Akour, I., Alzoubi, H., Obeidat, B. and Alhamad, A., 2022. The role of digital marketing channels on consumer buying decisions through eWOM in the Jordanian markets. *International Journal of Data and Network Science*, 6(4), pp.1175-1186.

Medium (2023) *Challenges and opportunities in digital marketing*, Medium. Available at: <https://medium.com/@snehajohny6833/challenges-and-opportunities-in-digital-marketing-36b372f8c082> (Accessed: 29 July 2024).

Minhas 2024 Published by A. Minhas and 28, J. (2024) *India: E-commerce market size 2030*, Statista. Available at: <https://www.statista.com/statistics/792047/india-e-commerce-market-size/#:~:text=Growing%20trend%20of%20e%2Dcommerce&text=Digitizing%20the%20economy%20and%20provision,generating%20potential%20has%20also%20increased> (Accessed: 29 July 2024).

Nougarahiya, S., Shetty, G. and Mandloi, D., 2021. A review of e-commerce in india: The past, present, and the future. *Research Review International Journal of Multidisciplinary*, 6(03), pp.12-22.

Olson, E.M., Olson, K.M., Czaplewski, A.J. and Key, T.M., 2021. Business strategy and the management of digital marketing. *Business horizons*, 64(2), pp.285-293.

Pandey, P. and Pandey, M.M., 2021. *Research methodology tools and techniques*. Bridge Center.

Rosário, A. and Raimundo, R., 2021. Consumer marketing strategy and E-commerce in the last decade: a literature review. *Journal of theoretical and applied electronic commerce research*, 16(7), pp.3003-3024.

Times of India (2019) 6 places in India to get off the internet, *Times of India Travel*. Available at: <https://timesofindia.indiatimes.com/travel/destinations/6-places-in-india-to-get-off-the-internet/articleshow/68560631.cms> (Accessed: 29 July 2024).

Varma, A. and Ray, S., 2023. The case of amazons E-commerce digital strategy in India. *World Journal of Advanced Research and Reviews*, 19(1), pp.075-079.

Veleva, S.S. and Tsvetanova, A.I., 2020, September. Characteristics of the digital marketing advantages and disadvantages. In *IOP Conference Series: Materials Science and Engineering* (Vol. 940, No. 1, p. 012065). IOP Publishing.

Veleva, S.S. and Tsvetanova, A.I., 2020, September. Characteristics of the digital marketing advantages and disadvantages. In *IOP Conference Series: Materials Science and Engineering* (Vol. 940, No. 1, p. 012065). IOP Publishing.

Verma, R., Verma, S. and Abhishek, K., 2024. *Research methodology*. Booksclinic Publishing.

