

To Study Digital Marketing Communication Affects Consumers' Decision-Making Process While Purchasing an Automobile in the Indian Market

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ABSTRACT

Research has demonstrated that inadequate communication with clients is one of the main reasons they move to rivals. Customers may engage with businesses in an active and cost-effective manner thanks to modern digital technology, and they can also create important material for the business and themselves. Digital marketing communication is also far less expensive for marketers than conventional marketing communication, and it is more personalised, interactive, and quantifiable. This research focuses on the passenger automobile market in India, which is now the fifth biggest globally and is predicted to rise to the third rank by 2022 in terms of vehicle sales. With the support of elements like the size of the Indian population, rising buying power, and exporting chances outside, there is a great potential for significant penetration level in the Indian market for the aforementioned goods. In recent years, the Indian car sector has emerged as one of the leading spenders on digital media. Empirical research on the effects of digital marketing communication on the consumer buying decision process would provide marketers with valuable insights into consumer preferences for digital channels, the ways in which digital marketing communication influences different stages of the consumer buying decision process, and the factors that may encourage or discourage digital consumer behaviour. .

Keyword: Communication, Marketing, Interactive, Quantifiable, Digital Media

INTRODUCTION

The notion of digital marketing is used differently by many persons. The terms "internet or web marketing," "e-marketing," "e-commerce," and "e-business" are frequently used interchangeably. Despite the fact that these concepts are connected to one other, there are differences between them all. The advertising of products and services via the internet that necessitates a live, real-time internet connection is known as internet marketing. The word "e-business" refers to the use of technology in both internal company operations and external third-party transactions. It involves e-marketing, which covers its marketing side, and e-commerce, which represents its commerce side. Also referred to as "electronic marketing," e-marketing uses digital and internet technology to promote products and services using media or electronic techniques. E-marketing is the process of using information technology to finish the marketing process, which includes maintaining customer connections and creating, communicating, and delivering value to customers. E-commerce, or electronic commerce, is the term for the commercial side of company.

It includes financial transactions with electronic media and online buying and selling. A data transmission system that is both limited and non-variable can be characterised as "digital." "Analogue" technology, which transmits data continuously, is contrasted with "digital." When a marketing campaign uses a digital platform to carry out its intended purpose, it becomes digital. The advertising of goods and services using one or more digital or electronic media platforms is known as digital marketing. Digital marketing is the use of different promotional strategies and techniques to reach consumers using various digital technologies, according to Techopedia . Describes digital marketing as a communication strategy that builds a personal connection between a business and its clients or potential clients through digital transmission through media. The channels, instruments, applications, methods, and gadgets that require digital codes to operate are all considered mediums in this context. Digital media include content-based platforms such as websites, social networking sites, online communities, search engines, and mobile phones that primarily use internet technology as well as devices like digital TV, digital outdoor screens, and mobile phones that use both internet and mobile technology. Digital marketing sets itself apart from internet marketing because it encompasses more than just channels that need a real-time internet connection. It also includes digital TVs, call-back and on-hold mobile ringtones, billboards, apps for mobile devices, digital outdoor advertising, SMS , and games with an offline digital platform. Whether they are offline or online, it makes use of digital

platforms, channels, and gadgets. Furthermore, digital marketing is expanding beyond the internet due to the introduction of new age ideas like wearable technology and augmented reality.

The Goal of the Research

Previous research and current data have shown that digital marketing is becoming more and more important in the lives of both marketers and consumers. Clients spend money on Customers are using digital marketing communication to inform their purchasing decisions, and there is a growth in the number of digital devices and data plans. India's digital statistics are also rapidly rising, including the country's internet user count, mobile device ownership and subscriptions, mobile internet users, and social networking site subscriptions. In order to advertise their products and services on digital platforms, marketers are spending more money on marketing. Therefore, it was deemed necessary to evaluate the effect of digital marketing communication in the Indian passenger automobile industry on the consumer buying decision process after reviewing the current situation and previous research.

There are a plethora of digital channels on the market that provide consumers with timely, affordable, and pertinent information at every stage of the purchasing process. The study's goal was to determine how digital marketing communication affected every step of the decision-making process while purchasing an automobile. The study also sought to determine the methods by which consumers obtained digital information at different phases of the decision-making process for purchasing an automobile. The goal of the study was to identify the most popular digital communication channels and the demographics of consumers who use digital marketing communications to inform their purchasing decisions. The study also aimed to provide light on consumers' attitudes, common problems they encounter, the impact of significant others, and aspects of their own lives, technology, and resources with regard to using digital marketing communication while purchasing an automobile.

REVIEW OF LITERATURE

Sople (2011) concurred with the findings and maintained that social influence plays a significant role in influencing consumer decisions while making purchases. Consumers tend to depend on a sort of communal knowledge and prioritise consensus suggestions above professional advice and company claims. The author also valued how contemporary technology is fostering the rise of social media brand ambassadors, or online brand advocates, who utilise social media to tell their friends about their brand experiences and help disseminate positive or negative information about the brands they were or had previously used. Consumer behaviour is significantly influenced by online communities. It is comparable to how customers are influenced by reference groups. Online reviews have a comparable effect on purchasing decisions as word-of-mouth does. Furthermore, according to Sridhar and Srinivasan (2012), customers who influence others are likewise impacted by other consumers. Through status updates, liking images and videos, and sharing photographs, friends in networking groups also provide uninvited suggestions. Social media users tend to assess more emotionally than logically (Hausman, 2014).

In their study, Ioană and Stoica (2014) elucidated that consumers utilising digital platforms encounter the issue of information overload. To select through the most pertinent information and prevent information overload, consumers employ a variety of filter rules. These guidelines include choosing not to access all of the information that is available through digital channels, relying on reputable businesses, and following friends' and peers' recommendations. According to a 2013 GE Capital Study, customers thoroughly investigate products online, particularly when comparing financing and costs. The survey also revealed that in order to locate the greatest value offer, customers use their mobile phones to obtain web information when they are in stores.

E-word of mouth, according to Hennig, Gwinner, Walsh, and Gremler (2004) and Lerrthairakul and Panjakajornsak (2014), is produced on digital platforms when users share news, opinions, suggestions, reviews, and experiences with other users, assisting other users in making well-informed decisions. Heriyati and Siek (2011) and William and Buttle (2011) acknowledged in their research that e-word-of-mouth has a positive impact on consumers' decision-making processes, particularly for teens and new age consumers, and that negative reviews have a greater negative impact on decision-making than positive reviews do.

Objectives of the Study

1. To comprehend how digital marketing communication affects consumers' decision-making process while purchasing an automobile in the Indian market.
2. To investigate any relevant elements associated with digital marketing communication that marketers may use to influence customer behaviour.

RESEARCH METHODOLOGY

The goal of the current descriptive study is to examine how digital marketing communication affects consumers' car-buying decision-making processes. Every communication medium utilised by Indian passenger vehicle marketers was covered in the study, including YouTube, digital TV, social networking sites, websites, mobile phones, digital outdoor spaces, and online communities. The study conducted a "elicitation" study and a thorough literature analysis to identify the essential qualities of digital marketing communication. The items on the questionnaire were then formulated to align with the commonly held beliefs about these characteristics. The study's cross-sectional design stems from the fact that the respondents were only contacted once to get the necessary data. A sampling unit refers to the minimum unit of observation for obtaining information about the variable/phenomenon of interest. Car is considered a family product in India involving significant investment and interest of all the family members.

So, for the current study any adult member of the family which either owned a car or planned to buy a car in near future from the selected geographical area was considered eligible to be the sampling unit. The current study used quantitative data, requesting the necessary information from 701 respondents who lived in the Pune region. The research approach used in the study was cross-sectional descriptive, and participants were contacted just once. With a larger sample size and a longitudinal research methodology, the suggested study may provide different findings. It is also conceivable that different outcomes may be obtained if the research is carried out in non-metropolitan areas. The researcher gave the rural respondents an explanation of the questionnaire statements in Hindi. If respondents from rural areas are not taken into account while conducting comparable surveys, different findings may be obtained. Furthermore, in such descriptive studies—which also applied to the current study—restraints of time, money, and other resources cannot be avoided. Data that provide light on significant facets of consumer behaviour were gathered for this study. Nevertheless, given that consumer behaviour is always shifting dependent on the time of day and their moods, it is exceedingly challenging to make precise predictions about it using this data.

RESULTS AND DATA INTERPRETATION

Occupation

Data for the research was gathered from participants in a variety of professions. The sample consisted of 39% respondents who worked in the service industry. Student respondents made up 29% of the sample, while business and homemakers made up 21% and 8% of the sample, respectively. The sample's respondents' "occupations" are shown in Table.

Table 6.1: Respondents' Occupation

Occupation	Frequency
Student	240
Service	320
Business	76
Home-maker	65

Annual Household Income

The hatchback, compact, sedan, and luxury automobile costs in India were taken into consideration when defining the income groups. The minimum annual family income category was maintained at less than 4 lakhs, accounting for around 20% of the sample.

About 41% of the respondents fell into the income bracket of 4 lakhs and above but under 8 lakhs. Thirty percent of respondents fell into the income range of 8 lakhs and above but below 20 lakhs, while nine percent of respondents fell into the income category of 20 lakhs and above annually.

Table 6.2: Annual Household Income of Respondents

Annual Household Income	Frequency
Below 4 Lakhs	160
4 Lakhs and above but below 8 Lakh	240
8 Lakhs and above but below 20 Lakh	236
20 Lakhs and above	65

Effect on Purchasing and Selection

Choosing and purchasing products through digital channels, particularly when it comes to cars, can involve a number of activities. These include choosing a dealer, a brand, when to make the purchase, signing up for a newsletter, becoming a member of a club, booking a car online, exerting influence over a brand that is being considered for purchase, and participating in online discussions. The goal was to determine whether digital marketing communication had an impact on consumers' decision-making process during the selection and purchase stages. Table 7.7 presents the sample's frequency data, indicating the percentage of respondents that agree or disagree with the assertions regarding the selection and purchase stages. The overwhelming consensus among respondents was that the easy selection of auto dealers was facilitated by internet marketing platforms. Most respondents (simply majority) said that choosing automobile manufacturers was made easier by internet marketing communication. Most of the people who answered said they planned to sign up for online discussion boards, blogs, and social media pages run by automakers. In contrast to those who wanted to subscribe to auto brand newsletters, the vast majority of respondents stated that they would like to take part in online discussions regarding vehicles.

Table 6.3: Effect on Purchasing and Selection

Statements Associated with Information Search	SD	D	N	A	SA
Simple auto dealer choosing	12	58	148	278	128
Simple choice of vehicle manufacturer	13	48	118	198	146
Plan to participate in brand-related blogs, SNS, and online forums.	14	48	142	252	142
subscription to automaker newsletters	12	58	148	278	128
Taking part in online car talks	13	48	118	198	146
purchasing the vehicle based only on internet research	14	48	142	252	142
online auto reservation	17	68	168	228	138
Simple access to financing	10	36	110	248	211
Purchase decisions might be postponed.	12	58	148	278	128
Brand may be reconsidered following an internet search.	13	48	118	198	146

Table further demonstrates that a majority of respondents said that financing facilities were easily accessible through digital media. Most respondents agreed that they may "pre-pone" making a purchase choice due to digital marketing communication, and a sizable portion acknowledged that they might modify the brand they were considering after conducting online research.

A sizable majority of respondents also stated that they could purchase the automobile based only on internet research. Even still, just slightly over one-third of the respondents said they would book a car online, indicating that they were still sceptical about purchasing a car online.

Additionally, respondents gave all of the selection and purchase stage statements above average values, indicating that they were using digital communication channels during the decision-making process when selecting and purchasing an automobile.

The "One Sample Wilcoxon Signed Rank Test" was used to assess the significance of the data at the 5% (.05) level of significance. The following were the test's hypotheses:

Table 6.4: Synopsis Of Hypothesis Test And Descriptive Statistics For Purchasing And Selection

Statements Associated with Information Search	SD	D	N	A
Simple auto dealer choosing	501	2.70	0.946	Disprove the Null Hypothesis
Simple choice of vehicle manufacturer	501	2.92	0.962	Disprove the Null Hypothesis
Plan to participate in brand-related blogs, SNS, and online forums.	501	2.93	0.992	Disprove the Null Hypothesis
subscription to automaker newsletters	501	2.96	1.12	Disprove the Null Hypothesis
Taking part in online car talks	501	2.86	0.96	Disprove the Null Hypothesis
purchasing the vehicle based only on internet research	501	2.70	0.946	Disprove the Null Hypothesis
online auto reservation	501	2.92	0.962	Disprove the Null Hypothesis
Simple access to financing	501	2.93	0.992	Disprove the Null Hypothesis
Purchase decisions might be postponed.	501	2.96	1.12	Disprove the Null Hypothesis
Brand may be reconsidered following an internet search.	501	2.86	0.96	Disprove the Null Hypothesis

Respondents stated that digital marketing communication influenced the dealer, car brand, time of purchase, finance selections choosing of the customers. The respondents also indicated that they were inclined to engage in certain behaviours, such as joining online groups and forums, taking part in online debates, buying a car based on information from the internet, and subscribing to the newsletter.

Table 7.8 indicates that digital marketing communication had a considerable impact on the selection and purchase stages of consumer buying decision-making, with the exception of online automobile booking. The test statistic for online auto reservations was deemed insignificant since the statement had a significance value of 0.059, which was higher than the threshold of 0.05. Thus, it can be said that online car reservations are not influenced by digital marketing communication.

This resulted in the partial acceptance of hypothesis Ha5. The study's conclusions are consistent with those of xAd Research, which notes that among the significant online activities engaged in by car buyers are joining and subscribing to online forums, blogs, social networking site pages, and online car discussions (xAd Research, 2015). The tendency to reserve a car online was not demonstrated by the respondents.

The results make sense for a developed nation like India, where people still have doubts about the legitimacy of digital marketing and its viability while doing financial transactions. Furthermore, a consumer prefers to view the goods in person before committing to a purchase because cars are high-involvement, expensive items. Only 15% of consumers in wealthy nations like "Germany" made an online automobile reservation, while only 6% made an online car payment (eMarketer, 2015b). Though many young Indian auto purchasers have a hidden desire to finish the full car-buying process online, this tendency may alter in the future.

CONCLUSION

The study revealed the important customer segments that are most likely to use digital channels of communication while buying a car. Because of the intrinsic qualities of digital marketing, respondents had a good attitude towards its aspects. The respondents indicated that they trusted the message from digital marketing. The study also examined the respondents who refrained from using digital communication because of their ignorance of digital technologies and its technical nature. During the car-buying process, the intentions to use digital marketing communication were predicted using the Theory of Planned Behaviour (Decomposed) model. The model was able to satisfactorily describe 63% of the variation in the intentions to utilise digital marketing communication during the car-buying process, as well as the usage intentions. The attitude during a car purchase was influenced by perceived utility, perceived ease of use, and perceived compatibility. The greatest difference in customers' attitudes was explained by compatibility. Friends, family, and online friends were found to have an impact on subjective norms, which in turn influenced usage intentions. Self-efficacy influenced perceived behavioural control, which in turn influenced usage intentions. Self-efficacy dealt with an individual's comfort level with technology and their ability to utilise it without assistance. The actual use of digital marketing communication during the car-buying process was found to be influenced by usage intentions as well.

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