

Digital Technology Influence Over Consumer Buying Behaviour in India: A Review Analysis

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Abstract:

In the era of modern marketing, the Digital Technology plays an emerging role in influencing almost all aspects of our lives. From this paradigm shift of technology entirely changed the consumer's choices to decision making, it is everywhere. With its existence, one can get easily access to all the data anytime, anywhere. The digital technology allows the firm for better understand their consumer's choices & preferences in order to fulfil their requirements. While the modern technology are frequently upgrading, it's playing an essential role in the shifting of the consumer from the traditional approach to the modern approach in purchasing goods and services. This shift has entirely changed the behaviour of consumer due to the adoption of new technology. Such firms used to target their audience online and maintain their consumer base. With the introduction of Web 3.0 and evolution of UPI's and it's actively engagements with the consumer behaviour results in the heavy utilisation of the internet specifically in the period of COVID-19. This digital technology reforms the consumer attitude and provide them the freedom to decide what they want to purchase as well as helps them in the product comparison with other products (available from different companies) and satisfy their needs. Hence, with the emergence of social media, it holds a base role in maintaining a strong bridge between the customer and firm. The present research is exploratory and descriptive in nature and secondary data have been used to build for the research structure. The findings of study are significantly impacting over the consumer, company as well as over industries which are specifically connected with the research as it will provide significantly impact and those impacts can be seen in a 360* manner in both consumer and company.

Keywords: Digital Technology, Consumer Buying Behaviour , Impact Of Technology On Consumer Buying Behaviour.

1.1 Introduction

The technological advancements and internet have transformed firm's operations in recent years. Nowadays consumers have more power as compare to the past and with the help of internet, which become possible for consumers to access any information at any time and from any location. Specifically, the internet has a greater influence on people's lives as compare to any other invention in human history. Digital technology has a profound impact on all aspects of human existence. Digital technology has completely revolutionised as compare to past. Special thanks to the internet and cell phones, our everyday routine has progressively moved from the real world to the virtual one.^[1] The rapid increment in the adoption of mobile phones reshaped how consumers approach for their purchasing decisions. The fastest and the highest adoption rate of any consumer technology in history have been seen with the spike in the uses of mobile phones. The consumer perceptions about making a

purchase have shifted as a result of digitalisation. Mobile phones had the highest adoption rate in the record of consumer technology. Regardless of our other identities such as students, workers, parents, lovers, joggers, or stamp collectors, we all are consumer in day-to-day life.^[2] With the help of technology, consumers are getting better information for their purchase and utilise things and services on a regular basis for eating, clothing, reading, playing, and travelling. Therefore, a large amount of money companies are spending on as, consumption is a necessary aspect of everyday in human lives.

The consumer behaviour begins with several questions, “How do we know what we want?” Not as simple a question as “What do we do with something we no longer want?” the mental, emotional, and physical processes people use to choose, acquire, and discard goods and services in order to satiate consumer needs and desires, might be considered conventional definitions of consumer behaviour.^[3] The transformation from the traditional approach from marketing to the digitalization, marketing has drastically shifts the interaction between the brands and its target audiences. In the traditional approach, conventional marketing methods were the main remedy for attracting the large volume of sales. In contrast, the modern marketing approach makes the consumer to utilise the social platforms to interact with firm’s marketing campaign. Traditional market places and offline retail outlets are now seriously vulnerable by the startling rate at which offline markets are changing to online ones.

In India, digital payment methods have grown significantly due to the usage of mobile phones and also to enhance the payment infrastructure.^[4] The payment industry in India has seen tremendous development potential due to its recent major digitisation. Apart from the growth of 60.6 percent in financial year-18 and in FY-19 it was an massive hike with 46.5% as compare with its’ preceding year in the total volume of digital payments. Demonetisation and the COVID-19 epidemic both had a detrimental impact on liquidity, which sparked India's emergence of digital payments. The COVID-19 pandemic hastened the decline of cash usage and the surge in acceptance of electronic payment options.^[5]

1.2 Literature Review

Yasmin et al., (2015) study explored how consumers interacted more with brands on digital platforms. The findings showed that when the usage of digital marketing reached 1%, an impressive 84.70 percent of customers become automatically informed and updated about the available products into the stock. This Digital technology engaged the target audience with company more effectively. **Sawicki, (2016)** presented that the digital revolution in market brought an opportunities to adopt innovative customer models which were crucial for the companies to make their presence in market. The study showed an extensive growth of smartphones leads to increase the awareness of digital market among companies and their potential customers. Due to widespread of smartphones companies were able to communicate through different channels and establish a highly effective relationship with their customer and increase their sales respectively. **Khatrri, (2021)** explored the combination of modern technology’s and technical aspects of digital marketing, keep in mind the shifting trend and developing consumer preference driven by new product. In same time, artificial intelligence played a crucial role in providing personalized experience to consumer by analysing their data. Companies had to maintain a proper IT infrastructure for the efficient working of AI based digital marketing which posed costly for the company. **Tong et al. (2020)** presented a framework for personalized mobile marketing incorporating five Ps (product, price, place, promotion, and prediction) that influenced consumer behaviour using hyper-contextual data. Study also suggested many ideas for future researches such as how different modern technologies influence consumer purchase pattern.^[6] **Bourkalis, et al., (2009)** Due to the presence of mobile phones, customers were not dependent on store opening hours. Customers now able to save their time with the help of technology. **Niemeier, et al., (2013)** indicated that due to the availability of technology, customers shifting toward online instead of purchasing offline. As online customers also had the authority to decide the product of their choice same as in the offline mode like when, where their product should be delivered. **Jung & Dieck, (2018)** presented current growth of the retail industry were driven by the addition of advanced technologies with the existing technologies in the retail store to attract the new customers and also retain the existing customers with a better in store experience. ^[7] **Antoine Camarre et al., (2012)** discussed about the futuristic and modern direction of mobile marketing across various areas.^[8] **Mangold (2009)** Suggested that with the use of technology and social networks, there were a wide range of forms available including blogs, discussions, chat rooms and ratings for the product and services provided by the company, allowing customer to provide a fair feedback. **Voramontri, (2018)** stated that the customer decision making could be defined as the pattern of behaviour executed by consumer in the form of extracting information regarding product and services and forward explain that there were different types of purchase behaviour.^[9]

1.3 Research Objective

- To Investigate the Impact of Digitalisation Over Consumer Buying Behaviour in India.

Table No1.1 Technological Drivers for Consumer Behaviour

S.NO	Technology	Description	Purpose Of Technology	Shopping Usage	Example
1.	Augmented Reality	It covers the digital elements onto the real world which mostly enhance users experience through interactive information.	Shop for clothing, jewellery and furniture decorating at home	Mobile application that allows the user to interact with the product in real-time	Amazon AR view, smart glasses
2.	Virtual Reality	It is the technology used to transport users into a 3D visual environment generated by computer.	VR powered shopping experience.	This is a kind of glass which provide the user with a virtual mall and virtual sales assistant for purchase the product.	Alibaba Buy+
3.	Artificial Intelligence	It is an intelligent machine that work and reacts like human beings by giving some command	Voice Shopping for prime available items	Customers are talking to a voice assistant that can provide the complete information of the product specially linked to their Amazon account	Amazon Alexa
4.	Drones	Technology used for aerial deliveries	Delivery method	Receiving and delivering orders via drone.	Amazon Prime Air

Source:- <https://www.emerald.com/insight/content/doi/10.1108/bjm-02-2021-0049/full/pdf> accessed on 19th September 2024 at 9:40pm

The table no.1.1 interpret about the digital technology data available such as augmented reality, virtual reality, artificial intelligence and drones as well which impact the consumer buying behaviour in the market. These technologies are capturing the market world-wide and also providing an ease in accessibility for pre-purchasing. The digital technology with its evolution and heavy usage by the consumers, its the augmented reality, which provides a real time interaction of product and its consumer for a better purchase of their choice. Similarly, artificial intelligence provides chatbots and virtual assistance for in depth knowledge of the product. Hence, every technology has its own strength and weakness which provide an immense shopping experience to user.

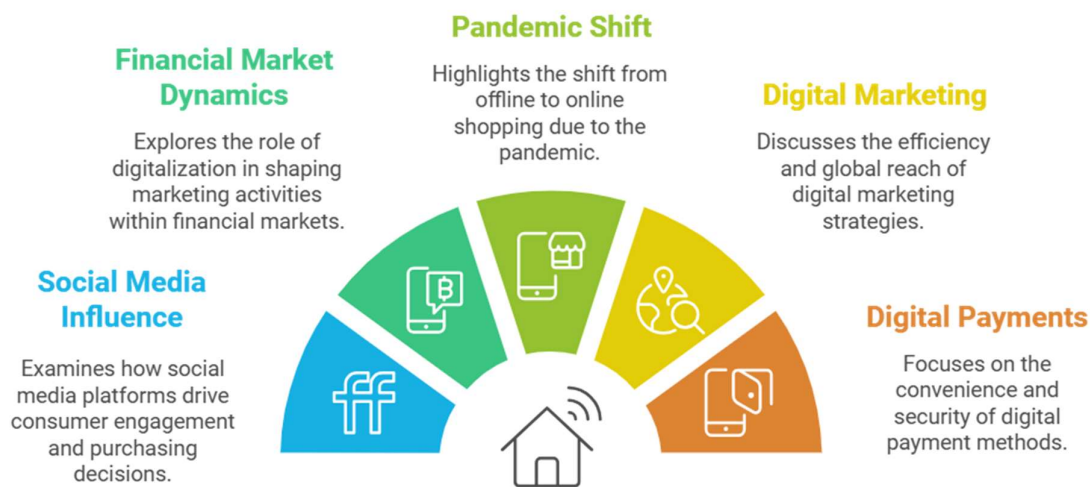
1.4 Recent Trends and Impact of Digitalization on Consumer Behaviour

The recent trends in digitalization have transforms consumer behaviour for purchasing the products and along with familiarisation of e-commerce, social media platforms, situation become drastic. Due to the availability of virtual assistance and chatbots, the consumer gets more deeply engage with the product and meet their expectations. One of the major effects of digitalisation on the consumer is the facility of digital payment methods such as UPI's etc.

- **The Digitalisation Impact on Consumer Behaviour with Respect to Social Media:** Social media is a good way to spread out the advertisement and e-commerce for creating a chain reaction. According to users responses, “their experience for consumer behaviour to present a situation where it is possible to do something was impossible to imagine in thought”.^[11]
- **The Digitalisation Impact on Consumer Behaviour and Marketing Activity in Financial Market:** The development of internet, economy is one of the most important factors of economy development as it can concise both the supply and demand of an economy. The banking market is one of the important factors which affects financial market.^[12]
- **The Digitalisation Impact on Consumer Behaviour in the Pandemic Period:** The widespread of Covid-19 disease actually becomes a challenging and dangerous disease within a specific and shortest time span in particular that time. The majority of offline shopping shifts to online shopping due to buyers are getting the essential product without any physical contact.^[13]

- **The Digitalisation Impact on Consumer Behaviour in Digital Marketing:**
With the help of digital marketing, both time and money saved and in digital marketing the consumer purchases the thing from another country or state without going there, means it erase the line between state or counties to carry the individuals closer. The specific Customers can easily compare the product on the backbone of quality, quantity price etc^[14]
- **The Digitalisation Impact on Consumer Behaviour with Digital Payment Service in Metro Cities:**
The UPI transaction is an electronic process and with its evaluation, its adopted almost in all over the world. Through digital payment, the users can make payments very easily anywhere and anytime and its importance has increased during the last few years, because of its versatile features (Specifically like cashless, paperless, faceless & contactless). Due to its versatile nature and feature the most of the countries are talking in today's time about it and people also want to adopt it as it's digital nature avoids robbery, etc. Whereas According to cyber security agencies it not too much safe due to heacking issue, but it is safe while if consider the robbery aspects.^[15]

Fig. No.1.1 Impact of Digitalization on Consumer Behaviour



1.5 Conclusion

From the reviews from carious studies, the emerging digital technology making it more convenient than even before. It's become easier to find any information, anytime and anywhere. It influenced the consumer choices by offering multiple options at different prices and quality drastically. Almost all of our daily activities have become digitally from shopping to even booking a table at restaurants. E- technology has greater impact on Content Marketing as quality content is playing role like a king and influencing at mass level. When appropriate commands implemented, the work efficiency become higher as compare to human beings. Several firms are using e-technology to understand their customer's choice. It helps them to maintain their strong customer base.

Due to this the competition is becoming tough day by day and more engaging as it offers a two-way communication between consumer and firm and social media is serving as a framework for the consumers to interact virtually and clarify their queries. The online payments via UPI , Google Pay , Paytm etc has become more convenient and a safer option as it prevents purse pocketing by simply scan and pay. The various reports introduced by Big4 companies stated that utilisation of digital technology escalates their profits and the leaders were also able to prioritise the customer feedback and delivered a trust on financial factor security and customer centric. Overall E- technology has widely impacted the consumer behaviour by offering personalised experiences and improved access to the information and in modern days its become the integral part in consumer buying behaviour specifically in context of India.

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