



## Understanding Contemporary Consumer Behaviour in the Digital Age

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### Abstract

*In the era of digitalization, understanding consumer behaviour has become paramount for effecting marketing and growth and expansion of any business. Approach of consumer behaviour towards E-marketing in multifaceted. Digital consumers are now more aware, informed, connected and empowered than ever before. The way a consumer discovers, evaluates and buy goods or services has been reshaped by proliferation of online platforms, social media and E-commerce. Marketers need to grasp the nuances of this contemporary behaviour of customers. Furthermore, the abstract emphasizes the role of technology in fostering consumerism, demand for instant gratification and personalized interactions and customization has been created by introducing technology. Consumers seek convenience, authenticity, quality and value which has encouraged the online businesses. This has increased the role of digital platforms in research comparison, data analysis and purchased decisions. This study gives the idea of changing the dynamics of consumerism in the digital age. Due to advanced and convenient technology, consumers are more attracting towards online shopping or E-commerce than offline shopping or retail marketing. This study also focuses on increasing use of digital platforms which include multiple choices of promotion or advertisement that shape consumer preferences and encourage their impulse buying behaviour. Not only the society but also the community as a whole get effected by contemporary consumerism. This study also explores the opportunities and problems that consumers of civil society face. They play a crucial role in growth of national economy.*

**Keywords:** Digitalization, Consumerism, E-Commerce, Customization.

### 1. Introduction

*“When digital transformation is done right, its like a caterpillar turning into a butterfly, but when done wrong, all you have is a really fast caterpillar”*

*-George Westerman*

In today's dynamic world everyone is undergoing a significant change - from tip to toe every single day. People are no longer bound to the concept of “single personality”. They are adopting & encouraging dynamic identities and multifaceted desires making it constantly challenging for businesses to understand and to keep up with their needs. Consumer is the core of every market and business [1]. In the era of digitalisation, consumers are more rational than emotional and more practical indecision-making than unconscious desires. Consumers are not passive to persuasion attempts. Instead, consumers are often skeptical and resist

persuasion. Also, consumers frequently infer an advertiser's intent and respond in light of that presumed selling intent. The attitude of consumers towards any product or service is hard and difficult to change. Consumers tend to avoid messages that are counter to their attitudes. Consumer behaviour is the study of individuals, groups, or organisations and the processes they use to select, secure, use and disposed products or services. Now, the digital age has allowed people to browse and buy items right at the palm of their hands, without leaving their seats. The traditional approach of marketing i.e. WOM (Word of Mouth) or Referrals has transitioned online in the form of reviews and testimonial. This is the age of online revolution which is referred as Web 2.0, which involves technologies that allows the users to be more interactive and collaborative with online market [2, 3]. This was 2.0 is the new



world of social media, which has some unique participants such as:

- Creators
- Critics
- Joiners
- Spectators
- Inactive

Among the above participants, creators and critics are the true leaders of this age but the groups can be included in proactive consumer in the digital age. Technology makes the things very prompt, convenient, easy, fast, constructive and structured. It plays a crucial role in consumer's life. The behaviour of consumers has reached in a different level of their expectations and perceptions. From buying to consumption and then giving feedback gives more consumer involvement and engagement in decision making process by proper utilization of technology. In today's rapidly evolving landscape of the era of digitalization, consumers behaviour has undergone a profound transformation. The E-Commerce platforms or digital platforms continue to grow and diversify the opportunities and challenges they present for consumers are equally dynamic and complex [4-6].

## 2. Literature Review

In a digital ecosystem where companies need to understand their users and consumers online, the fundamental basis of business models that operate on the internet, should include the strategies such as user experience (UX), influencer marketing, user-generated content (UGC), or electronic word of mouth (e WOM). After the introduction of digital technologies, a plethora of new media have made its entrance which gives consumers many opportunities to become more active, connected, empowered and informed (Lamberton & Stephen, 2016). In addition to that, consumers are provided with wide-ranging options to provide information to others and make it quite easy and convenient to talk to each other online (Henning - Thureau et al. 2010). Research has shown that perceived usefulness, ease of use, trust and security are key determinants in influencing consumer's adoption of online shopping platform (Davis, 1989, Gefen, 2000). The digital platform or

websites provides basic information regarding price, quality, availability, reviews, feedback etc. which helps to build a good relationship of marketers with the consumers (Hawkins, 2010) [7-10].

## 3. Discussions

In the era of digitalization, the behaviour of consumer has undergone significant transformation. With the widespread of adoption of technology and internet, consumers have access to a wealth of information and choices. This shift and innovation have revolutionised how consumers or customers interact with brands and make purchasing decision. After digital revolution, consumer behaviour has explored itself from local to global and from global to digital. Some of the key impacts on consumer behaviour due to digitalization are:

- a. Empowered decision making
- b. Rise of online shopping
- c. Influence of social media
- d. Mobile dominance
- e. Personalization and Customization

In reality all consumers have bounded rationality-a limited capacity for processing information and digitalization does this. The digital consumers adopt the rational choice theory. The rational choice theory helps to identify or discover the one optimal choice for the decision confronting the decision maker. It collects the information about the attributes of alternatives and at the end a superior option is revealed [11]. For better understanding of buying behaviour of digital customers, a marketer must do some research. He can collect the data and information through:

- a. Online Research
- b. User Experience (UX)

The buying behaviour of digital customers based on online research, mobile influence, social media impact, personalization, trust and security, convenience and speed influence of review and ratings etc. Besides influencing consumers, the digitalization also affects business and marketing. The digital technologies change all aspects within firms, from their activities to the processes, systems and structures. Resultantly, business model has also



changed. Like consumers, businesses are also facing challenges and opportunities because consumer behaviour is not static in nature, it changes. Keeping an eye over the changing buying behaviour of consumers the business takes marketing strategy accordingly. Digital consumer behaviour are the activities of an individual from buying online to disposing a product. It all starts with the need of the product, research about the product, purchasing it, post-evaluation, disposing and potential re-purchasing the product along with other things from the same website. It is important to contemplate and control consumer behaviour as to why and how people buy a specific product and service from a specific marketer, they do in order for businesses to grow and stay in market. There can be an endless list of what and how are the factors able to influence the decision-making process of the respective individual (i.e. motivation, money, time, family, friends, colleagues, social or cultural factors). And, how to use this information to create a strategy that can help businesses grow [12].

#### 4. Important Points to Study

- Reasons for buying products for an individual - Time & Cause (When & Why)
- Predicting exactly what an individual want or need
- Studying and finding out the exact causes that affects decision making process
- Providing customer satisfaction
- Attending to the complaints and taking feedback
- Making customers loyal by creating strong relationships
- Constantly improvising in accordance with feedback
- Adapting to ever changing needs & desires of customer
- Strategy making

##### 4.1 Factor Influencing Consumer Behaviour

There is absolutely no limit of actually how the factors influence consumer behaviour. You cannot get your hands on all of them. However, if you at the very least are aware of the factors mostly responsible for affecting consumer behaviour you

can still adopt and strategize according to your advantage. Starting from the very beginning, to actually why would anyone want to buy something online on your said amount with having no actual contact with the marketer which would actually take time to reach in their hands. Whereas even if the same thing is within his walking distance of less than an hour. The answer to that is very simple. Just because of the leisure of the conscience. Or just because that particular item is not available in his locality and he has absolutely no idea to where to look for. Then only a man turns to the world of infinite information, internet. He then searches his desire item and buys it [13-15]. Here are the factors that can influence consumer behaviour:

**Economic Conditions:** In a country where the maximum population comes under middle-class, “affordable prices” is one of the major reasons that can seriously affect consumer’s decision to buy an item. Affordable price is major concern for the consumers. It is observed that people are more interested in the items of best qualities which comes under their affordable price range.

**Marketing & Advertising:** The most direct and most controlling factor is marketing and advertising the product. It plays a pivotal role as it informs the consumers of the availability of the product. When executed effectively and consistently, with compelling messaging tactics, it can prompt consumers to switch brands and even opt for high-priced alternatives.

**Personal Preferences:** Personal factors like standards, likes-dislikes, priorities, choices play a key role in shaping consumer’s conscience about the product. Consumers surely are influenced by marketing and advertisement but their choices are mainly motivated by their personal factors.

**Group Influence:** Peer pressure is a considerable initiator of consumer behaviour. The suggestions, opinions and actions of family, classmates, friends, colleagues, neighbours and acquaintances can considerably influence on one’s decisions.

a. It is found that people comply with other’s



choices. But often times people do not. No matter the amount of pressure on them from the other sources, they tend to stand their ground.

- b. In order to influence an individual effectively, it is necessary that his surrounding environment is also being dealt with unanimously. Then only, after enough passage of time, both the target consumer and its environment is effectively influenced.

In the digital age, consumer behaviour also gets influenced by several inherent risks. They are:

- Cyber Security Threats
- Online Fraud
- Addiction and Over Consumption
- Misinformation and manipulation
- Digital Fatigue and burnout
- Dependency on Technology
- Environmental Impact

### 5. New Findings in Recent Years

**Increase Focus on Online Shopping:** A covid-19 pandemic has made consumers change their behaviour as far as purchasing is concerned. Shopping online is becoming far more familiar to people to urban as well as rural parts of the world. And this has led to extensive growth of all types and kinds of e-commerce platform.

**Mobile-First Approach:** The increasing use of smartphones has led to a mobile-first approach. Consumers use their mobiles for browsing, researching and making purchases than any other devices. It is essential that businesses have responsive websites and mobile apps to cater for this trend.

**Social Commerce Influence:** The social media platforms play a key role in influencing what people decide to buy or not. Social media based features such as shoppable posts and integrated payment options also help making shopping experience effortless.

**Preference for Personalization:** Customers prefer personalized experiences. Brands that are able to customize recommendations, contents and offers

based on previously insight data often establishes strong bonds with their customers.

**Data Privacy and Security Concerns:** Data privacy and security concerns have surged alongside increasingly internet activities among internet users. Among other things, transparent data practices should be of utmost priority to any business enterprise that wishes to build trust with its customers.

**Rise of Influencer Marketing:** The influencer marketing has become an important piece of the advertising puzzle as consumers trust word-of-mouth information. Collaborations with social media influencers will assist in reaching a wider range of audience and build brand reputation.

**Social and Environmental Consciousness:** Consumers these days are becoming environmentally and socially responsible. Products of brands that comply with environmental sustainability attract customers through their cooperation with environmentally sustainable developmental goals and principles.

**Preference for Video Content:** On digital platforms, video contents are proving to attract more people than any other. Any consumer would rather watch a video about a product review or demonstration than read it on paper.

**Convenience and Seamless Experiences:** Consumer wants convenience within the shortest period possible. When it comes to attracting, satisfying, and holding onto customers, businesses that provide fast loading websites, secure pages and simple navigation tend to attract customers more.

It is worth mentioning that these trends can still change while new discoveries may emerge in the field of digital consumer behaviour. Staying up-to-date with the latest updates in this field is necessary.

### Conclusion

In Conclusion, this research paper explains a comprehensive study on consumer behaviour in the digital age. The digital transformation has far reaching on consumers on the one hand and business and marketing on the other hand. The digital



consumers as well as digital businesses and market have challenges and opportunities. This study discuss how digitalization has affected consumer behaviour. It also emphasised transformation of market from local to global and for consumers it leads the transformation from local to digital. The behaviour of consumers towards purchasing has broaden [16, 17]. They have empowered their decision-making behaviour. Today's digital world is based on Web 2.0 features, where both the digital consumers and digital market exists. The study also examined that market stability, expansion and growth is always followed by proper, effective and buying decisions and consumers. Moving towards futuristic trends of consumer behaviour and navigating the new frontiers of transformed, sustainable and digital world, global market is ready.

### Suggestions

**Customer-centric Approach:** Understanding Customer's needs and priorities should be of utmost priority. Developing Products whose objective is to better the lives of the consumer's.

**Personalization:** Implementing personalised marketing campaigns based on customer's previously insight data from database. Creating more personalized and connecting experience by directing messages, recommendations and promotions.

**Omni-Channel Marketing:** Making all digital platforms' experiences seamless and personalized. Whether the user is on your website, social media or mobile app, consistently messaging and making user experience more friendly creating an omni-channel.

**Content Marketing:** Building trust and credibility among target audience by creating valuable, informative, and entertaining content.

**Social Media Engagements:** Interacting with your target audience on social media platforms. Participating in social conversations, responding to comments and creating user-generated content.

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