

# BEHAVIOURAL CHANGES IN THE BUYING DECISION OF CONSUMERS BASED ON PSYCHOLOGICAL EFFECTS OF DIGITAL MARKETING

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## KEYWORDS

*Behavioural Changes, Buying Decision, Psychological Effects and Digital Marketing.*

## ABSTRACT

To evaluate the behavioural changes in the buying decision of consumers based on psychological effects of digital marketing. The study has used the scientific process of empirical research design which accounts for the experiences of the digital consumers which is vital for evaluating the issues of this study. A questionnaire was used to obtain the necessary information for the study. The survey instrument was tested for reliability which has got 0.840 alpha values explains that questionnaire is highly reliable. Based on the above research context, population frame of the study consists of digital consumers of diverse products which are sold digitally. This research based on the nature of population which is infinite has decided to use convenience sampling. Researchers utilize a technique known as “convenience sampling” to collect data for market research from a readily available pool of respondents. The study has gathered data from 271 digital consumers belonging to purchase of different products which bring opinions of diversified consumers. In order to conduct the SEM analysis, the AMOS 25 software package and a wide range of study-oriented psychological variables were used. The digital marketing is creating significant psychological impact on the areas of allowing the consumers to think rationally and affect the need-based purchasing pattern.

## Research Overview

The digital marketing makes use of digital technologies that are combined with conventional marketing. Companies were using digital marketing in order to obtain momentum in order to keep an accessible and intelligent trading procedure. This was due to the fact that the Internet has built a trading marketplace. Businesses can now take advantage of incredible opportunities for digital marketing effect thanks to the Internet. Businesses are able to not only increase the number of customers they have, but also increase their return on investment by employing a mix of digital marketing channels. This enables companies to expand their customer base in addition to sharing their products and services online. In addition, conventional marketing methods have been replaced by digital marketing techniques as a result of the development of markets and technology that are more favorable to competition with the Internet. The widespread use of digital technologies, including smartphones, cutting-edge products, the Internet of Things (IoT), and artificial intelligence (AI), is correlated with the growth of digital marketing.

Future marketing strategies and the revolution in consumer purchases are both impacted by these technologies. There is a correlation between mobile commerce and customers' desire to make an online purchase since mobile commerce provides consumers with greater value than conventional or electronic companies. As a result of this, customers may be reached from any location and at any time by providing a comprehensive website experience that includes

instructive text, photos, and music. This is an improvement over the conventional media since it allows for more user understanding. Customers have concerns about digital marketing, and it has been suggested that businesses can work to establish great branding and generate confidence in their brand as potential answers. In spite of this, several businesses spend money on digital marketing in order to ensure the long-term viability of their organizations. Because India is currently lacking in digital marketing abilities, the incorrect adoption of digital marketing by businesses is not only expensive and time-consuming, but it also makes them less competitive in the business world.

It is necessary for e-commerce businesses to entice both new customers and current customers to visit their websites. This may be accomplished by carefully considering the influence that digital marketing has on the intention to make a purchase. The specifics of the website are an example of an external stimulus that may impact customers, while shopping knowledge is an example of an internal incentive that can influence consumers throughout the buy rotation. On the other hand, a more substantial buy preference may be achieved via the utilization of an appealing website, online services, and website design in order to manage the customer's aim and encourage them to approach the website for the purpose of considering the product and making an investment. One of the most major issues that marketers have today is making sure they are targeting the appropriate audience. This is because the number of people who use the internet is increasing on a daily basis, and their needs are changing virtually every second.

## Literature

This study's main objective was to investigate the ways in which digital marketing affects customers' decisions to buy. In particular, this research set out to determine which Nigerian digital media platforms have the potential to affect consumer behaviour, which product categories are most often purchased through these channels, and how digital marketing strategies impact these channels' users' purchasing decisions. Facebook, Twitter, YouTube, Google, Instagram, Websites/blogs, Multimedia Advertising, Emails, and LinkedIn are some of the digital media channels and platforms that have a direct impact on customer behavior and the purchase decision process, according to a further study. Companies, according to the report, need to increase brand recognition via digital platforms and embrace tactics that make use of the digital universe if they want to survive in the modern business world (Godwin, E. U., 2019). This study looks at the challenges that customers have when trying to purchase fast-moving consumer goods (FMCG) advertised online and how digital marketing has affected their purchasing decisions. The foundation of this investigation is an interpretive method that seeks to explain social phenomena by identifying recurring themes. Research methods include both quantitative and qualitative approaches, with the former taking the shape of a set of questions and the latter taking the shape of in-depth interviews. In light of the results of the qualitative research, we have revised and enhanced the schedule's design. The quantitative research inquiry used a field survey, also known as a face-to-face survey, that used a scheduling list. The study used a judgment sampling method to collect data from 203 residents of the Chennai District in the Indian state of Tamil Nadu. Exploratory factor analysis was used to conduct the analysis. According to the findings, customers' cognitive thinking abilities are compromised, leading to impulsive reactions. Improving the availability of correct information and holding people accountable are two ways to fix the issues highlighted by the research (Sambamoorthy, N., Kumar, C. S., & Kandeepan, E. (2023). Research on consumers in online and social media marketing contexts has been recently reviewed in this article. The five recognized topics are as follows: digital culture among consumers, reactions to digital advertising, mobile environments, online word of mouth (WOM), and the consequences of digital environments

on consumer behavior. Taken as a whole, these pieces illuminate the numerous facets of consumers' everyday interactions with the digital landscapes they inhabit, both as creators and as observers of those surroundings. Much is unknown, and what little is known about the digital customer experience is mostly based on word-of-mouth (WOM). Researchers are encouraged to examine a larger variety of phenomena via the advancement of many areas for future study (Stephen, A. T., 2016). The proliferation of social media is opening up new channels for online marketers to reach consumers; for example, WhatsApp and Facebook have brought the world closer together. To better understand what drives consumers to post about a brand or business, it's helpful to have a firm grasp on consumer motivations. When it comes to the bottom line, digital marketing is killing it. Another important component in ensuring the effectiveness of internet marketing is, according to this research, understanding which social media sites a company's target market uses. It is possible to examine the efficacy of online marketing with regard to various businesses (Bala, M., & Verma, D., 2018). The study examined the impact of moderating comparative marketing elements, such as YouTuber and celebgram, on customers' purchasing choices, and look at the relationship between consumers' internal and external factors. Aside from that, it gives a general outline of the buying habits that shape the consumer culture of the Millennial and Y generations. Using descriptive, predictive, and prospective data analysis, this study employs a quantitative research technique on 300 eligible Millennials and Y-elders (20-35 years old) with a bachelor's degree or above. Online questionnaires were used to gather data, which was then analyzed statistically using the Partial Least Square (PLS) method. In terms of how they act as a technologically savvy generation that shapes both their own and future generations' culture, digital technology is altering the way millennials and Gen Y see the world (Asmara, I. et.al., 2019).

The goal of virtual advertising and marketing should be to reach a certain demographic by using creative strategies to rank and attract them. This paper's objective is to analyze how digital marketing has influenced purchasing habits among Nigerian consumers. We will test four hypotheses about how digital marketing influences consumers' purchasing decisions in this study. The assessment is based on comments made by 385 people. A questionnaire is used to collect information. All four independent factors have a substantial impact on customers' purchasing habits, according to the regression study. From an administrative perspective, this aids digital marketing and advertising by capitalizing on consumer buying habits (Francis, U. O., et.al., 2023). The research aimed to identify customer archetypes and how their online shopping habits vary. It reveals how customers' decision-making styles and product knowledge impact two decision-related outcomes satisfaction with the choice and contentment with the process and how these styles alter online purchasing processes. The first research suggests a novel method of modeling that accurately depicts decision-making behavior. An apparently chaotic buying process may have its underlying structure revealed using this technique. This framework provides a method for analysis that can distinguish between archetypes in terms of their behavior. Both the decision-making style and the level of product expertise impact the decision-making process's complexity and structure, according to the findings. The second research indicated that the length of time it takes to make a choice mediates the association between customer satisfaction with the decision-making process and product knowledge. better options provide better satisfaction for maximizers compared to satisfiers, and the amount of alternatives considered mediates this connection (Karimi, S., Holland, C. P., & Papamichail, K. N., 2018). Consumers generally employ two-stage procedures to achieve their conclusions when buying purchases since they cannot study all available options in great detail. In the first phase, buyers narrow down a vast array of options to a manageable selection of items. This article takes a look at how two decision aids, designed to help customers with one of those things, affected their online shopping decisions. Online shoppers can make better decisions

with less effort if they use interactive tools that help them screen options and compare them in depth. This could lead to higher quality purchases overall. Accordingly, interactive choice aids may cause a sea change in how shoppers gather product details and settle on purchases (Haubl, G., & Trifts, V., 2000). The price of digital marketing has increased dramatically over the last several years. Despite the cutbacks in marketing spending brought on by the COVID-19 pandemic, digital marketing networks will remain dominant. Fairs, puppet markets, and conferences that were supposed to take place in person in the second quarter of 2020 are either already online or have been canceled. Not only that, but this year has also seen significant parallel preparations for limbo-related events. In an effort to avoid exposing themselves and others to coronaviruses via traditionally bought commodities, shoppers stayed home. For online stores, this means more money in their pockets from online ads, but it also means more money spent on those ads (Ushakov, D., Malishevskaya, N., & Shatila, K., 2023).

The study issue, namely the impacts of digital marketing on consumers' purchasing decisions via the mediating element of psychological effects, was familiarized with by an exhaustive literature review. According to the literature review, several researches have investigated online marketplaces' digital marketing strategies and consumers' online purchase intents. Additionally, the researchers looked at a comparable study for consumer goods, hotel reservations, and other online financial services. Furthermore, there are researchers that put a premium on analyzing how social media influences consumers' intent to buy and how consumer attitudes mediate this relationship. Nevertheless, the influence of digital marketing on behavioral changes via the mediation effect of psychological affects has not been fully disclosed in the existing research on purchasing decisions. The current study aims to bridge that knowledge gap by investigating the influence of digital marketing on the behavioral components of purchase decisions within the study area.

## **Problem**

The digital marketing strategy that is implemented by online marketers via the use of digital mediums such as the Internet, search engines, social media, blogs, video channels, websites, and apps. Brands are encouraged to link themselves with potential consumers via the use of the Internet and other forms of digital communication through the process of digital marketing. As a marketing channel, it includes e-mail, several social media platforms, advertisements on the internet, as well as text and multimedia messaging. In terms of marketing, it is the most rapidly expanding form. This may be attributed to its widespread availability, cost-effectiveness, measurable nature, and precision. It is superior to all other marketing sources and will soon become the principal method of marketing thanks to its rapid development. At the same time, it may also relate to the various problems of higher cost associated with promotion of goods or services, inefficiency in identifying target consumers, higher cost, digital knowledge of the users and diverse information security problems while using digital platforms. The tools and channels that were available to market brands in the past were restricted, yet they were nonetheless used. Changes have been made to the regulations and standards as a result of the introduction of digital media. These days, digital marketing methods are receiving a significant amount of financial investment from online marketers. The emergence of digital marketing has altered the way in which businesses use technology for promotion. This is because digital podiums are gradually being transformed into advertising plans and individuals are using digital campaigns such as mobile, computer/laptop and tablet instead of going to physical markets. These changes in the preferences of customers are due to a number of different reasons, but one of the most important reasons is that the psychological effects created on the purchase decision by digital marketing. The study accounts for the

problems psychological changes faced by the consumers in buying under the platform of digital marketing.

### **Significance**

There has been a change in dynamic consumer behavior as a result of the emergence of digital technology. This transition has resulted in a decline in the number of people reading printed newspapers and watching television, while there has been a rise in the number of people consuming media online. Consumers are increasingly seeking to reliable sources for product recommendations, such as social media influencers, in order to get a better understanding of how different products operate and to make more educated judgments about their purchases. It has become more important to interact with customers via the use of influencer marketing as a result of the growing number of people who are using mobile devices and the increasing amount of time that consumers are spending on social networks. There is a large amount of importance placed on the processes of influence and persuasion when it comes to the design of marketing strategy. Therefore, it is of the utmost importance to have a solid understanding of how the process of persuasion goes about its business and how it affects the mindset of the customer. Marketing professionals create official profiles on a variety of social media platforms in order to expand the amount of customers they are able to engage with via the use of social media. In terms of user interaction, Instagram has become one of the most popular social media sites in recent years. Users have the ability to upload photographs and short films to the site, which is the reason behind this. This technology enables marketers the power to promote themselves by generating content for their consumers, which in turn allows them to be promoted. The significance of this research is to establish a framework of psychological effects created on the consumer purchase decision based on the effects of digital marketing.

### **Objectives**

To evaluate the behavioural changes in the buying decision of consumers based on psychological effects of digital marketing.

### **Methodology**

The study has used the scientific process of empirical research design which accounts for the experiences of the digital consumers which is vital for evaluating the issues of this study. In order to obtain the necessary information for the study, a questionnaire was used as a method. On the basis of the goals of this research, the appropriate questionnaire was developed by the research for the study. The survey instrument was tested for reliability which has got 0.840 alpha values explains that questionnaire is highly reliable. Based on the above research context, population frame of the study consists of digital consumers of diverse products which are sold digitally. This research based on the nature of population which is infinite has decided to use convenience sampling. Researchers utilise a technique known as “convenience sampling” to collect data for market research from a readily available pool of respondents. Due to the fact that it is really quick, and cost-effective, it is the method of sampling that is used the most often. The study has gathered data from 271 digital consumers belonging to purchase of different products which bring opinions of diversified consumers. Data is gathered from prospective digital consumers in order to have a better understanding of certain challenges or to manage attitudes about a recently introduced product. In some circumstances, it is the only choice that can be made. In order to conduct the Structural Equation Modeling (SEM) analysis, the AMOS 25 software package and a wide range of study-oriented psychological variables were used.

## Analysis and Interpretations

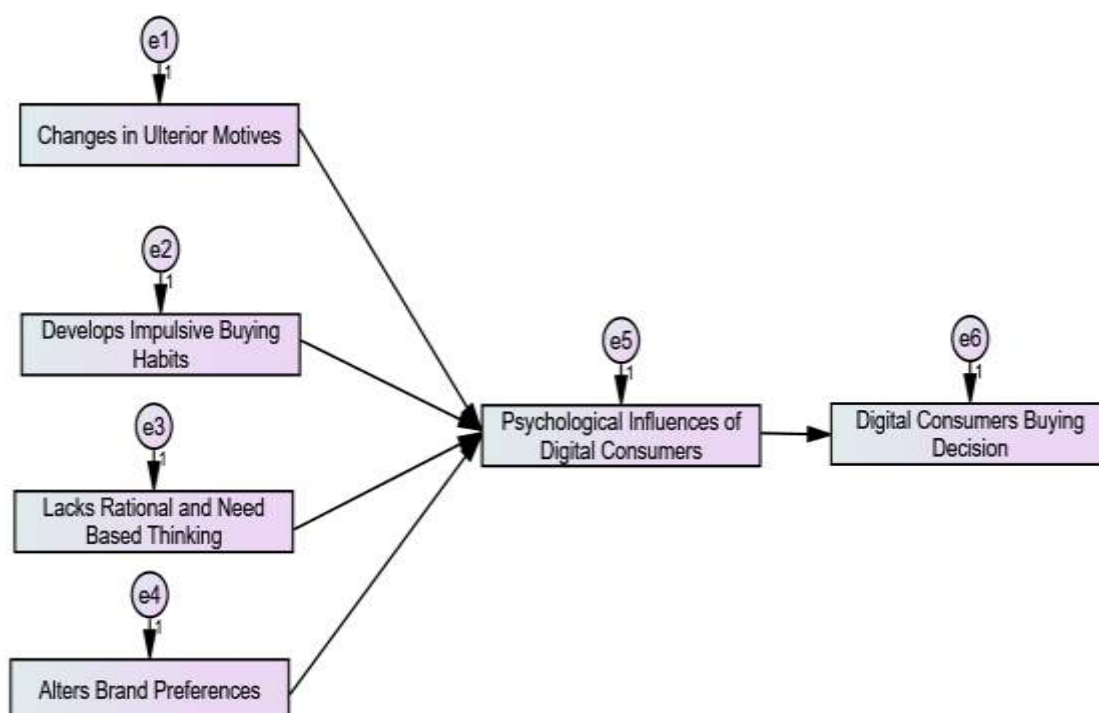
The study has classified four different factors which are affecting the digital consumers psychological in making a buying decision which is evaluated based on the following SEM model.

### ✦ Explanatory Factors

- ✦ Changes in Ulterior Motives
- ✦ Develops Impulsive Buying Habits
- ✦ Lacks Rational and Need Based Thinking
- ✦ Alters Brand Preferences
- ✦ Psychological Influences of Consumers

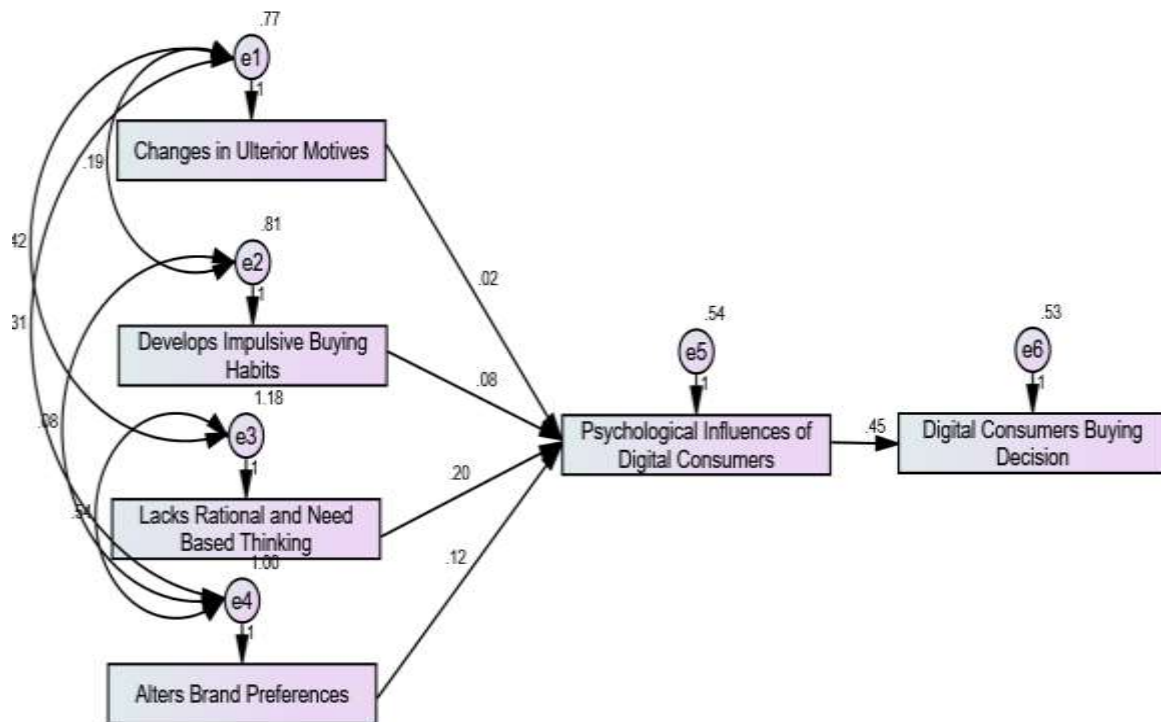
### ✦ Dependents

- ✦ Psychological Influences of Consumers
- ✦ Digital Consumers Buying Decision



**Chart - 1 – Framed Path Model - Behavioural Changes in the Buying Decision of Consumers based on**

## Psychological Effects of Digital Marketing



**Chart - 2 – Evaluated Path Model - Behavioural Changes in the Buying Decision of Consumers based on Psychological Effects of Digital Marketing**  
**Quantitative Relationship Values**

The path model offers considerable quantitative assessment of associations and assists in understanding the effects made by digital marketing on the psychological values of consumer purchasing decisions, was used in order to analyze the regression weights of each relationship that was tested inside the model.

**Table -1: Regression Outcome**

			Estimate	S.E.	C.R.	P
Psychological Influences of Digital Consumers	<---	Changes in Ulterior Motives	0.024	0.060	0.407	***
Psychological Influences of Digital Consumers	<---	Develops Impulsive Buying Habits	0.082	0.052	1.577	***
Psychological Influences of Digital Consumers	<---	Lacks Rational and Need Based Thinking	0.205	0.051	4.018	***
Psychological Influences of Digital Consumers	<---	Alters Brand Preferences	0.121	0.053	2.288	***

			Estimate	S.E.	C.R.	P
Digital Consumers Buying Decision	<---	Psychological Influences of Digital Consumers	0.450	0.055	8.175	***

(Source: Results of Path Model)

The dimensions of the Changes in Ulterior Motives (0.024), Develops Impulsive Buying Habits (0.082), Lacks Rational and Need Based Thinking (0.205) and Alters Brand Preferences (0.121) have significant positive impacts on the psychological influences of digital consumers. The digital marketing is creating significant psychological impact on the areas of allowing the consumers to think rationally and affect the need-based purchasing pattern. The digital consumer buying decision is significantly affected by the psychological influences of digital consumers (0.450) caused by the effects of digital marketing.

**Table-2: Model Evaluation**

S. No	Parameter	Calculated Values	Model	Fit Values from Literature
1.	Chi-Square	4.833		<5.000
2.	GFI	0.936		>0.080
3.	AGFI	0.910		>0.080
4.	NFI	0.850		>0.080
5.	CFI	0.858		>0.080
6.	RMR	0.073		<0.080
7.	RMSEA	0.061		<0.080

(Source: Compiled by Author)

In order to determine how well the model fits the data, the goodness of fit indices which are detailed in the above table are used. Based on the values that were computed, it seems that the model has a substantial degree of dependability when it comes to forecasting the result of behavioral changes in the purchasing decisions of customers that are influenced by the psychological impacts of digital marketing. The evaluation of measuring the psychological consequences which are quantified by utilizing the perception of digital purchasers, the model has achieved a higher reliability.

## Discussion and Conclusion

Participation from digital marketers who have the ability to influence the target market is not only desired for organizations but it also has the potential to be a highly successful strategy if it is executed appropriately. Customer engagement is a strategy that is used in the area of marketing to strengthen the interaction between customers. The whole dynamic has been altered as a result of the increased communication that has occurred between and among customers with the introduction of social networking sites and digital media. The value of the company's communications is increased via the use of word of mouth. When customers read such comments and reviews, they will feel more confident in their own buying decisions and in their ability to utilize the product. This confidence will be a direct consequence of reading the reviews and comments left by other customers. The psychological impacts created by the digital marketing is well evident from the evaluation made by the study and digital marketing creates a significant shift in the consumer thought process towards buying decision which involves emotional influences.

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