

# Assessment of the Impact of Digital Marketing Strategies on Consumer Purchasing Decisions in the Present Era of AI and Social Media

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## ABSTRACT

This paper examines the effects of digital marketing on consumer purchasing behaviour, emphasizing aspects such as real-time interactions, customer education, AI-driven personalization, and engaging advertisements. It also highlights the role of social media engagement, e-commerce platforms, and content marketing. In this context this study aims to examine the effectiveness of various digital marketing channels, consumers' preferences for digital campaigns, and the factors that drive online interactions to translate into actual purchases. Primary data is collected through questionnaire with open ended and close ended questions. Various books, journals and online materials were referred for secondary data. Due to unknown population the data was collected from randomly selected groups ensuring their digital marketing usage. Analysis namely Pearson chi-square test, Hypothesis testing were used to identify the impact of digital marketing on consumers which influences their behaviour. It was Observed that various digital marketing channels, and factors influence the behaviour of consumers buying decision. Final finding and suggestions are discussed with conclusions.

**Introduction:** Digital marketing has revolutionized how businesses connect with their audiences, becoming an indispensable tool in the modern commercial landscape. Unlike traditional marketing methods, digital platforms enable direct, personalized communication with consumers, providing unprecedented opportunities for businesses to influence purchasing decisions. With the rapid growth of e-commerce and online shopping, companies now rely on strategies such as search engine optimization (SEO), social media campaigns, and email marketing to build relationships with their target audience and enhance brand visibility (Chaffey & Ellis-Chadwick, 2019).

**Objectives:** To assess consumer awareness of digital marketing.

To examine the impact of digital marketing on purchasing decisions.

To identify the types of products purchased through digital channels.

To evaluate the role of digital marketing in influencing consumer purchases.

To determine the factors within digital marketing that affect consumer purchasing decisions.

To investigate the significance of various digital marketing elements in shaping consumer buying behavior.

To explore how digital marketing factors contribute to influencing consumer purchasing choices.

**Methods:** Structured questionnaires will be used for primary data collection from a sample of 100 respondents. Closed-ended questions designed to capture consumer viewpoints on the impact of digital marketing, providing quantifiable insights into their perceptions. In addition to primary data, secondary sources including newspapers, academic journals, and websites will be consulted to enrich the research and offer broader context.

**Results:** The study aimed to explore the impact of e-marketing on consumer purchase behavior using data gathered from a questionnaire analysis.

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The primary objectives were to examine the role of digital marketing, assess the influence of social media on consumers, identify the most commonly purchased product categories online, and investigate how these factors shape consumer decision-making.

The findings revealed that a significant majority of participants acknowledged the substantial impact digital marketing has on consumer decision processes.

Overall, the growth of the internet and digital marketing technologies has improved accessibility and convenience, offering consumers a broader range of products worldwide.

Online shopping is experiencing rapid growth, significantly altering business operations and transforming the global market into a massive virtual marketplace.

The internet fosters communication between consumers and businesses, enhancing the connectivity and benefits of the digital marketplace.

**Conclusions:** The study examined the impact of e-marketing on consumer purchasing behavior through questionnaire analysis. It focused on understanding the influence of digital marketing, particularly social media, on consumer decisions, identifying popular online products, and exploring how these factors shape purchasing choices.

The results showed that most participants recognized the significant effect of digital marketing on decision-making. The rise of the internet and digital technologies has expanded product accessibility and convenience for consumers globally. Online shopping is growing rapidly, reshaping business operations and creating a global virtual marketplace.

Ultimately, the study highlights the important role of digital marketing in influencing consumer purchasing decisions, illustrating the transformative effect the internet has had on modern commerce.

In general, businesses need to thoroughly understand these factors and integrate them into their digital marketing strategies to effectively influence online consumer purchasing decisions. This may involve utilizing real-time engagement, educational content, responsive customer service, personalized experiences, retention strategies, social media interactions, interactive ads, in-app advertising, and content marketing. Additionally, ensuring a seamless e-commerce experience is crucial, along with fostering positive customer reviews, to achieve success in digital marketing efforts.

**Keywords:** digital marketing, consumer buying behaviour, real-time interactions, customer learning, social media engagement, online commerce, content strategies.

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## INTRODUCTION

Digital marketing has revolutionized how businesses connect with their audiences, becoming an indispensable tool in the modern commercial landscape. Unlike traditional marketing methods, digital platforms enable direct, personalized communication with consumers, providing unprecedented opportunities for businesses to influence purchasing decisions. With the rapid growth of e-commerce and online shopping, companies now rely on strategies such as search engine optimization (SEO), social media campaigns, and email marketing to build relationships with their target audience and enhance brand visibility (Chaffey & Ellis-Chadwick, 2019).

One of the key aspects of digital marketing is its ability to engage consumers in real-time, offering personalized experiences that cater to individual preferences. AI-driven technologies, for instance, have empowered marketers to analyze consumer behavior and tailor advertisements accordingly. Additionally, social media platforms provide an interactive space for customer education and brand storytelling, further influencing purchasing decisions (Kotler et al., 2021). These technological advancements have not only improved the effectiveness of marketing campaigns but have also reshaped consumer expectations.

This paper aims to explore the multifaceted impact of digital marketing on consumer purchasing behavior, with a focus on real-time engagement, personalized marketing, and content-driven strategies. By analyzing the role of social media, e-commerce platforms, and interactive advertisements, this study seeks to uncover actionable insights for businesses looking to optimize their digital marketing efforts. The findings will contribute to a deeper understanding of how digital tools shape consumer choices in a competitive market landscape (Smith, 2022).

## REVIEW OF LITEARTURE

### 1. Real-Time Engagement in Digital Marketing

Real-time engagement has become a pivotal component of digital marketing, enabling brands to interact with consumers instantly. According to Lee and Kozar (2019), real-time communication fosters trust and strengthens the relationship between brands and consumers. Technologies like live chats, push notifications, and real-time personalized offers are instrumental in guiding purchasing decisions. These strategies not only enhance consumer experience but also increase conversion rates significantly.

### 2. AI-Powered Personalization

AI-driven marketing strategies have transformed how brands connect with their audience. As noted by Davenport and Ronanki (2018), artificial intelligence allows businesses to analyze vast datasets, predict consumer preferences, and deliver tailored advertisements. This personalization boosts engagement and encourages repeat purchases. The study also highlights that AI's ability to simulate human-like interactions enhances customer satisfaction and loyalty.

### 3. Social Media's Role in Shaping Buying Decisions

Social media platforms have emerged as critical tools for influencing consumer purchasing behavior. Kaplan and Haenlein (2020) argue that the interactive nature of social media allows brands to create meaningful engagements and build community-driven marketing campaigns. Reviews, user-generated content, and influencer partnerships play a significant role in establishing trust and influencing consumer decisions.

### 4. E-Commerce and Consumer Behavior

The growth of e-commerce has revolutionized the retail sector, providing consumers with a convenient shopping experience. According to Turban et al. (2021), e-commerce platforms leverage digital marketing tools like targeted ads, personalized recommendations, and seamless user interfaces to drive sales. The study emphasizes the importance of integrating digital marketing strategies into e-commerce platforms to enhance customer satisfaction and retention.

### 5. Content Marketing and Consumer Awareness

Content marketing is a cornerstone of digital strategies aimed at educating and engaging consumers. Pulizzi (2020) highlights that creating valuable, relevant, and consistent content helps businesses build trust and establish authority in their respective markets. Blogs, videos, and infographics not only inform consumers but also subtly guide them toward making purchasing decisions.

### 6. The Influence of Online Reviews and Ratings

Online reviews and ratings significantly impact consumer decisions, as highlighted by Cheung et al. (2019). The study reveals that positive reviews increase consumer trust, while negative feedback can deter potential buyers. Digital marketing strategies that incorporate review management and feedback mechanisms can thus directly influence purchasing behavior.

### 7. Mobile Marketing and Purchase Intentions

With the increasing reliance on smartphones, mobile marketing has become a crucial element of digital campaigns. According to Shankar et al. (2020), mobile advertisements, app notifications, and location-based marketing significantly influence purchase decisions. The study underscores the importance of optimizing digital marketing strategies for mobile platforms to reach a broader audience.

### 8. The Psychological Impact of Interactive Advertisements

Interactive advertisements, such as gamified ads and augmented reality (AR) experiences, have a profound psychological impact on consumers. As per Pantano and Priporas (2016), such innovative approaches increase engagement and leave a lasting impression on consumers, thereby influencing their purchasing behavior. These advertisements create a sense of involvement, making consumers more likely to connect with the brand and make purchases.

## STATEMENT OF THE PROBLEM

Digital marketing has often been regarded as complex and challenging to comprehend, particularly in the context of influencing consumer purchasing decisions in the current digital age. Key challenges in evaluating the impact of digital marketing include the vast array of online platforms, the diversity of marketing strategies, and the evolving behaviors of consumers. This study aims to examine the effectiveness of various digital marketing channels, consumers' preferences for digital campaigns, and the factors that drive online interactions to translate into actual purchases.

The digital revolution has brought about significant changes in consumer shopping habits, prompting businesses to adapt their strategies accordingly. In today's online-driven landscape, digital marketing primarily focuses on leveraging the internet and social media to promote products and engage customers effectively. These platforms offer opportunities to build meaningful relationships with consumers while driving conversions and brand loyalty.

## OBJECTIVES OF THE RESEARCH

To assess consumer awareness of digital marketing.

1. To examine the impact of digital marketing on purchasing decisions.
2. To identify the types of products purchased through digital channels.
3. To evaluate the role of digital marketing in influencing consumer purchases.
4. To determine the factors within digital marketing that affect consumer purchasing decisions.
5. To investigate the significance of various digital marketing elements in shaping consumer buying behavior.
6. To explore how digital marketing factors contribute to influencing consumer purchasing choices.

## HYPOTHESIS

Based on the theoretical aspects considered for the study the following Hypothesis were established:

**Null Hypothesis (H<sub>0</sub>):** There is no substantial relationship between the factors of consumer behaviour

**Alternative Hypothesis H<sub>11</sub>:** There is a significant relationship between the factors of consumer behaviour

**Hypothesis H<sub>12</sub>:** There is no significant correlation between shopping preference and customer satisfaction.

**Hypothesis H<sub>13</sub>:** There is no significant relationship between age category and awareness of digital marketing.

**Hypothesis H<sub>14</sub>:** There is no significant relationship between age category and frequency of online shopping.

**Hypothesis H<sub>15</sub>:** There is no significant relationship between digital channels and the frequency of shopping.

## RESEARCH METHODOLOGY

### RESEARCH DESIGN

To gather insights into the impact of consumer behavior influenced by sociological and psychological factors, a survey-based research design will be utilized. This approach allows for the systematic collection of data directly from participants, offering valuable perspectives on the interplay of these factors in shaping purchasing decisions.

Additionally, a mixed-methods strategy will be employed, combining both qualitative and quantitative research methods. This comprehensive approach enables an in-depth exploration by capturing nuanced personal experiences through qualitative data while also providing measurable trends and patterns via quantitative analysis.

### SAMPLING DESIGN

The research will focus on targeting online consumers who have recently been exposed to digital marketing, ensuring a comprehensive representation of this group. Probability sampling will be employed, with careful consideration of factors such as internet proficiency and awareness of digital marketing techniques. This method will help to ensure a diverse and relevant sample for the study. A sampling frame will be established consisting of individuals who have

participated in online shopping activities within the last twelve months, ensuring that the participants are actively engaged in the digital marketplace and can provide valuable insights into consumer behavior.

### METHODOLOGY

Structured questionnaires will be used for primary data collection from a sample of 100 respondents. Closed-ended questions designed to capture consumer viewpoints on the impact of digital marketing, providing quantifiable insights into their perceptions. In addition to primary data, secondary sources including newspapers, academic journals, and websites will be consulted to enrich the research and offer broader context.

### DATA ANALYSIS

Case studies, focus groups, and in-depth interviews employed to analyse qualitative data, offering deeper insights into consumer behaviour. For the quantitative aspect, statistical analysis methods is applied to the survey data to examine how digital marketing influences consumer purchase decisions. This approach will help quantify consumer responses and identify patterns in their buying behavior driven by digital media marketing.

#### Analysis using Chi-Square Test

**Hypothesis H<sub>11</sub>:** There is a significant relationship between the factors

**Table 1: Relationship Between Monthly Income and Shopping Frequency of Customers**

Monthly Income	Regularly	Only during Sales or Festive Seasons	Never	Total
20,000 or below	15	38	1	54
21,000 to 40,000	12	10	0	22
41,000 to 60,000	3	10	0	13
61,000 and above	9	2	0	11
Total	39	60	1	100

#### Result:

- Chi-square value: 15.545
- Degrees of Freedom (df): 6
- Asymptotic Significance (2-sided): 0.016

**Table 2: Chi-Square Analysis of Monthly Income vs. Shopping Frequency**

CHI SQUARE TEST	VALUE	df	Asymptomatic Significance(2-sided)
Pearson Square	15.545a	6	0.016

**Results:** Since the significance value (0.016) is less than 0.05, Hypothesis 1 is rejected.

**Hypothes H<sub>12</sub> :** There is no significant correlation between shopping preference and customer satisfaction.

**Table 3: Analysis of the Relationship Between Shopping Preference and Customer Satisfaction**

	Highly Dissatisfied	Dissatisfied	Neutral	Satisfied	Highly Satisfied	Total
<b>Yes</b>	0	0	6	14	4	24
<b>No</b>	0	0	12	49	15	76
<b>Total</b>	0	0	18	63	19	100

**Table 4 : Chi-square Analysis of shopping preference and Customer Satisfaction**

Chi-square Test	Value	df	Asymptomatic significance (2-sided)
Pearson chi-square	1.059a	2	0.589

**Result:** Since the significance value (0.58) is greater than 0.05, Hypothesis 2 is accepted.

**Hypothesis H<sub>13</sub> :** There is no significant relationship between age category and awareness of digital marketing.

**Table 5:** Analysis of the Relationship Between Age Category and Awareness of Digital Marketing

Age Category	No	Yes	Total
Less than 18	0	8	8
18-30	7	67	74
31-60	0	16	16
61 and above	0	2	2
Total	7	93	100

**Table 6:** Chi-Square Analysis of Age Groups and Digital Marketing Awareness

Chi-square Test	Value	df	Asymptomatic Significance(2-sided)
Pearson Chi-square	2.645a	3	0.45

**Result:** Since the significance value (0.45) is greater than 0.05, Hypothesis 3 is accepted.

**Hypothesis H<sub>14</sub> :** There is no significant relationship between age category and frequency of online shopping.

**Table 7:** Analysis of Age Category and Online Shopping Frequency

Age category	Regularity	Only during Sales or Festive Seasons	Never	Total
Less tha 18	3	5	0	/
18 to 30	25	48	1	74
31 to 60	11	5	0	16
61 and above	0	2	0	2
Total	39	60	1	100

Chi-square Test	Value	df	Asymptomatic Significance(2-sided)
Pearson Chi-square	8.31a	6	0.217

**Result:** Since the significance value (0.216) is greater than 0.05, Hypothesis 4 is accepted.

**Hypothesis H<sub>15</sub> :** There is no significant relationship between digital channels and the frequency of shopping.

**Table 9:** Analysis of the Impact of Digital Channels on Shopping Frequency

Digital Channel	Regularly	Only during Sales or Festive Season	Never	Total
E-Commerce Websites	23	53	1	83
Social Media (Instagram, Facebook)	9	6	0	15
Websites, Blogs or Emails	1	1	0	2
Total	39	60	1	100
Chi-square Test	Value	df	Asymptomatic Significance(2-sided)	
Pearson Chi-square	3.553a	4	0.47	

**Result:** Since the significance value (0.47) is higher than 0.05, hypothesis number five is approved.

Hypothesis H<sub>16</sub> Digital advertisements, description of products, blogs, websites, and reviews do not have a substantial impact on the decision of shoppers to buy.

**Table 11: Study of the Role of Digital Advertisements on consumer purchase Objectives**

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Total
After making on online purchase, have that you read the product's details on blogs, websites, and ratings?	yes	4	4	24	30	24
	No	2	1	3	7	1
Total	6	5	27	37	25	100

Result: As the significance value (0.282) is much higher than 0.05, hypothesis is rejected.

Chi-square Test	Value	df	Asymptomatic Significance(2-sided)
Pearson Chi-square	5.018a	4	0.282

**DISCUSSION:**

<b>Factors of Consumer Behaviour</b>	<b>Chi-square value</b>	<b>Asymptomatic Significance(2-sided)</b>	<b>Conclusion</b>
<b>Monthly Income vs. Shopping Frequency</b>	15.545	0.016	Rejected <0.05%
<b>shopping preference and Customer Satisfaction</b>	1.059a	0.589	Accepted >0.05%
<b>Relationship Between Age Category and Awareness of Digital Marketing</b>	2.645a	0.45	Accepted >0.05%
<b>Age Category and Online Shopping Frequency</b>	1.059a	0.589	Accepted >0.05%
<b>Impact of Digital Channels on Shopping Frequency</b>	3.553a	0.47	Accepted >0.05%
<b>Role of Digital Advertisements on consumer purchase Objectives</b>	5.018a	0.28	Accepted >0.05

Asymptomatic Significance(2-sided) denotes 0.05% of significance level, < 0.05 % is rejected. From the above discussion table- factors like shopping preference and Customer Satisfaction, Relationship Between Age Category and Awareness of Digital Marketing, Age Category and Online Shopping Frequency, Impact of Digital Channels on Shopping Frequency, Role of Digital Advertisements on consumer purchase Objectives are having relationship with digital marketing strategies and only monthly income with shopping frequency is not significant to digital marketing strategies.

**FINDINGS**

1. The study aimed to explore the impact of e-marketing on consumer purchase behavior using data gathered from a questionnaire analysis.
2. The primary objectives were to examine the role of digital marketing, assess the influence of social media on consumers, identify the most commonly purchased product categories online, and investigate how these factors shape consumer decision-making.
3. The findings revealed that a significant majority of participants acknowledged the substantial impact digital marketing has on consumer decision processes.
4. Overall, the growth of the internet and digital marketing technologies has improved accessibility and convenience, offering consumers a broader range of products worldwide.
5. Online shopping is experiencing rapid growth, significantly altering business operations and transforming the global market into a massive virtual marketplace.
6. The internet fosters communication between consumers and businesses, enhancing the connectivity and benefits of the digital marketplace.
7. In conclusion, the study underscores the considerable role digital marketing plays in influencing consumer purchasing decisions, highlighting the profound changes the internet has brought to modern commerce.



## CONCLUSION

The study examined the impact of e-marketing on consumer purchasing behavior through questionnaire analysis. It focused on understanding the influence of digital marketing, particularly social media, on consumer decisions, identifying popular online products, and exploring how these factors shape purchasing choices.

The results showed that most participants recognized the significant effect of digital marketing on decision-making. The rise of the internet and digital technologies has expanded product accessibility and convenience for consumers globally. Online shopping is growing rapidly, reshaping business operations and creating a global virtual marketplace.

Ultimately, the study highlights the important role of digital marketing in influencing consumer purchasing decisions, illustrating the transformative effect the internet has had on modern commerce.

In general, businesses need to thoroughly understand these factors and integrate them into their digital marketing strategies to effectively influence online consumer purchasing decisions. This may involve utilizing real-time engagement, educational content, responsive customer service, personalized experiences, retention strategies, social media interactions, interactive ads, in-app advertising, and content marketing. Additionally, ensuring a seamless e-commerce experience is crucial, along with fostering positive customer reviews, to achieve success in digital marketing efforts.

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