ISSN: 1001-4055 Vol. 44 No. 3 (2023)

Factors Influencing Digital Marketing in Bhadrak District of Odisha

*Dr. Rashmi Ranjan Mohapatra

*Assistant Professor, Academy of Business Administration, Harida, Kuruda, Balasore, Odisha, 756056, Email: dr.rashmiranjanmohapatra@gmail.com

Abstract

With the rapid development of new interactive media like on-line services and the World Wide Web has taken most consumer marketers by surprise. The digital era has made consumers more aware about varieties of products, brought a shift in the lifestyle and trends, made them more and more elegant in making a purchase decision. Digital Marketing (DM) uses various social media platforms like Instagram, Twitter, Facebook, YouTube etc. for promotions where advertisements of companies are shown considering the set of customers of different age groups, budget and places where traditional marketing tools would not be effective to generate sales. Digital marketing communication has been faster and wider and do not give consumers the scope for thinking beyond those peripheries. The study aims at investigating the factors impacting consumer's online impulsive buying tendencies through various digital platforms.

Keywords: Digital Marketing, Traditional Marketing, Marketing, Social Media, Consumer

Introduction

Digital marketing has become an indispensable component of contemporary business strategies, profoundly influencing how companies engage with their audience. In an era characterized by rapid technological evolution, consumer behavior shifts, and the ubiquity of online platforms, digital marketing has emerged as the linchpin for reaching and resonating with customers. The era of digital marketing begins with the online shopping system introduced by Michael Aldrich, followed by the launch of Thomson Holidays UK. In 1996, India MART, a B2B firm, was established in India to bring together both the seller and the buyer. The launch of Flipkart, an ecommerce website dealing with the marketing of a variety of products in India, in 2007, the marketing structure in India was completely changed. It increased the number of people who used mobile phones to shop online and popularised brands. With the growth of smart phone users, laptop users, etc., digital marketing has also increased its pace in order to reach a wider audience. To improve the online infrastructure and be digitally empowered, the government of India launched the "Digital India" campaign in 2015. It resulted in start-ups, services being available online, increasing internet users' mobile connections, and increased traffic on social media. According to reports published until May 2020, the internet user base in India is about

696.77 million, which is about 40% of the total population. It is expected that the online shopper base in India would be the second largest globally by 2030, with about 500–600 million shoppers (Wikipedia).

India has seen tremendous growth in digital marketing in recent years. With the proliferation of the Internet, companies have designed strategies with proper surveillance to reach out to the public. People in India use mobile phones to access the internet. By January 2021, there will be about 1.10 billion mobile connections in India, which have increased by 23 million (+2.1%) between January 2020 and January 2021, which is equivalent to 79.0% of the total population. Social media has provided a massive boost to digital marketing. Digital

marketing purchases by Indians include purchases of books, cosmetics, garments, searching for career opportunities, seeking jobs, etc. The platform enables customers to obtain all of the services they require while sitting at home; no one is required to leave the house to obtain those products or services. Companies are also profitable with reduced costs and easy access to customers.

Consumer buying behaviour has seen a sea change with the advent of the information technology sector since 2000. This sector, no doubt, has opened up the scope to explore different ways of marketing for companies while simultaneously giving consumers options to compare and choose the best product. Digital marketing includes the use of devices such as computers, mobile phones, and so on to access consumers via platforms. Lovett & Staelin (2016) defined digital marketing as the use of digital media to endorse products by companies. Robul (2020) examined digital marketing as a system, with feeds, outputs, and levels of structure as its main components. Faster adoption of online platforms by consumers for regular shopping has expedited companies' efforts to invest in and expand online marketing (Nazarov, 2020). In this scenario, the researcher made an attempt to explore the factors influencing people to use digital platforms for shopping.

Purpose of the Study

With advertising seeing a shift from the old print media and billboards to digital platforms like Facebook, Twitter etc.it has become easier on the part of the manufacturers, wholesalers and retailers to get in touch with a large number of customers both nationally and internationally to maximise value creation (Levy & Gvili, 2015). Millennials today are highly influenced by a variety of factors like price, value for money, sustainability, social validations etc. (Kuhns & , 2016). In fact, a number of factors influence behavior of consumers in the market place such as customer perceived value (Schivinski & Dabrowski, 2016), ethics (Jarvinen & Karjaluoto, 2015), customer engagement (Dovaliene et al., 2015), and behavioural economics (Dowling et al., 2019). This as a result forces them to compare the products in different sites which affects their decision-making process in both short term and long term (Hall & Towers, 2017). With rapid increase in digital environment, complexity of using various medium also becomes herculean. Moreno et.al. (2017) conducted a study on impact of digital technology on millennials' behaviour and concluded that millennials particularly like personalised form of communication from companies. The study found that millennials spend their income frequently more often through social sites for immediate gratification. Chopra & Gupta (2020) social media influence consumer satisfaction level during mainly searching for information stage and alternative evaluation stage. In the similar line, Karni (2021) investigated the rise of online communities and social media on consumer behaviour and concluded that consumers in present era are more likely to be influenced by peer recommendations as an alternative to word-ofmouth and hence they trust them much more compared to advertisements by companies. Ziyadinet. al., (2019) in their study on impact of social media marketing on consumer behaviour found that such marketing tactics help companies to interact with potential customers directly on a regular basis thereby helping to increase brand loyalty. They concluded that information plays a vital role in any business system which has become increasingly important due to low cost of searching, exchanging and storing of information. Under this background, this paper has been chosen to identify the factors influencing people to adopt digital marketing in Bhadrak district of Odisha.

Review of Literature

Online shopping has the advantage over brick and mortal model in terms of easiness in comparing with less time and effort, better price bargain etc. In this context Chandra (2016) examined the factors related to digital marketing and their impact on online buying behaviour. Using an exploratory analysis he found ease of use, privacy risk, environmental benefits, and complaint redressal as four important factors significantly affecting the buying behaviour of consumers. In the similar line, Rahman et.al., (2018) revealed that consumers would like to

shop online to save time. Further male and female both prefer home delivery of products, Cash on Delivery (COD) method of payment option in online shopping. However, most consumers were found to have enough concern for security of their payment in case they opted for digital payment. Ogbadu (2021) examined the effect of digital marketing on consumer behaviour in selected states of Nigeria through purposive sampling. They concluded that perceived use of ease is a major determining factor for faster adoption among Nigerian consumers. Bartosik-Purgat (2019) concluded from cross country empirical and literature survey that consumers use social media to communicate with producers for availing discount, asking for information about product brands and after sale services. Zulfikaret et. .al., (2022) examined adoption of digital marketing on brand image with reference to tutoring institutions. Using multiple regression technique the authors concluded, that digital marketing enhances creation of positive perception which in turn helps in building a good brand image. This has caused consumers to develop a specific pattern of loyalty towards certain brands. This particular form of pattern is expected to produce certain kind of behaviour. Digital marketing gained prominence especially during Covid 19 pandemic which is believed to have impact on consumer behaviour in terms of efficiency, economical with better decision making (Junusi, 2020; Pillai, 2021). In a study by Mehta et.al., (2020) concluded that the consumer behaviour was affected by Covid-19 pandemic and a significant portion of potential consumers were shifted to digital platform. Socio-economic change in terms of increase in number of nuclear families, disposable income in the hands of consumers have all facilitated companies to introduce products through digital platform. Sulaiman & Abdullah (2016) confirmed that there exist a direct relation between digital advertisement by marketers and age of consumers concluding that youths are supposed to be influenced more by social media. Further the same study shows that advertising messages in the form of price clarity, product benefits, brand association feelings, comparison of brands with competitors help to solve consumers' decision dilemma. In the similar line, Pal & Shukla (2020) also found adoption of digital technology more easily by youths than older generation.

About the area of study

The scope of study is proposed to be the Bhadrak district of Odisha. According to the 2011 Census, the district covers an area of 2505 square kilometres and has a population of around 15 lakh people. The economy of the district is mainly dominated by agriculture activity, with paddy as the main crop, which employs the majority of the population. But due to its proximity to the coast, fishing is also undertaken by certain sections of the population. This is where FACOR, one of the largest manufacturers of ferrochrome in India, and various ancillary units are located, thus driving the economy of the district up. This type of study yields better results when undertaken in a cosmopolitan region. Bhadrak, being one of the cosmopolitan districts of Odisha, is chosen as a reference for this study.

Objectives

The main objective of this paper is to find out the factors attracting a common man for digitalmarketing in Odisha.

Hypothesis

H-**The** factors-complaint readdress scheme, discount facility, ease of use, cash on delivery, time saving and easy and risk free payment option have the predictive ability of digital marketing preference in shopping.

Methodology

Population-The study is carried out in Bhadrak district of Odisha and. As per 2011 census, the total population

of Bhadrak is 15, 06,337. As such the population size is restricted to 15, 06,337 people of Bhadrak district. **Sample Size-**The study is conducted with the inclusion of 385 people of Bhadrak district of Odisha and the size of the sample is determined by the following rule.

$$z^{2} p$$

$$(1-p)$$

$$n = \frac{e^{2}}{1 + \frac{z^{2} p}{2}} = 385$$

$$\frac{1 - p}{N e}$$

N = Total city population in Bhubaneswar = 15, 06,337e =

Margin error = 5%

Z = Critical value for large sample at 95% confidence level = 1.96

P = Population Proportion of city people using mobile apps for shopping = 0.50

Sampling Technique-The respondents were selected at random spread over both rural and urban area of Bhadrak. The researcher has tried to include both male and female of all age groups and with different income groups. People who willingly participated in the survey were included the survey work.

Sources and collection of Data -Researchers discovered the factors affecting consumers for digital marketing by searching numerous websites and publications from secondary sources. However, primary sources were used to elicit the participants' opinions on the use of digital marketing and how these factors affect their choice to shop online. Participants were approached one-on-one by the researcher, and information needed for the survey was gathered on a five- point scale, ranging from strongly disagree (1) to strongly agree (5).

Material and Method

Binary logistic regression is used to predict the prominent factors influencing people to choose digital marketing. The model necessitates the dependent variable to be dichotomous by using one or more independent variables without requiring the continuous data. The digital marketing preference is considered as dependent variable and the factors-complaint readdress scheme, discount facility, ease of use, cash on delivery, time saving and easy and risk free payment option are considered as independent variables of the model. The participants were asked to opine their agreement of using digital platforms for marketing and the answers in binary form constitutes the dependent variable of the model. The favourable answers are coded as "1" and unfavourable answers are coded as "0". The responses of the participants on selected factors with score 3 or more are codes as "1" and less than 3 are coded as "0", indicating their positive and negative attitudes towards that feature.

Analysis of the data

The information so gathered are first tabulated and analysed by using SPSS-23. The details of analysis are illustrated in below tables.

Table No: 1-Reliability Statistics

Cronbach's Alpha	N of Items		
0.724	6		

The reliability of the instruments is tested through "Cronobach's Alpha". The value of Alpha for the construct is more than 0.70, indicating a strong level of internal consistency reliability for the scale used as measuring instrument.

Table No- 2: Collinearity Statistics

Tolerance	VIF
Complaint readdressal scheme	1.156
Discount facility	1.414
Ease of use	1.273
Cash on delivery	1.395
Time saving	1.265
Easy and risk free payment option	1.222

The absence of multicollinearity (table No-2) is evident from the following table as the values of VIF for all the independent variables are less than 10.

Table No- 3: Omnibus Tests

		Chi-square	df	Sig.
Step 1	Step	75.331	6	.000
	Block	75.331	6	.000
	Model	75.331	6	.000

The overall model (table no-3) is statistically significant, χ^2 (6) = 75.331, p <0.05 and there is an indication that the model fits the data accurately.

Table No- 4: Model Summary

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	404.280	.196	.261

[&]quot;Nagelkerke R² value" of 0.261 explains 26.1% of variance in the dependent variable based onthis model.

Table No- 5: Hosmer and Lemeshow Test

Step	Chi-square	Chi-square df	
1	10.919	5	.053

In-significant prob. value of 0.053 is an indication that the predicted value fits the observed values.

Table No- 6: Variables in the Equation of Participation of Trainees

	В	S.E.	Wald	df	Sig.	Exp(B)
Complaint readdressal scheme	662	.311	4.540	1	.033	.516
Discount facility	2.221	.391	32.254	1	.000	.108
Ease of use	625	.339	3.403	1	.065	.535
Cash on delivery	.375	.359	1.089	1	.297	1.455
Time saving	1.438	.350	16.917	1	.000	4.212
Easy and risk free payment option	.134	.323	.171	1	.679	1.143
Constant	.308	.159	3.759	1	.053	1.360

The table No-6 explains the contribution of each independent variable to the model explaining

digital marketing and its statistical significance.

The variable "Complaint readdressal scheme" has negative and significant (prob. value = 0.033 < 0.05) effect on the dependent variable "digital marketing preference" with B = -0.662, Wald

=4.450 and with odd ratio of 0.516. "Discount facility" has positive and significant (prob. value

= 0.000 < 0.05) effect on the dependent variable "digital marketing preference" with B = 2.221, Wald = 32.254 and with odd ratio of 0.108. "Ease of use" has negative and insignificant (prob. value = 0.065 > 0.05) effect on the dependent variable "digital marketing preference" with B = -

.625, Wald = 3.403 and with odd ratio of 0.535. "Cash on delivery" has positive and insignificant (prob. value = 0.297 > 0.05) effect on the dependent variable "digital marketing preference" with B = 0.375, Wald = 1.089 and with odd ratio of 1.455. "Time saving" has positive and significant (prob. value = 0.000 < 0.05) effect on the dependent variable "digital marketing preference" with B = 1.438, Wald = 16.917 and with odd ratio of 4.212. "Easy and risk free payment option" has positive and insignificant (prob. value = 0.340 > 0.05) effect on the dependent variable "digital marketing preference" with B = 0.134, Wald = 0.171 and with odd ratio of 1.143. The hypothesisis accepted for Discount facility and Time saving, as the important factors of digitalmarketing preference.

Findings

- 1. People giving importance to Complaint readdressal scheme have 0.516 times less likelyto prefer digital marketing.
- 2. People choosing for discount facility are 0.108 times more chance to prefer digitalmarketing.
- 3. People preferring to ease of use are 0.108 times more chance to prefer digital marketingare 0.535 times less probable to prefer digital marketing.
- 4. People looking for cash on delivery are 1.455 times more probable to prefer digitalmarketing.
- 5. People desirous to save time are 4.212 times more probable to prefer digital marketing.

- 6. People giving value to easy and risk free payment options are 1.143 times more probableto prefer digital marketing.
- 7. The hypothesisis accepted for Discount facility and Time saving as the important factorsof digital marketing preference.

Discussion

After a comprehensive analysis, it can be deduced that the factors labeled as 'Discount facilities' and 'time savings' exhibit a noteworthy degree of predictive prowess in relation to shaping preferences for digital marketing within the intricate domain of shopping.

In the contemporary landscape of consumer behavior and market dynamics, the emergence of digital marketing has orchestrated a paradigm shift, necessitating a profound understanding of the variables that steer individuals toward this mode of engagement. Evidently, two such variables that have surfaced as significant contenders are the allure of 'Discount facilities' and the prospect of heightened 'time savings'. The concept of 'Discount facilities' encapsulates a multifaceted appeal. Consumers are inherently drawn to economic incentives, and the prospect of availing products or services at a reduced cost is universally compelling. In the context of digital marketing, the ability to access exclusive discounts or promotional offers often acts as a catalyst, encouraging individuals to explore and invest in the digital sphere. This allure is underscored by the convenience of digital platforms, where promotional codes and discounted rates can be seamlessly integrated into the shopping experience, further amplifying the appeal. Concurrently, the concept of 'time savings' resonates deeply in today's fast-paced world. Time, as a precious resource, is in perpetual scarcity, and consumers are continually seeking ways to optimize their routines. Digital marketing, with its inherent capacity to streamline the shopping process, offers a tangible solution to this quest. The ability to peruse products, make purchase decisions, and finalize transactions from the comfort of one's own space is a testament to the time-saving potential of digital platforms. Additionally, the amalgamation of personalized recommendations and tailored advertisements further refines the consumer journey, making it both efficient and effective.

Conclusion

Digital marketing is all about developing marketing strategies to target a particular group of customers by gathering information from those customers. It uses various digital channels to reach a greater number of customers, with the objective of creating a wider and better customer base than before. It is a tool in the hands of modern marketers to generate maximum traffic. As people mostly spend their time on social media, which is estimated to be around 147 minutes a day worldwide, companies tend to utilise this period to boost their sales. With the introduction of digital marketing, companies that were not on par with their competitors in the field now have the desire to use this to promote their brands and companies. With changes in marketing techniques from traditional to digital, the decision-making of consumers has also changed manifold. Consumers today have access to various sources of information as a result of information and experiences shared and received over social media and other digital platforms. In the realm of e-commerce, the service convenience dimension has emerged as the most significant factor in determining the total online shopping experience. Customers expect a smooth experience when making online purchases of goods and services. Consumers can now buy anything, whenever they want, thanks to the adaptable mobile app.

Digital marketing is one such platform that is helping a range of firms increases their revenue. The present study identified discount facilities and time savings as important factors influencing people to choose a digital shopping platform for their shopping. The empirical substantiation of these factors' predictive capabilities rests on a foundation of meticulous research and data analysis. Through intricate surveys, data collection, and statistical modeling, researchers have endeavored to unravel the intricate web of consumer preferences. The

findings consistently underscore the significance of 'Discount facilities' and 'time savings' as prime motivators behind the inclination toward digital marketing. These factors resonate across diverse demographic segments, spanning age, gender, and socioeconomic backgrounds, reaffirming their universal appeal. However, it's imperative to acknowledge the multifaceted nature of consumer behavior. While 'Discount facilities' and 'time savings' emerge as formidable predictors, the landscape is by no means monolithic. Other variables, such as product quality, brand loyalty, and social influence, also interplay to shape consumer preferences in this intricate ecosystem. Thus, the ascendancy of digital marketing in the shopping territory beckons a thorough exploration of the factors driving consumer preferences. 'Discount facilities' and 'time savings' stand out as robust contenders, wielding predictive capabilities that have been substantiated through rigorous research methodologies. As the market continues to evolve and adapt, a nuanced understanding of these variables and their interactions will undoubtedly furnish marketers and businesses with the insights needed to effectively navigate the digital frontier and resonate with consumers on a profound level.

Managerial Implications of the study

Digital marketing takes advantage of the fact that millennial consumers do not prefer one-way communication and cannot interact with a hoarding or a print ad but would rather have two-way communication so that they can directly interact with the business or its existing customers. The study will help advertisers develop online digital platforms and establish effective relationships with their targeted customers. Digital marketing makes the customer remain connected with the company even during market research, promotion of the product, finalising the product to be purchased, and even after buying the product, a customer can suggest modifications or changes through comments, feedback, etc. It ensures that the company is able to reach a wider number of customers by targeting them where they spend most of their time. The current surge of advancement and expansion is heavily reliant on the judicious application of technology, and digital marketing is one such platform that is assisting a variety of businesses in increasing their earnings. The use of mobile phones has expanded at an incredible rate in the last few years. Most businesses have slowly but steadily recognised the potential of mobile apps to improve collaboration between businesses and their target customers.

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