

Exploring the Determinants of Digital Marketing Using Exploratory Factor Analysis

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Abstract: Prior to the digital age neither the consumer nor the marketer were so empowered. The digital age has empowered both. On one hand the marketer has more means to reach to their customers, can design personalized advertisements, can place ads on different channels as per the need and measure the ROI on advertisement. On the other hand, consumers are empowered with information like never before. Today consumer is well aware of what to buy, how to buy and from where to buy. The digital age has revolutionized everything. Prior to the digital age, there were no clear numbers as to how many people advertising reached. Today it is very easy to know the number of consumers that were exposed to advertisement through various analytics. Today the number of internet users in the country are increasing at a fast pace. Because of the exposure to so much information, today modern consumers are not loyal; they are more variety seekers, always experimenting and they become switchers. Consumers have reduced tolerance, they expect an immediate reaction to their actions, response to their queries clear and fast and when they are dissatisfied, they can post viral post or tweet to discredit a brand. A clear understanding of consumer is important today for their acquisition and retention. The current paper is an attempt to understand the different Digital Marketing channels through which consumers may be reached and which Marketing channel influences them the most.

India today is the second largest online market in the world. With about 900 million internet users, it is just behind china (statistica 2022). The digital marketing tremendous growth is highly beneficial for fashion retailers and lays a lot of opportunities for marketers to encash. Viewing the current Indian scenario, it can be seen that people are using internet in everyday life. So, there is a lot of scope for internet marketing in India. Social media in India drives the growth of digital marketing. A huge help is given by social media in driving digital marketing development. Increasingly youth population of the country also considered as tech savvy consumers are seen spending greater time as well as money on online shopping. This generation is highly influenced by the shopping trends. Of all the products popularly sold online, the top ones are consumer electronics, books, apparel, travel, beauty care and financial services. Activities of online shopping are concentrated in most of the urban cities and Mumbai is the prime center followed by Kolkata, Bangalore and Delhi. A large purchasing proportion has been conducted in market places online like Snapdeal(Amazon) that was launched back in 2010.

DIGITAL MARKETING-AN OVERVIEW

Digital marketing is broad term that describes the set of marketing process and marketing of products or services using digital technologies, medium or channels mainly on the Internet,

but also including mobile phones, display advertising, to promote a product or service or build a digital brand. Digital marketing is the avenue of electronic communication which is used by the marketers to endorse the goods and the services towards the marketplace. With the growth of internet usage Digital Marketing is expected to grow rapidly in the coming years. According to a report published by IMAI and Kantar Research, India internet users are expected to reach 900 million by 2025 from about 622 million internet users in 2020, growing at a CAGR of 45% until 2025 (IBEF 2021). Digital adoption in rural areas of the country registered an increase of 13%, recording 299 million internet users in 2020, accounting for 31% of the country's rural population (IBEF 2021).

The supreme purpose of digital marketing is concerned with consumers and allows the customers to intermingle with the product by virtue of digital media (Sathya, 2015). It is also regarded as the use of technologies to help marketing activities in order to improve customer knowledge by matching their needs (Chaffey, 2013). Digital marketing includes internet marketing techniques search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, content automation, campaign marketing, data-driven marketing, e-commerce marketing, social media marketing, social media optimization, affiliate marketing, e-mail direct marketing, display advertising etc. In fact, digital marketing now extends to non-Internet channels such as mobile phones, SMS, and MMS. Internet marketing- often called online marketing or e-marketing is a subset of digital marketing and is essentially any marketing activity that is conducted online through the use of internet technologies. It is in fact the most important component since the majority of digital marketing activities fall within the boundaries of Internet marketing. The channels that make up digital marketing include: Web sites, Social media platforms, Banner placement, email marketing, mobile marketing, SEO, pay per click campaigns, Web TV, SMS, billboards and anything else with a digital foundation.

LITERATURE REVIEW

Social Media Marketing has a huge effect on the buying behavior of Indian millennials. The variables that effects consumers buying behavior because of social media are informativeness, credibility, Entertainment, Privacy concern and word of Mouth. All these variables should be taken into consideration before designing a social media campaign (Arora, Kumar & Agarwal, 2020)

Digital Marketing channels (E-mail Marketing, Mobile Marketing, and Retargeting) directly impacts the consumer buying decision process. Digital Channels help in each stage of consumer decision making process and each digital channel is relevant at different stages of decision making. While e-mail has a high positive impact on two stages of consumer decision making. These two stages are post-purchase and information research, Re-targeting has a high impact on consumer decision making process in almost all the stages of consumer decision making which is at the evaluation stage, information research needs recognition, purchase decision, and post-purchase. (Omar & Atteya, 2020). All these channels have a huge influence in the decision making process.

Digital marketing channels have a huge impact on the purchasing decisions of customers when buying online. Today online companies use various different forms of digital channels to reach out to their customers that motivate them to purchase online. Digital Marketing has increased the awareness level of the consumers on different products and also makes them aware with the product new launches every day. The popping up of advertisements continuously on their mobile phones and promotions frequently in their gadgets has increased consumers frequency of buying (Verma, 2019).

Different digital marketing channels (Email Marketing, Online advertising, social media marketing, and Mobile Marketing) can be used by marketers for reaching customers. In one of the studies conducted in Jordan it was found that Digital Marketing channels effect purchasing decisions of students also. The study confirmed all the four hypotheses in the Jordan market which individually were effect of Email Marketing, Social Media Marketing, Mobile Marketing and Online advertisements on Students purchasing decision. The study confirmed that all the four Digital Marketing channels positively affect students purchase decisions. Out of the four the most neglected Digital Marketing channel was Email Marketing (Al-Azzam & Al-Mizeed 2021).

Digital Marketing is not only confined to companies but can also be used by educational sector effectively. In Education sector both content Marketing and social media can play an important role in determining perception of parents and their satisfaction towards educational institutions. Social Media Marketing and content Marketing may affect the customer satisfaction towards educational institutions as well as they may be used for building good relationship with parents. The information on social media and contents available on different mediums are very attractive for parents and can really prove to build long term sustainable relationship with parents (Calixto, 2021).

The rapid advancements in technology and growth of digital devices like tablets, computers and smart phones have paved the way for Digital Marketing. Consumers today from all walks of life like using technologically advanced devices. In a Digital Marketing environment there are various factors that affect consumers purchase decision which are quality content, effective layout, information and exchange of opinions. In a Digital Marketing environment reviews and layout of Digital Marketing plays a vital role in affecting consumers purchase decisions. The study examined the impact of Digital Marketing activities on consumers purchase decisions and found it positive(Dastane 2020).

There is an association with the various Digital Marketing practices, customer satisfaction and customer involvement and the purchase intent of the customer. The research studied the Digital Marketing strategies of life insurance companies during. Covid 19 changed the buying behaviour of customer. It was during pandemic a large number of consumers opted for online shopping and marketers also accelerated their Digital Marketing activities. In the current study 18 items were used and data was analyzed through structural Equation Modelling. Findings revealed that SEM/SEO, E-CRM, content marketing and display marketing practices had significant effect on customer satisfaction and purchase intention. Customer involvement and

customer satisfaction were used as the mediating variable between Digital Marketing strategies and purchase intention(Dash and Chakraborty, 2021).

RESEARCH METHODOLOGY

For the present study google forms were used for the purpose of data collection and were distributed online to the respondents. Samples were collected from different cities of Uttar Pradesh like Noida, Lucknow, Bareilly etc. A structured questionnaire was used for the purpose. The total number of respondents in the survey were 100.For Secondary data books, articles, research papers etc. were used for the study. The questionnaire consisted of two parts. The first part focused on the demographic information of the consumers while the second part consisted of five pointer Likert's scale questions.

TOOLS FOR DATA ANALYSIS:

Statistical Package for Social Sciences (SPSS) software was used in the analysis of primary data. Reliability analysis, Factor analysis and Item-total correlation were used for data analysis to identify factors which are significant in the study.

DEMOGRAPHIC PROFILE OF THE RESPONDENTS

VARIABLES	FREQUENCY	PERCENTAGE
GENDER		
Male	46	46%
Female	54	54%
AGE		
18-25	27	27%
26-30	21	21%
31-35	26	26%
36-40	14	14%
41 & above	12	12%
EDUCATION		
Undergraduate	5	5%
Graduate	31	31%
Post Graduate	56	56%
Others	8	8%

Table 1

DATA ANALYSIS

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.839
Bartlett's Test of Sphericity Approx. Chi-Square	1815.758
Df	300
Sig	.000

Table 2

Source-Authors own compilation

KMO and Bartlett's Test: KMO (Kaiser-Meyer-Olkin) Measure and Bartlett's test gave result of .839 (Table -2), which is considered suitable for Factor Analysis as per Malhotra (2007). The Factor analysis depends on the scores of KMO (Kaiser-Meyer-Olkin) which indicate the appropriateness for the same. It is also known as the Measure of Sampling adequacy. Higher values of KMO usually signify that the factor analysis is statistically suitable for data analysis and generalization. In simple words the value of KMO being close to 1 would explicate a perfect correlation between variables and ensures that the results of factor analysis can be considered suitable. If the value of KMO is below 0.5, then it is suggested that the factor analysis is not suitable rather the researcher should try to gather more data. As suggested by Hair et al. (2010) if the KMO value is greater than 0.6 and Bartlett's test is also significant then the data set is considered suitable for Factor analysis. The value of KMO was found to be .839 which means the sample was adequate for employing EFA.

Exploratory Factor Analysis was used in the study for determining the factors that effects consumers buying behavior of Fashion products. EFA explores the relationship between factors and their individual items. A factor is represented by items that are grouped together. These items are related to each other and unrelated items are the ones that does relate with other items and do not represent the underlying factor. These items are usually deleted from the final questionnaire. Sampling adequacy was determined with the help of KMO.

FACTOR ANALYSIS

There were 5 factors identified after conducting factor analysis that affects consumers buying behavior of Fashion products because of Digital Marketing strategies by companies. The 5 factors were given appropriate names based on the variables and how well they loaded together. Factor loadings and naming of the factors are present in Table-4.

VARIABLE	LOADING FACTORS	FACTORS
The Emails i receive from fashion retailers contains information about the latest fashion trends	.812	EMAIL MARKETING
The Emails i receive contains information about special offers going on	.836	
The Emails i receive contains information that is relevant to me	.828	

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The Emails i receive contains information about coupons and gifts from fashion retailers	.828	
Social Media influences me to try new fashion products	.592	SOCIAL MARKETING
I find the product information on Social Media about new products and brands very relevant	.597	
The product recommendations given on social media makes me buy new products	.680	
social media makes purchase recommendations of Fashion products as per my requirements	.787	
I feel my fashion needs are met by using social media	.845	
social media facilitates personalized information search of the products I need	.788	
I feel the Contents visible on social media is about the latest trend	.773	
Anything trendy is available on social media	.760	
Blog posts on fashion styling tips and techniques influences me to try new products	.791	CONTENT MARKETING
I find the videos on fashion products by companies very relevant	.695	
I get influenced by fashion products with good picture quality	.661	
Fashion articles on websites, frequent posts, videos by companies make me buy their product	.581	
SMS notifications on my Mobile phone makes it easier for me to know about the new offers and discounts going on	.751	MOBILE MARKETING
Personalised advertising messages customized to my profile are useful	.662	
Mobile Apps helps me to accomplish shopping quickly	.812	
Mobile Apps helps in making better purchase decisions	.783	
Using Mobile Apps for shopping saves my money	.831	
I find the product recommendations by fashion blogs & Affiliate websites relevant	.814	AFFILIATE MARKETING
Product reviews given on blogs, other websites convince me to try new products	.825	
Digital coupons given by blogs & websites influences me to buy their products	.757	
Product recommendations given by blogs & websites makes me buy their product	.720	

Source-Compiled by the author

TOTAL VARIANCE EXPLAINED

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% Of Variance	Cumulative %	Total	% Of Variance	Cumulative %	Total	% Of Variance	Cumulative %
1	9.621	38.482	38.482	9.621	38.482	38.482	5.343	21.374	21.374
2	3.314	13.255	51.737	3.314	13.255	51.737	3.847	15.389	36.762
3	2.054	8.215	59.952	2.054	8.215	59.952	3.135	12.539	49.301
4	1.425	5.701	65.653	1.425	5.701	65.653	3.039	12.154	61.455
5	1.293	5.172	70.824	1.293	5.172	70.824	2.342	9.369	70.824
6	.944	3.776	74.600						
7	.868	3.472	78.072						
8	.753	3.011	81.083						
9	.637	2.548	83.631						
10	.570	2.279	85.909						
11	.464	1.858	87.767						
12	.385	1.539	89.306						
13	.357	1.426	90.732						
14	.340	1.360	92.092						
15	.279	1.116	93.209						
16	.262	1.048	94.256						
17	.241	.963	95.219						
18	.200	.799	96.018						
19	.197	.788	96.806						
20	.184	.736	97.543						
21	.175	.700	98.243						
22	.146	.582	98.825						
23	.121	.485	99.310						
24	.100	.402	99.712						
25	.072	.288	100.000						
Extraction Method: Principal Component Analysis.									

Source-Compiled by the author

The above table indicates that 25 statements were reduced to 5 factors which explained 70.824 per cent of cumulative variance. The variance reflects considerable contribution of these factors on influencing consumer buying behavior because of Digital Marketing strategies. In other words, 70.824 per cent of the behavior of consumers in choosing products because of the

exposure of Digital Marketing is due to these 5 factors. The first factor has an Eigen value of 9.621 and since it is greater than 1.0 it explains more variance than a single factor. The percentage of variance explained by this factor is 38.482 per cent. The second factor has Eigen value of 3.314 and it explains 13.255 per cent of variance. The third factor has an Eigen value of 2.054 and it explains 8.215 per cent of the variance. The fourth factor has Eigen value of 1.425 and it explains 5.701 per cent of variance. The fifth and the last factor has Eigen value of 1.293 and it explains 5.172 per cent of variance.

RESULTS AND DISCUSSION

The above analysis shows that a total of five factors were extracted after conducting factor analysis and each of these five factors impact the consumer's buying behavior because of Digital Marketing by Marketers. The factors identified were: Email Marketing, Social Media Marketing, Content Marketing, Affiliate Marketing and Mobile Marketing. The factors extracted, tells us the vital components in Digital Marketing Strategies that influences consumers buying behavior. In the digital age when consumer retention is the biggest challenge for any company, it is imperative for companies to understand the various factors that influences their buying behavior and work on them. Fashion in particular changes at a rapid pace and with online retailing of fashion products, consumers buying behavior has totally transformed. The ease of buying and the variety that online retailing offers attracts consumers the most. Because of pandemic online shopping has seen huge acceptance. People today are not concerned about online buying and even don't find online payment risky. Digital Marketing accelerates the whole mechanism of online shopping. When a consumer sees a product endorsed by an Affiliate, reads a content on social media, comes across various videos and pictures of the products, gets assured by the reviews and rating finally makes the purchase through Mobile applications goes through various Digital channels and finally buys the product. Marketers need to design their campaigns in such a way that these Digital channels touches consumers at different levels of decision making. This will help them in targeting customers in the most effective way and helps in both customer acquisition and retention.

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