

THE IMPACT OF DIGITAL MARKET ON CONSUMER PURCHASING BEHAVIOR

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ABSTRACT

The intensely competitive market and the technology developing with the use of the internet have shifted the traditional market to digital marketing strategies. Today, digital marketing has spread to a wide area. Digital marketing helps us to discover the business model that reduces cost and expands business globally by using digital technologies in a highly competitive market. Today, customers find digital marketing much safer than traditional marketing, as they are more satisfied with online shopping than traditional shopping. Digital marketing allows customers to review and compare product information offered by companies. Accordingly, customers enjoy the freedom to choose and order products at any time, 24/7 and wherever they are. Updated technologies and the increase in internet usage increase the interconnectedness of consumers day by day. As a result, consumer behavior is changing. This research study analyzes the impact of digital marketing on consumer buying behavior. As a result, traditional marketing will shift more towards digital marketing in the near future.

Keywords: Digital, Digitalization, Technology, Behavior,

1. INTRODUCTION

Digital Marketing refers to online marketing and internet marketing. Digital Marketing is extremely important as it covers a wide range of marketing areas and provides the opportunity to communicate directly with customers. The intensely competitive market and the developing technology with the use of the internet have shifted marketing strategies to digital marketing strategies. The use of digital marketing is increasing day by day as consumers buy a wide variety of products not only from within certain geographical boundaries but also from all over the world.

Digital marketing markets products and services predominantly through the internet and also through digital platforms such as mobile phones. Marketing in digital environment gives more satisfaction as marketers can ask more questions to customers and also give suggestions regarding any product and service (Charlesworth, 2022). The environment for communication in the digital market is much more favourable than in traditional marketing, because many means of communication are used: website, chat, e-mail, etc., which makes marketing much more effective. The fastest way to grow a business worldwide is to use digital marketing effectively. Thus, more customers can be reached in a shorter time. Where it is very difficult to measure the efficiency of a campaign in traditional marketing, it is much easier to measure the efficiency of a campaign with analytical data. In the digital market, it is very easy to constantly make changes and update information according to their goals and services, and customers can review information that is useful to them wherever and whenever they want with the help of the internet (Chaffey, 2022).

Today, online shopping sites such as Amazon offer various product groups and different brands, thus becoming attractive among users. It allows customers to shop from anywhere at any time by downloading the application over the internet and increases customer satisfaction with the exchange and return guarantee it provides. Today, almost everyone relies on online shopping for ordering all kinds of products, whether it is groceries or clothing, today everyone knows how to visit online shopping websites, how to find and order the product they want to order, how to give feedback on this product. It is the right of every customer to receive complete information about each product and nothing should be hidden from customers because they can complain about any product if they are deceived. Customers can compare multiple products that serve the same purpose at any time and order according to their preferences, because digital marketing serves customers on a 24-hour basis, allowing them to shop wherever and whenever they want. Thus, customers do not need to take time out of their busy schedules for shopping (Samoilenko, 2022).

Today, customers find digital marketing much safer than traditional marketing, as they are more satisfied with online shopping than traditional shopping. People from all income groups shop online, these shopping environments offer different prices, different product types and different payment methods, making it easier for customers to shop online.

Today digital marketing is becoming a very important part of business development for every organisation as it not only increases the profit margin of the organisation but also expands the business globally. As customers gain more confidence after getting all kinds of information about the product, they remain loyal to the product and give feedbacks which builds a good relationship between customers and vendors. Digitalisation plays an important role in today's competitive market as it is a business model that involves discovery, reduces cost and expands business globally. This model not only benefits customers, but also reduces organisational tensions as there is no fixed location of the store, so there is no fear of wear and tear or theft of goods. It also improves the quality of the work and ensures transparency, which reduces fraud.

E-Commerce was largely seen as a tool to drive and accelerate change. Today, business recognises the permanence of e-commerce and is experimenting with new ways to survive in a highly competitive market. With new opportunities, the Internet is creating a global digital economy (Teo and Yeong 2003).

From electronic data exchange to e-commerce, many changes are emerging. The growth of the internet in the highly competitive market has created the potential vision of e-commerce. E-Commerce is nothing but a traditional business done using electronic means. It has seen a comprehensive change from electronic data exchange to e-commerce. The growth of the Internet has created a potential vision for the Internet. Today the traditional market is outdated, now the future is in e-commerce. It involves the entire process of producing and selling products using the Internet. It helps to build closer relationships between both customers and sellers and also allows companies to be more flexible in their operations. For companies in every corner of the world, the internet is a global business platform. E-commerce completely increases speed, globalises the product, increases efficiency and enables new customers to be reached in less time (Corcoran, 2023).

The primary objective of the digital marketplace is to understand the needs of customers and allow them to mix products through digital media. The digital marketplace enables the customer to obtain information about the product provided by the company, which brings transparency about the product. With the help of the Internet, customers can browse the information shared about the products 24 hours a day and order them anytime and anywhere. All kinds of products meet with customers in the digital market. Today, almost every customer is dependent on the digital market because it saves time and most of them are satisfied with online shopping (Alhussein and Atilgan 2021).

Today, online shopping is considered safer for customers than traditional shopping, every customer group is aware of the digital market today. Customers believe that online shopping is easier and cheaper because it includes a wide variety of products from all over the world and eliminates intermediaries. Technology in the digital market is improving every day. Digital Marketing can collect customer feedback very easily and respond quickly to customer problems. This provides transparency not only before but also after the purchase. In the current market, the digital market has a bigger future as it provides more benefits to both sellers and customers (Hanlon, 2022).

A first mover advantage is a large initial advantage that is achieved to a significant extent. If a market participant is the first to enter the market, it has first-mover advantage and gains competitive advantage through control of resources. With this advantage, first movers are rewarded with large profit margins and a monopoly-like situation. Not all first movers are rewarded. If the first mover does not capitalise on its advantage, the "first mover disadvantage" leaves new entrants with a chance to enter the market and the opportunity to compete more effectively and efficiently than first movers; such firms have a "second mover advantage". It allows the company to build strong brand awareness, product and loyalty in the market before other companies enter the market (Özbalcı, 2022).

The main emphasis underlying this belief is to take full advantage of technologies that will be beneficial for society and help to reduce the workload and reduce costs. Digitalisation also enables customers to access products online, in any corner of the world. Digitalisation, which is the key to increasing competition, also creates the image of businesses. It creates a great opportunity for businesses to play a greater role in international markets. Today, technology is used for production, trade, learning, interaction with customers and helps organisations in many other areas (Dikbiyik, 2016).

A consumer is a person who buys products and services in order to meet his/her expectations, wishes and needs. According to another definition, consumer behaviour is the process of evaluating whether the product meets their expectations not only when they buy the product but also after they buy it (Yağcı & İlarıslan, 2010).

1.2. Purpose of the Research

The aim of this study is to examine the impact of digital market on consumer buying behaviour.

1.3. Importance of Research

The research examines the impact of digital marketing on the customer's purchasing decision. This study analyses the behaviour of customers in using digital marketing channels in their purchasing decisions and the reasons why they prefer digital marketing more when making decisions about what kind of products they buy.

1.4. Limitations

This research was limited to 50 participants randomly selected from the Nicosia Region of TRNC.

2. THEORETICAL FRAMEWORK

The Importance of the digital market today

In our globalising world, traditional marketing understanding has been replaced by digital marketing due to the impact of technological developments today. It is seen that the first research of the digital market started with online surveys in the early 1990s. It was observed to be inefficient in the first years. The reason for this is that the technology is new and perceived as inefficient (Comley, 1996).

Digital marketing, which has developed until today, has a very important place for people. In addition, one of the most critical points in the digital market is the human element rather than technology. (Ryan, 2016) With the help of technological tools that are always at hand, it has become very fast and easy to access all kinds of services and products. One of the most important elements of digital marketing is that its cost is lower, which allows it to be preferred both for the company that wants to sell its product and for customers. (Stewart & Zhao, 2000)

The Impact of the digital market on purchasing behaviour

If we look at the effects of the digital market on consumer purchasing behaviour, the place of social media tools, advertisements and digital marketing is undeniably great. Thanks to the tablets, televisions and mobile phones at the consumer's disposal, it is important from different angles that it affects the behaviour of consumers such as accessing products, having information about them, facilitating access, reporting feedback after sales (Mangold-Faulds, 2009).

If we look at other factors affecting consumer purchasing behaviour, social, economic, cultural, psychological and personal factors can be counted. It would be right to emphasise psychological factors as the most determining factor. Psychological factors can be classified as personality, attitude, motivation, intuition, belief, learning, perception and attitudes (Karaman and Akdogan 2021).

3. RESEARCH METHOD

3.1. Population and Sampling

The population of this research consists of 80 people selected from the Nicosia region of TRNC. The sample consists of 50 volunteers who were randomly selected from this population and participated in the research.

3.2 Data Collection Tools

In this study, the questionnaire method was used and the participants were asked to fill in the questionnaire themselves after making explanations. In this questionnaire, both open-ended and closed-ended questions were asked to the participants.

3.3 Data Analyses

The data were analysed in SPSS package programme.

3.4 Findings

Chart 1: Demographic Information

		Number of person	%
Sex	Male	23	46
	Female	27	54
Education	University Graduate	21	42
	Master's Degree	14	28
	PhD	9	18
	Other	6	12
Monthly Income	<12,000	3	6
	12000-20,000	11	22
	20,000-30,000	29	58
	>30000	7	14
TOTAL		50	100

Of the participants, 46% were male and 27% were female, and 42% were university graduates, 28% were master's degree graduates, 18% were doctorate graduates and 12% were other graduates. Regarding the distribution of monthly income, it was found that 6% were <12,000; 22% were between 12,000-20,000; 58% were between 20,000-30,000 and 14% were >30,000.

Hypothesis 1: Relation of educational background with Digital Marketing awareness

	Social Media	N	Website / Blog	N	Multimedia Channels	N	E-mail	N	Other	N	Total	N
University Graduate	1	10	0	0	0	0	0	0	0	0	1	2
Master's Degree	5	50	12	67	3	50	6	55	3	60	29	58
PhD	3	30	5	28	3	50	4	36	2	40	17	34
Other	1	10	1	6	0	0	1	9	0	0	3	6
Total	10	100	18	100	6	100	11	100	5	100	50	100

In the distribution of digital marketing awareness of the participants, it was revealed that 10% of the participants were university graduates, 50% were master's graduates, 30% were doctoral graduates and 10% were other graduates in the connection of social media channels. In the link of website/blog channels, 67% of them have a master's degree, 28% have a doctorate degree and 6% have graduated as other. In the connection of multimedia channels, 50% of them have master's degree; 50% of them have doctorate degree. In the connection of e-mail channels, 55% had a master's degree, 36% had a doctorate degree and 9% had other degrees. Finally, it was revealed that 60% of the respondents had a master's degree and 40% had a doctorate degree in other channels. Considering the digital marketing awareness in general, it was revealed that 2% were university graduates, 58% were master's degree graduates, 34% were doctoral graduates and 6% were other. When the comparisons are analysed, it is seen that educational status is not related to digital marketing awareness. According to Hypothesis 1, educational status is not related to digital marketing awareness.

Hypothesis 2: Monthly income does not affect the preference of people to purchase certain products through digital sales channels.

	Finished Products	Shopping Products	Special Products	Total	N
<12,000	4	5	0	9	36
12000-20,000	1	3	2	6	24
20,000-30,000	0	1	0	1	4
>30000	1	7	1	9	36
Total	6	16	3	25	100

The purchasing preferences of people with a monthly income <12,000 are 36%; the purchasing preferences of people with an income between 12,000-20,000 are 24%; the purchasing preferences of people with an income between 20,000-30,000 are 4%; and the purchasing preferences of people with an income >30,000 are 36%. According to Hypothesis 2, it is revealed that the monthly income status does not affect the purchasing preferences of people on digital sales channels.

Hypothesis 3: Digital Channels do not change people's buying behaviour.

	Definitely Agree	N	Agree	N	No Idea	N	D.Agr	N	Definitely Disagree	N	Total	N
Social Media	1	8	1	12	0	0	0	0	0	0	2	7
Web site / Blog	8	67	5	63	1	33	2	67	1	50	17	60
Multimedia Channels	0	0	1	12	0	0	0	0	1	50	2	7
E-mail	2	17	0	0	1	33	0	0	0	0	3	11
Other	1	8	1	13	1	34	1	33	0	0	4	15
Total	12	100	8	100	3	100	3	100	2	100	28	100

According to the results of the 5-point Likert scale on the purchasing behaviour of people on digital channels, 8% strongly agree and 12% agree on social media. Over the website/blog, 67% strongly agree, 63% agree, 33% have no idea, 67% disagree and 50% strongly disagree. Through multimedia channels, 12% strongly agree; 50% strongly disagree. Via e-mail, 17% strongly agree; 33% have no opinion. Through other, 8% strongly agree; 13% agree; 34% have no opinion; 33% disagree. Hypothesis 3, Digital Channels do not change people's buying behaviour.

Hypothesis 4: Customer satisfaction is not associated with products purchased through digital channels.

	Finished Products	N	Shopping Products	N	Special Products	N	Products Not Frequently Searched	N	Total	N
Social Media	1	20	3	18	0	0	0	0	4	13
Web site / Blog	2	40	13	76	2	25	0	0	17	57
Multimedia Channels	0	0	1	6	0	0	0	0	1	4
E-mail	1	20	0	0	3	37,5	0	0	4	13
Other	1	20	0	0	3	37,5	0	0	4	13
Total	5	100	17	100	8	100	0	0	30	100

Of the respondents who prefer ready-made products, 20% via social media, 40% via website/blog, 20% via e-mail and 20% via other digital channels. Of the respondents who prefer shopping products, 18% via social media, 76% via website/blog and 6% via multimedia channels. Among the respondents who prefer speciality products, 25% of them are via website/blog, 37.5% via e-mail and 37.5% via other digital channels. According to the results obtained from the table, the hypothesis is not accepted. As a result, customer satisfaction is associated with products purchased through digital channels. Hypothesis 4 Customer satisfaction is not associated with products purchased through digital channels.

CONCLUSION AND RECOMMENDATIONS

This study reveals that people are aware of digital sales / marketing channels regardless of their educational status and that customers prefer digital sales channels to purchase all kinds of products. When the data collected from the participants were analysed, it was observed that the monthly income of the people who use Digital Sales channels is not related to the variety of products they want to buy. This study reveals that Digital Channels do not change people's purchasing behaviour. It is very important to understand the psychology of consumers in a dynamic environment. In order to make the business sustainable, the changing purchasing behaviour of consumers in the digitalised world must be well understood. Many threats and challenges await marketers in this revolutionary economy. People should be made more aware of the advantages of digital marketing. More efforts should be made to make digital marketing secure, which will lead to a significant increase in market size. Digitalisation has brought a positive change to the purchasing behaviour of consumers. It has provided a great advantage in online shopping and bill payment, especially for working individuals who live in big cities and have time and transport problems. Digitalisation has provided various consumer-oriented advantages such as gift vouchers, discount coupons, cashback and cash discounts to encourage consumers to use digital transactions. Promotional campaigns, customer-to-customer workshops and road shows should be organised to raise awareness about digitalisation and increase the use of digitalisation.

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