

# **To Study Customers' Perceptions of Digital Marketing Communication in the Indian Automobile Sector**

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## **ABSTRACT**

The study's introduction, which covers the influence of digital technologies on consumers, the idea and features of digital marketing communication, and modern digital channels of communication, is covered in this chapter. The paper also provides an overview of the Indian passenger automobile industry, including its brief history and the market shares of the key companies, as well as specifics on digital data for the country. The developments in digital marketing for the Indian passenger automobile industry are also covered in this chapter. The chapter provides a brief overview of the study's goals, importance, parameters, and structure.

**Keyword:** *Digital Technologies, Goals, Importance, Parameters, Automobile*

## **INTRODUCTION**

Global consumer behaviour is changing dramatically as a result of ongoing technology advancements. Customers are being pushed to become more knowledgeable, connected, educated, and empowered by the widespread, affordable, easy-to-use, and cutting-edge technology. In the socially connected era, customers have evolved into "prosumers," actively participating in the co-creation, customisation, and passionate promotion of marketing material in addition to being the recipients of it. Marketers are also aware of and grateful for the shift that technology has brought about, which is evident in how customers are using it. Consumers' and marketers' lives are being concretely impacted by this shift. The "internet" is the best illustration of change, having drastically changed how people communicate, share, and obtain information, as well as conduct business. The World Wide Web and the internet's rapid expansion created a worldwide online marketplace for consumers and businesses, which in turn encouraged marketers to explore new approaches to marketing in computer-mediated environments.

The development of digital technologies in recent times and the internet's constant and quick integration with a wide range of gadgets has fueled the shift even further. Currently, this interactive media transcends beyond the confines of a traditional computer screen and encompasses other digital devices such as smartphones, tablets, digital TV, mobile phones, and smart phones. Businesses have been forced by the digital technology revolution to reorganise their marketing strategies, particularly in the area of communication, in order to effectively interact with their past, present, and future clients. Players in the market are not left with the option to refuse change. They will become victims of "Digital Darwinism" unless they make real behavioural and operational changes. Every area of business, including purchasing and selling, product management, supply chain management, business communication, and customer relationship management, has changed as a result of digital technology, especially the internet. The utilisation of technology in business has led to a reduction in various corporate expenses and provided a competitive edge. Businesses have been able to increase their total product development skills by utilising the power of digital technology to get precise client input. Digital media offers an expansive avenue for gaining new clientele and fostering meaningful interactions with them, which contributes to brand recognition, image development, and placing the company in the minds of target consumers. Accurate consumer profile that arises from this allows for profitable customer targeting across digital media. The most recent technical instruments, which reveal the unique wants of the clients to the marketers, may assist preserve better customer relations. Digital channels provide essential information about target consumers, which increases valuable customer interaction and enhances the customer experience, resulting in a sustained competitive advantage.

## **Scope of the Study**

The purpose of the study was to determine how customer decision-making during the car-buying process in India was affected by digital marketing communication. The study was customer-oriented, aiming to understand the influence on their decision-making, so it didn't carefully distinguish between technologies like the internet and mobile communication, gadgets like smartphones and feature phones, digital TV, and websites, online communities, social networking sites, and

YouTube. Since it was thought that a computer, as a device, relies on internet technology to establish personal contact with clients for marketing purposes, the study excluded computers as digital marketing communication channels. Additionally, content-based platforms that people may access through computer displays enabled by mobile technology or PCs connected to the internet are used by marketers to promote their offerings. The study consolidated several technical terminology into one, channels, for the purpose of comprehension. Accordingly, a "channel" in this study was defined as a "medium" that the marketers utilised to convey their messages to the customers. Digital channels are the "media" that rely on digital technology to provide customers with timely, relevant, personalised, quantifiable, and individual information. This was carried out in order to observe the broad effects of modern digital channels utilised for digital marketing communication on consumers' purchasing decisions. The term "website" in the study was used to refer to search engines, manufacturer websites, and independent comparison websites.

Since impact and effect are frequently used interchangeably in consumer-oriented research, the term "impact" in this study really reflected the word "effect." The study did not include quantitative impact metrics like "recognition" and "recall," which are often employed in brand-specific research, because its focus was on the broader idea of digital marketing communication and its influence on the purchasing decision-making process. Furthermore, given the study was cross-sectional in nature, causation has been inferred based on theory. According to the EKB Model, the consumer buying decision process is viewed as a sequence of steps that include identifying a need, gathering information, weighing options, making a choice, making the purchase, and following up on the purchase. In the study, the terms "customer" and "consumer" were used interchangeably.

relying mostly on the literature review. The questionnaire's questions centred on the qualities of digital marketing communication and how each stage of the purchasing process affects consumers. Digital marketing communication was judged to have a "positive" influence on any step of the buying decision process when a stage was found to have a "statistically significant" higher than average value. The study's findings will aid marketers in developing plans with a better grasp of the ideal digital marketing attributes and the favoured digital channel at every step of the customer purchasing process, as well as in assessing the overall impact. The premise for studying "preference" was "usage." The most popular channel was sometimes referred to as the most "preferred" since in the world of technology, utilisation only yields. In order to anticipate the usage intentions of digital marketing communication during the car-buying process, this study used the Theory of Planned Behaviour (Decomposed) model. If the results are good, they might provide marketers with incredibly valuable data. In addition to comprehending intended and actual usage, marketers would be able to take advantage of key elements associated with digital marketing communication that may encourage the desired behaviour. The study's findings may also be utilised to comprehend consumers' inclinations to utilise digital technologies in other product categories that involve technological interventions, such as online shopping, social media marketing, online travel and tourism, online music and games, and app marketing. The study used a "adult" family member who either had a car or intended to get one in the near future as its sampling unit. It was quantitative in nature. Numerous demographic factors were taken into account in the study, including gender, age, occupation, income, and yearly household income. Nevertheless, the study's sample did not take respondents without a formal education into account. Furthermore, the survey only took into account adult respondents, meaning those who were older than 18. The study did not take into account teenage children (ages 10 to 17) living in the home. The research used "Pune" as its sampling region and employed area-wise proportional sampling. Thus, the study's findings may be applied to major cities like as Mumbai, Kolkata, Chennai, Pune, and Bangalore. However, one must be cautious enough to recognise the inherent variations resulting from demographic disparities when extrapolating the study's findings for Tier I and Tier II. Furthermore, substantially different findings may be obtained using other sampling methodologies. Big-scale studies with big samples may provide different results given the evident time, effort, funding, and sample size limits associated with academic research.

## **REVIEW OF LITERATURE**

According to Jonathan (2012), social media influences consumers' decision-making process at every stage, but it has the most impact on the information-seeking and post-purchase phases. According to Funde and Mehta (2014), social media is utilised by 65% of customers to get the information they need, mostly due to its perceived trustworthiness, efficacy, and ease of use. Consumers engage with social media by leaving reviews and comments on blogs, news, images, and videos. They also actively vote for their preferred companies and take part in online forum debates. Social media is also discovered to have a major impact on consumers' attitudes (Muthiah and Kannan, 2015). According to a Nielsen research (2014b), social media content satisfies 54% of consumers' information demands, which are essential for making a purchase choice. According to Ioană and Stoica (2014), most consumers look for information on manufacturers' websites, search engines, discussion boards, and comparison webpages, etc. Customers utilise search engines, online forums, and social networking sites most frequently. The bulk of consumers are increasingly using modern digital communication channels, such as

cellphones, digital TVs, digital outdoor speakers, etc., as their main information sources before making a purchase choice (Dahiya, 2013).

Charan (2014) while assessing the impact of digital marketing on consumer behaviour emphasized that consumers make use of various digital channels of communication in their purchase decision journey. They consider digital channels as important sources of information which also facilitate the purchase. Moore and Benbasat (1991) and Tanakinjal, Deans and Gray (2010) attributed mobile phones as a contemporary communication channel providing instant connectivity irrespective of location, specific and relevant information through calls, SMS, MMS, alerts, notifications, apps, value added services and high speed data services to mobile users (Pandey and Shukla, 2010).

When it comes to communication channels, YouTube outperforms traditional ones. "User Generated Content" significantly influences and moulds brand perceptions (Reino and Hay, 2011). According to a Google survey (2013b), 40% of Indian female users ranked YouTube as their primary information source. According to a different research by "Pixability" research (2014), customers watch YouTube videos before deciding what to buy and are also impacted by them. The report went on to say that the main things people do on YouTube are research, find new items, and read other people's evaluations. Videos published by experts and other customers are also taken into consideration by consumers when making decisions, in addition to branded videos from marketers.

## **OBJECTIVES OF THE STUDY**

1. To determine which digital platforms are most popular with customers when they purchase an automobile.
2. To assess customers' perceptions of digital marketing communication in the Indian automobile sector.

## **RESEARCH METHODOLOGY**

The goal of the current descriptive study is to examine how digital marketing communication affects consumers' car-buying decision-making processes. Every communication medium utilised by Indian passenger vehicle marketers was covered in the study, including YouTube, digital TV, social networking sites, websites, mobile phones, digital outdoor spaces, and online communities. The study conducted a "elicitation" study and a thorough literature analysis to identify the essential qualities of digital marketing communication. The items on the questionnaire were then formulated to align with the commonly held beliefs about these characteristics. The study's cross-sectional design stems from the fact that the respondents were only contacted once to get the necessary data. A sampling unit refers to the minimum unit of observation for obtaining information about the variable/phenomenon of interest. Car is considered a family product in India involving significant investment and interest of all the family members. So, for the current study any adult member of the family which either owned a car or planned to buy a car in near future from the selected geographical area was considered eligible to be the sampling unit. The current study used quantitative data, requesting the necessary information from 701 respondents who lived in the Pune region. The research approach used in the study was cross-sectional descriptive, and participants were contacted just once. With a larger sample size and a longitudinal research methodology, the suggested study may provide different findings. It is also conceivable that different outcomes may be obtained if the research is carried out in non-metropolitan areas. The researcher gave the rural respondents an explanation of the questionnaire statements in Hindi. If respondents from rural areas are not taken into account while conducting comparable surveys, different findings may be obtained. Furthermore, in such descriptive studies—which also applied to the current study—restraints of time, money, and other resources cannot be avoided. Data that provide light on significant facets of consumer behaviour were gathered for this study. Nevertheless, given that consumer behaviour is always shifting dependent on the time of day and their moods, it is exceedingly challenging to make precise predictions about it using this data.

## **RESULTS AND DATA INTERPRETATION**

**Table 6.1: Respondents' Age Distribution**

Age Categories	Frequency
18-25 years	186
26-30 years	145
31-35 years	119
36-40 years	84
above 40 years	167

### Education

Data for the research was gathered from participants with varying educational backgrounds. The educational background of sample responders is displayed in Table. In the sample, 43% of respondents stated they had a graduate degree, compared to 33%. Respondents claimed to be postgraduate students. While 2% of respondents had further educational credentials, such as a diploma or doctorate, 14% of respondents were intermediate (senior secondary).

**Table 6.2: Respondent's Educational Background**

Educational Background	Frequency
Senior Secondary	125
Graduate	370
Post Graduate	180
Others	26

**Table 6.3: Alternatives Evaluation Frequency Table**

Statements Associated with Information Search	SD	D	N	A	SA
Accessible professional guidance via digital platforms	12	58	148	278	128
Customer testimonials regarding DM aid in assessment	13	48	118	198	146
Feel good about the vehicle brand that has received the most favourable evaluations.	14	48	142	252	142
More weightage to consensus recommendations	17	68	168	228	138
Automobile brands are easily comparable.	10	36	110	248	211

A significant proportion of the respondents recognised that they had a positive opinion of the automobile brands that received the most positive evaluations in digital media, as shown in table. When assessing the automobile brands, the vast majority of respondents placed greater trust in the suggestions made by the consensus than in the claims made by the manufacturers. Additionally, respondents gave all of the statements on the evaluation of alternatives an above average value, indicating that they were using digital communication channels to evaluate alternatives throughout the car-buying decision-making process. By using the "One Sample Wilcoxon Signed Rank Test" at the 5% level of significance, the significance of the results was examined. The following were the test's hypotheses:

**Table 6.4 Provides A Summary Of The Hypothesis Test And Descriptive Data**

Statements Associated with Information Search	N	Mean	Std Devi.	Decision
Accessible professional guidance via digital platforms	501	2.70	0.946	Disprove the Null Hypothesis
Customer testimonials regarding DM aid in assessment	501	2.92	0.962	Disprove the Null Hypothesis
Feel good about the vehicle brand that has received the most favourable evaluations.	501	2.93	0.992	Disprove the Null Hypothesis
More weightage to consensus recommendations	501	2.96	1.12	Disprove the Null Hypothesis
Automobile brands are easily comparable.	501	2.86	0.96	Disprove the Null Hypothesis

Respondents felt that simple access to professional guidance, evaluations from other customers, and recommendations that were endorsed by the majority of consumers helped them during the evaluation portion of the process. Digital marketing communication made it simple to compare different auto companies. The automobile comparisons received the highest rating of 4.01 from the respondents. The rejection of the null hypothesis in favour of the alternate hypothesis was explained by the significant value of the test statistic.000 obtained for each of the statements of evaluation of the alternative stage. Thus, it can be said that digital marketing communication had a major impact on how different stages of the decision-making process for buying an automobile were evaluated, which ultimately resulted in the adoption of Ha4. The findings may be understood by realising that the availability of recommendations from friends, family, and specialists on digital

media makes it simple to evaluate automobiles. Through internet platforms, customers can also compare brands, prices, models, and technical details. In order to experience the feel (virtual) of the car, they may also rely on the videos that are posted online (KPMG, 2013; Bagchi, 2013). Additionally, prospective purchasers of cars take into account internet evaluations from other consumers that provide objective, disinterest-free information (Nielsen, 2014a).

## CONCLUSION

The favoured communication option of the present day is digital marketing communication because of a number of its features. The consequences of internet marketing in a variety of industries, including electronics, fashion, online gaming and music, and many more, communication has become important. India has established itself as one of the top nations in the world for digital statistics thanks to a growing number of internet users, the rural population joining the digital revolution, falling data costs, internet-enabled low-cost devices, and general enthusiasm around digital platforms, technology, and devices. For the past ten years, the Indian passenger vehicle industry has been among the biggest spenders on digital platforms, and before purchasing a car, buyers are turning to these channels to do crucial tasks. The study concludes that consumer decision-making while purchasing an automobile is influenced by digital marketing communication. The survey found that websites were the most popular digital communication medium utilised while purchasing a car, followed by social media sites, cellphones, and "YouTube." Through the ease of comparison that digital marketing communication offers, the assessment process has been made easier for responders to make well-informed decisions. After reading more on the car online, the respondents changed their choices for dealers, brands, and models. When choosing an automobile, respondents focused more on the opinions of previous customers than on the claims made by marketers. Respondents also appreciated the use of digital communication while buying a car. Respondents however, were hesitant in making online payment for booking of the car. The study also detailed the reasons for use of various digital channels in car buying decision process.

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