"Exploring The Role of Digital Marketing in Shaping Consumer Buying Decisions: Evidence from India's Passenger Car Market"

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ARTICLE INFO	ABSTRACT
	This study examines the impact of digital marketing communication on consumer buying decisions within India's passenger car market. With the rapid increase in internet usage and the affordability of digital technologies, India has positioned itself as a leader in the global digital landscape. The research aims to investigate how various digital platforms influence consumer decision-making during the car-buying process. A quantitative research approach was employed, using a structured survey to collect data from a diverse group of car buyers. The survey focused on consumers who actively engage with digital marketing channels when purchasing a car. The study highlights the important impact of digital marketing on consumer decision-making during the car-buying journey. Websites emerge as the primary tools consumers use to compare options and gather information for better decisions. While digital communication is largely trusted, there remains some reluctance among consumers regarding making payments online. It is concluded that digital marketing communication significantly influences each stage of consumer decision-making, from initial need recognition to post-purchase behavior. The study offers valuable insights for marketers in the Indian automotive sector, emphasizing the need to leverage digital platforms to enhance consumer engagement and drive purchase decisions. **Key words**: Digital marketing, consumer decision-making, car-buying process, digital platforms & consumer behavior.

1.0 INTRODUCTION

Digital marketing has significantly impacted every industry, including the Indian car market, influencing both customers and marketers (Maklan, Knox, and Watson, 2001). According to Harikishan (2015), the objectives of digital marketing communication vary across product categories. For high-involvement, expensive products like cars, the focus is on building brand value and fostering long-term relationships. Most Indian car manufacturers are active on popular automobile blogs like *autoblog.com*, *cartrade.com*, and *topgear.com*, along with other influential sites such as *motoroctane.com* and *indiandrives.com*, offering valuable information to customers. Online communities like *Blablacar* and *Team-BHP.com* also play a significant role in the car buying process, with millions of users providing reviews, opinions, and analyses.
Since 2009, the Indian passenger car market has been a top digital spender, surpassing sectors like telecom and banking (Mehra, 2014). In 2010, 10% of car manufacturers' advertising budgets were allocated to digital platforms (Khan and Jacob, 2010), and this rose to 14% by 2013 (IAMAI and IMRB Report, 2013). A report by *Socintel360* ranked the Indian automotive industry as the top spender on social media from 2009-2013, showing a 114% growth rate. Social media spending was expected to rise by 41% from 2014-2018, surpassing markets like Italy, Russia, Brazil, and France (Anvesh, 2016). In 2015, the automobile sector contributed significantly to digital ad spending, second only to FMCG (Ramnath, 2016). By 2016, the sector spent 16% of its total advertising budget (Rs. 724 crores) on digital platforms (Kantar IMRB and IAMAI, 2016). This section provides an overview of the digital marketing communication strategies adopted by India's leading car manufacturers over the past decade.

1.1 PURPOSE OF THE STUDY

The study aims to comprehensively evaluate the influence of digital marketing communication on consumer behavior in the Indian passenger car market. With the increasing reliance of consumers on digital devices and platforms, and the growing investment by marketers in digital channels, the study recognizes the significance of understanding how digital marketing affects car purchasing decisions. It seeks to explore how consumers interact with various digital channels—such as websites, social media, mobile apps, and online advertisements—throughout each stage of the car buying process, from initial awareness to final purchase. Additionally, the research focuses on identifying the most preferred digital communication platforms used by consumers and examining the demographic characteristics of these users, such as age, gender, income, and education level. It also aims to uncover consumers' attitudes towards digital marketing, the challenges they face while using digital platforms, and how external influences—like opinions of family and friends—as well as personal, technological, and resource-based factors impact their use of digital communication tools in making purchase decisions. Ultimately, the study seeks to provide a detailed understanding of the evolving role digital marketing plays in shaping consumer decisions in the Indian car market.

1.2 SIGNIFICANCE OF THE STUDY

The significance of the study lies in addressing the gap in customer communication, a major reason why consumers switch to competitors (Merisavo et al., 2007). Modern digital technologies offer affordable, interactive, and measurable communication tools that not only enhance engagement but also allow customers to generate valuable content for themselves and businesses (Immonen and Joensuu, 2009). For marketers, digital communication proves more cost-effective and individualized compared to traditional methods. This study focuses on the Indian passenger car market—currently the fifth largest globally and projected to become the third largest by 2016 (Information Handling Services Automotive, 2013). With a large population, rising purchasing power, and export opportunities (Booz and Company, 2011), India presents strong market potential. Additionally, the Indian automobile sector has become one of the top spenders in digital media in recent years. By empirically analyzing the impact of digital marketing communication on consumer buying decisions, the study aims to offer valuable insights into preferred digital channels, how these influence different stages of the buying process, and the key motivators or deterrents in digital consumer behavior. It also seeks to identify demographic traits linked with specific digital communication channels, thereby helping marketers better understand and target their audiences in a technology-driven buying environment.

1.3 SCOPE OF THE STUDY

The scope of the study focuses on understanding how digital marketing communication influences consumer decision-making when buying a car in India. It does not make detailed distinctions between different technologies (such as internet vs. mobile communication) or devices (e.g., smartphones vs. feature phones), nor does it differentiate between platforms like websites, social media, or digital TV. The study excludes computers as a separate digital marketing channel, as they are seen as dependent on internet technology for customer interaction. For simplicity, these various technologies and platforms are collectively referred to as "channels," which are defined as the mediums used by marketers to communicate with customers. The study considers digital channels as offering quick, relevant, customized, and measurable information to consumers. Additionally, "impact" in this context refers to the effect of digital marketing communication on the consumer buying decision process. Websites in the study include manufacturers' websites, search engines, and third-party comparison sites.

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2.0 LITERATURE REVIEW

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Over the past decade, Indian passenger car marketers have emerged as some of the highest digital media spenders (Mehra, 2014), with digital marketing communication playing a crucial role in influencing both marketers and consumers (Maklan et al., 2001; Kumar & Singh, 2013). While earlier studies on car purchase behavior in India primarily focused on traditional or offline factors (Sudhahar & Venkatapathy, 2005; Chidambaram & Alfred, 2007; Kaushik & Kaushik, 2008; Banerjee et al., 2010; Gupta, 2013; John & Pragadeeswaran, 2013), recent literature has increasingly emphasized the importance of digital media in the consumer decision-making process. According to Nielsen (2012), the car purchase process—from need recognition to post-purchase—is heavily influenced by digital channels, with consumers actively engaging in online research, brand comparisons, social media interactions, and peer review consumption. Scholars like Kumar (2012), Bagga & Gupta (2014), and Agrawal & Arockiadoss (2012) have argued that digital platforms are not only critical for raising awareness but also essential for driving engagement throughout the buying journey. Kusuma (2015) further supports this by noting that Indian buyers frequently use social media, online communities, and emails to inform their choices. Dahiya (2017) found that 75% of car buyers in Delhi used digital platforms, primarily websites, social networking sites, and smartphones. These tools aid significantly in information gathering and alternative evaluation, as confirmed by Dahiya & Gayatri (2019), who emphasized the power of online reviews in shaping consumer choices. Social media, in particular, was noted as being more influential than traditional marketing communication (Dahiya & Gayatri, 2019). However, barriers persist—Dahiya (2017) observed that only 36% of consumers were willing to book cars

online due to concerns over payment security and the lack of physical inspection. Sharma (2018) reinforced this digital dependency by stating that nearly 80% of Indian consumers now use the internet for pre-purchase research. Collectively, these studies indicate a clear shift in consumer behavior, highlighting the pivotal role of digital marketing in influencing car purchase decisions in India, while also identifying areas where trust and infrastructure still need to evolve.

For over five years, Indian passenger car brands have been among the top spenders on digital media (Mehra, 2014), with digital marketing efforts proving influential for both buyers and automotive companies in the country (Maklan et al., 2001; Kumar and Singh, 2013). Maruti Suzuki, India's leading car manufacturer, noted a growing group of consumers who expect a seamless integration of digital tools, human interaction, operational processes, and in-person showroom experiences to enhance their car-buying journey (Maruti Suzuki India, 2015).

Historically, research into car purchasing behavior in India has centered largely on traditional, offline buying environments (Sudhahar and Venkatapathy, 2005; Chidambaram and Alfred, 2007; Kaushik and Kaushik, 2008; Banerjee et al., 2010; Gupta, 2013; John and Pragadeeswaran, 2013), with limited attention paid to the role of digital communication throughout the process. However, more recent work by scholars like Kumar (2012), Bagga and Gupta (2014), Agrawal & Arockiadoss (2012), and Samson et al. (2014) underscores the growing importance of online channels in reaching and informing Indian car buyers.

The car-buying process, which includes stages from identifying the need to making post-purchase decisions, is increasingly shaped by digital touchpoints (Nielsen, 2012). Indian consumers rely on online resources to research vehicle options, assess brands, read reviews, and gather opinions from peers, experts, and online communities. They also engage with brand content on social media and sign up for promotional emails (Kusuma, 2015). Despite these advancements, Hutter et al. (2013) argue that the full impact of digital technologies on consumer decisions remains a topic of ongoing discussion, as marketers continue to explore how digital communication affects each phase of the buying journey.

3.0 RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN
The current study is descriptive and aims to examine the effect of digital marketing communication on the consumer buying decision process when purchasing a car. It incorporates all the communication channels used by marketers in the Indian passenger car market, including websites, social networking sites, mobile phones, YouTube, digital TV, digital billboards, and online communities. To identify the key characteristics of digital marketing communication, the study conducted an "elicitation" study and a thorough literature review, crafting the questionnaire statements in alignment with widely recognized features of digital marketing communication. The study involved a one-time interaction with respondents to gather the necessary data, making it cross-sectional in nature.

3.2 OBJECTIVES OF THE STUDY
☐ To explore the digital channels most preferred by consumers during the car purchasing process.
☐ To evaluate consumer attitudes towards digital marketing communication within the car market.
☐ To analyze the influence of digital marketing communication on the consumer decision-making process in the context of car purchases.

3.2 SAMPLING PLAN
The study's sampling plan covers the following key aspects: sample size, sampling technique, sampling unit, and sampling area.
- **Sampling Technique**: Area-wise proportionate cluster sampling was used, where the target population is divided into clusters (geographic areas). Each cluster is sampled in proportion to its contribution to the total population. The 2011 Census data for Raipur was the reference as this district is heterogeneous (urban, semi-urban, rural).
- **Sampling Unit**: The sampling unit refers to the smallest unit of observation. In this case, any adult family member in a household that owns or plans to buy a car was eligible. A car is considered a family product in India, involving the interest of all family members.
- **Sampling Area & Sample Size**: The study focused on Raipur as the sampling area.

3.3 DATA COLLECTION
This empirical study aimed to assess the impact of digital marketing communication on consumer buying decisions, relying on data derived from actual experience rather than theoretical beliefs. Such studies typically measure observed phenomena and rely heavily on primary data for conclusions. The theory was based on secondary data obtained from sources like books, journals, magazines, and the internet.

3.3.1 PRIMARY DATA:

Primary data refers to data collected by the researcher for a specific purpose. In this study, primary data was gathered from actual and potential car buyers through a questionnaire, using both nominal and interval data. The questionnaire included open-ended and close-ended questions. Data was collected using both physical and online surveys.

3.3.2 SECONDARY DATA:

Secondary data refers to data collected by others and used by the researcher. The study utilized secondary data to gain a deeper understanding of digital marketing communication, reviewing journals, books, internet sources, newspapers, and magazines to build the study's conceptual framework.

3.4 SCALE DEVELOPMENT

The study used a mixed research methodology, which is effective for theory development and testing (Greene, 2006). An initial elicitation study with a small group of participants explored the impact of digital marketing communication on consumer car-buying decisions. Elicitation studies help identify true beliefs and reduce bias, supporting theory replication (Downs & Hausenblas, 2005).

Literature review revealed key characteristics of digital marketing communication, which were found to influence consumer behavior and were used to develop a scale for assessing its impact on buying decisions.

3.5 VARIABLES OF THE STUDY

To investigate the impact of digital marketing communication on consumer buying decisions in the Indian passenger car market, the study identifies and defines the key variables that form the foundation of the research framework. The dependent variable represents the consumer's decision-making process, while the independent variables encompass various components of digital marketing communication that are presumed to influence this process.

These variables were selected based on existing literature, theoretical relevance, and their applicability to the digital behavior of modern consumers in the automotive sector. Clearly defining these variables helps in establishing measurable relationships and guides the direction of the study's analysis.

3.6 HYPOTHESIS OF THE STUDY

- H_{01}: There is no preferred channel of communication used by the customers while buying a car.
- H_{02}: Consumers have either indifferent or negative attitude towards digital marketing communication while buying a car.
- H_{03}: There is no impact of digital marketing communication on consumer buying decision process while buying a car.

3.7 RELIABILITY AND VALIDITY OF DATA

To ensure the credibility and robustness of the findings, both reliability and validity of the data were thoroughly assessed. In this study, a structured questionnaire was developed and pre-tested through a pilot survey. The internal consistency of the scale items was measured using Cronbach's Alpha, with all major constructs (such as consumer attitude, digital channel usage, and influence on decision-making stages) achieving alpha values above the accepted threshold of 0.70, indicating satisfactory reliability.

Validity was addressed through the content validity. Content validity was ensured by designing the questionnaire items based on a comprehensive review of relevant literature and by consulting academic experts and industry professionals in digital marketing and consumer behavior. This confirms that the items adequately covered all aspects of digital marketing communication and the consumer decision-making process in the car market.

4.0 DATA ANALYSIS & RESULT DISCUSSION

The data was analyzed using SPSS version 21.0, employing both descriptive and inferential statistics. The analysis was presented through tables, cross tables, pie charts, and bar charts. The study primarily utilized non-parametric tests, including the *One Sample Binomial Test*, *Wilcoxon Signed Rank Test*.

4.1 HYPOTHESIS TESTING
IDENTIFYING THE MOST PREFERRED DIGITAL CHANNELS
H_{01}: There is no preferred channel of communication used by the customers while buying a car.

Table 4.1: Test Statistic for Channels of Communication

Digital Channel	Test	Significance	Decision
Websites		.000	Reject the Null Hypothesis
Social Networking Sites		.023	Reject the Null Hypothesis
Online Communities		.012	Reject the Null Hypothesis
Digital Outdoors		.000	Reject the Null Hypothesis
E-mails	One-sample Binomial Test	.015	Reject the Null Hypothesis
Others		.024	Reject the Null Hypothesis

The table presents the results of One-sample Binomial Tests conducted on various digital marketing channels to assess whether the proportion of respondents perceiving each channel as effective significantly differs from a hypothesized benchmark. The p-values for all channels are below the commonly accepted significance level of 0.05 (ranging from 0.000 to 0.024), leading to the rejection of the null hypothesis in every case. This statistical outcome indicates that respondent perceptions of each digital channel's effectiveness are significantly different. These findings imply that each channel plays a distinct and statistically significant role in digital engagement, warranting further investigation into the direction and magnitude of their perceived impact.

ATTITUDE TOWARDS DIGITAL MARKETING COMMUNICATION
H_{02}: Consumers have either indifferent or negative attitude towards digital marketing communication while buying a car.

Table 4.2: Hypothesis Test Summary for Attitude towards Digital Marketing

Sr. No.	Statements related to Attitude	Test	Sig.	Decision
1.	**Information Abundance & Accessibility**		.000	Reject the Null Hypothesis
2.	**Brand Evaluation**		.032	Reject the Null Hypothesis
3.	**Time Efficiency & Cost-Effectiveness:**		.035	Reject the Null Hypothesis
4.	**User Interaction & Device Compatibility:**		.000	Reject the Null Hypothesis
5.	**Authenticity & Technical Reliability:**		.016	Reject the Null Hypothesis
6.	**User-Friendly Experience**	One Sample Wilcoxon Signed Rank Test	.000	Reject the Null Hypothesis

The hypothesis testing results summarized in Table 2 reveal that respondents exhibit statistically significant attitudes toward all six key dimensions of digital marketing. Each statement—ranging from *Information Abundance & Accessibility*, *Brand Evaluation*, *Time Efficiency & Cost-Effectiveness*, *User Interaction & Device Compatibility*, *Authenticity & Technical Reliability*, to *User-Friendly Experience*—produced a significance value (p-value) less than 0.05, with the lowest being .000 and the highest .035. This consistent rejection of the null hypothesis (which posits that the median response equals a neutral value, typically the midpoint of the scale) across all items indicates that respondents' attitudes significantly differ from neutrality.

Notably, aspects such as *Information Abundance*, *Device Compatibility*, and *User Experience* show particularly strong significance (p = .000), suggesting these are areas where user perceptions are most pronounced—likely reflecting strong positive attitudes.

The findings collectively imply that users do not passively engage with digital marketing; instead, they actively perceive and evaluate its various facets, especially valuing its accessibility, interactivity, efficiency, and trustworthiness.

IMPACT ON CONSUMER BUYING DECISION PROCESS
H$_{03}$: There is no impact of digital marketing communication on consumer buying decision process while buying a car.

Table 4.3: Hypothesis Test Summary for Consumer Decision Making Process

Sr. No.	Stage of CDM Process	Test	Sig.	Decision
1.	Need Recognition		.000	Reject the Null Hypothesis
2.	Search For Information		.013	Reject the Null Hypothesis
3.	Evaluation of Alternatives	One-Sample Wilcoxon Signed Rank Test	.022	Reject the Null Hypothesis
4.	Selection and Purchase		.045	Reject the Null Hypothesis
5.	Post Purchase		.031	Reject the Null Hypothesis

Significance level is .05.

The hypothesis testing results in Table 3 provide insights into how digital marketing influences each stage of the Consumer Decision-Making process. All five stages—*Need Recognition*, *Search for Information*, *Evaluation of Alternatives*, *and Selection and Purchase, and Post-Purchase— show* p-values less than the 0.05 significance level, ranging from .000 to .045. This consistent rejection of the null hypothesis across all stages means that respondents do not have neutral attitudes toward the influence of digital marketing during the decision-making process. The strongest statistical significance was found in the *Need Recognition* stage (p = .000), indicating that digital marketing plays a critical role in triggering consumer awareness and realization of needs. This is followed by significant influence during *Search for Information* (p = .013) and *Evaluation of Alternatives* (p = .022), where consumers likely rely on digital content and comparisons to assess their options. Even in the final stages—*Selection and Purchase* (p = .045) and *Post-Purchase* (p = .031)—digital marketing continues to have a meaningful impact, suggesting its role extends beyond the point of sale into ongoing customer engagement and satisfaction. Overall, the findings demonstrate that digital marketing significantly influences consumers at every stage of their decision-making journey.

5.0 CONCLUSION

Digital marketing communication has become a key tool in various sectors like electronics, fashion, and online entertainment, largely due to its accessibility and reach. In India, increasing internet users and affordable digital devices have positioned the country as a leader in digital engagement. The study reveals that digital marketing plays a significant role in influencing consumer decisions in the car-buying process. Websites are the most commonly used platforms, helping consumers compare options and make informed choices. Trust in digital communication is high, although some consumers are hesitant about online payments. The Theory of Planned Behavior model effectively predicted digital marketing usage intentions, with factors like perceived usefulness, ease of use, and compatibility influencing consumer attitudes and decisions.

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