

Digital Marketing Impact on Consumer Decision-Making Process

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ABSTRACT

Digital business is a business trend that currently has an impact on changing people's behavior in doing business. This study aims to discuss the impact of digital marketing on consumer decision-making on the Aerostreet shoe brand. Methods This research uses a quantitative approach involving 58 respondents. The data analysis technique used is simple regression with the help of the SPSS 25 program. The results show that digital marketing has a significant effect on consumer decision-making on the Aerostreet shoe brand. This explains that consumers tend to make purchases using technology in their business. This research is useful for the development of applied theory which states that consumer purchasing decisions in the fashion industry, especially shoes are influenced by digital promotion and marketing processes. The results showed the magnitude of the influence of 56.0%. This research also provides practical benefits for business actors to improve marketing performance by trying to adapt to technology as a promotion or sales strategy. because digital marketing can reach a wider market and is more flexible in terms of time and place.

Keywords: Digital Marketing; Purchase Intention; Technology; E-Commerce..

1. INTRODUCTION

Technology has given the most outstanding impact on the marketing fields. There have been many marketing models which exploit digital platforms to improve the performance of Small and Medium-Sized Enterprises in running the business [1]. Moreover, a great number of internet users also support this phenomenon [2].

Table 1. Internet user ini Indonesia [3]

Year	Number of Internet Users
2019-2020	196,71 million
2018	171,17 million

As seen from Table 1, the survey conducted by the Indonesian Internet Service Providers Association (Asosiasi Penyelenggara Jasa Internet Indonesia, abbreviated APJII) claim that the number of Indonesian internet users has increased significantly. The increase throughout the year has reached 25,5 million people. This indicates that the internet has been people's main need to support daily life.[4].

This condition contributes to the changes of people in Indonesia in using social media including eCommerce as the

most accessed platform [5]. Realizing this potential, business actors need to adapt and be innovative in marketing the products or services by utilizing technology and information, and the internet [6]. In addition, the Covid19 pandemic has also caused customers to purchase everything via online transactions [7].

Digital Marketing has offered a lot of opportunities for SMEs to improve their sales without boundaries in terms of time and location [8]. The use of digital marketing has been significantly exploited by local brands namely AeroStreet, a shoe brand operated in Klaten and managed by ADCO Pakis Mas. Due to the Covid19 pandemic, this company decided to focus on online marketing to increase sales.

However, the problems arise because there are many business competitors which also use digital marketing as their business strategies [9]. Besides, the customer hesitation in making purchasing decisions needs to be overcome by the company [10] since most Indonesian people have to ensure the quality of the products, especially the local brand products [11].

Digital marketing has been widely investigated in numerous studies which confirm that there is a strong combination between marketing and technology information [12]. These studies result in new terms and procedures in marketing so that

the strategies of e-marketing gain more customer value than those of traditional marketing [13]. E-marketing can also attract significant segments of customer demographics or in other words, effectively reach a wider market [14]. Several studies have also confirmed that good digital marketing in a company can reduce marketing costs. Thus, digital marketing needs to be carefully planned by the company [15]–[17].

Several characteristics of digital marketing are the following [18], [19]:

1. Interactive, it enhances business interactions with the customers.
2. Incentive Program, is an electronic dialogue (interactive technology) that allows the customer to access information (community, individual), and vice versa.
3. Site Design, is an attempt to do every business activity through the internet for research purposes, analysis, and planning for attracting and retaining customers.
4. Cost, is intended to accelerate buying and selling of products and certain services and share information and idea on the internet.

Other research results also show that there are correlations between digital marketing and social media, as the most effective media in spreading the information [20], [21]. Social media allows consumers and sellers to build personal communication [22].

The consumer has the full right of deciding to purchase a certain product or service [23]. Consumer purchasing decision, however, is affected by external and internal factors. This decision-making process determines what to buy and what not. Consumer’s previous activities are also the other things that influence this [24].

There are five stages in a consumer’s decision-making process [25], [26]:

1. Need Recognition

Purchasing process begins as the buyers recognize an issue or need. They experience the gap between the actual condition and the desired condition.

2. Information Search

At this stage, the buyers are selective in selecting information to evaluate several alternatives to meet their need expectancies.

3. Decision-Making Process

This process is the result of considerations and evaluation and information searches before the final decision is made.

4. Purchase Decision

At this stage, when all stages have been passed, the consumers will finally decide whether or not they will purchase the product or service.

5. Post Purchase Behavior

Marketer’s job does not stop as the product is purchased but also continues to post-purchase period. After post-purchase, consumers will evaluate whether the product satisfies their needs or not.

Several studies also revealed that there was a significant relationship between digital marketing and purchase intention. The marketing content provided digital gives a significant impact on consumer satisfaction and purchase decision [27], [28].

Given the facts of these problems, the researchers formulated the research question to find out the influence of online business or business digitalization on customers’ decision-making in purchasing the products of Aerostreet. The purpose of this study is to explain the magnitude of the influence of digital marketing on purchasing decisions for consumers today. especially with the Covid-19 pandemic conditions which forced the public to limit their space of movement so that some activities were carried out online.

2. METHODS

The target population is Aerostreet consumers that have purchased Aerostreet shoe products. To determine the ideal population limit, the unit of analysis of this study is Aerostreet’s consumers as individuals. The unit of observation of this research is the buyers or users of Aerostreet shoes who purchased from Shopee and WhatsApp. The formula for sample size refers to the number of independent variables, that is $N \geq 50 + 8i$ (i is the number of independent variables) [29]. Based on the calculation, the number of samples used was 58 respondents.

Based on Table 2, there are several characteristics of respondents in this study. The respondent criteria that have been set in this study were males and females aged 18 to 38 who lived in Java Island. People in the 18-38 age range are assumed to have ever purchased Aerostreet so it is suitable to be as respondents to find out their interest in purchasing the products that are marketing digitally. Meanwhile, Java Island was selected as the location of the research because of the highest internet users according to APJII.

Table 2. AeroStreet Consumer

Profile	Criteria	Total	Percentage
Sex	Male	35	60,34%
	Female	23	39,66%
Age	<18 years	4	6,90%

	19-28 years	53	91,38%
	29-38 years	0	0%
	>38 years	1	1,72%
Occupation	Students	43	74,14%
	Employee	10	17,24%
	Self-employed	3	5,17%
	Unemployed	0	0%
	Student + Employee	2	3,45%
Origin	West Java	42	72,41%
	Central Java	12	20,69%
	East Java	1	1,73%
	Banten Province	0	0%
	Jakarta	3	5,17%
	Yogyakarta	0	0%
Starting to use Aerostreet	<2017	7	12,07%
	2018	7	12,07%
	2019	6	10,34%
	2020	11	18,97%
	2021	27	46,55%
Marketplace	Shopee	49	84,48%
	Instagram	0	0%
	Langsung (Offline)	7	12,07%
	Shopee + Offline	2	3,45%

The technique of data analysis in quantitative research uses statistical measurement. Linear regression is a statistical method to model the relationship between the dependent variable (dependent; response; Y) and one or more independent variables (independent, predictor, X). The interval was used as measurement scales that enable the researchers to calculate the data from the respondents arithmetically. To measure consumer behavior, the Likert scale was commonly used in marketing research. It is a scale that requires the respondents to give their answers on certain topics. The scale has several answer options such as strongly agree, agree, neutral, disagree, and strongly disagree.

3. RESULTS AND DISCUSSION

Based on the data processing with Excel for the 58 respondents in table 3, the total value for the digital marketing variable on Aerostreet products was very high. The attributes of successful digital marketing are described by the consumer’s ease and effectiveness in searching for product information online. Besides, Aerostreet products are available both in shopping online applications and on social media which makes consumers easier to get the products. Aerostreet as the shoe brand company also provides interactive services and interesting marketing promotions and builds close relationship communication with the consumers. These are the things that increase the customer power to Aerostreet products[30].

Table 3. Total Variable Value and Digital Dimension

No.	Dimension	Value	Category
	Digital Marketing	2929	Very High
1.	Interactive	733	Very High
2.	Incentive program	731	Very High
3.	Site design	725	Very High
4.	Cost	740	Very High

The data processing with Excel on 58 respondents in table 4 showed that the total value of decision-making purchases in Aerostreet products was high. Need recognition dimension was the highest value obtained. This dimension indicated that consumers realized the types of shoes that they wanted. Besides, the total value obtained in the information search was also high. This was due to many variant shoes offered in Aerostreet so that the consumers could search for more information to meet their needs. The high value in the purchase decision-making process implies that the consumers are confident in making purchasing decisions at Aerostreet because the products offered have met their needs and satisfaction and the customers are likely to repurchase the products or give influence other potential customers in buying shoes[31], [32].

Table 4. Total Variable Value and Purchase Decision-Making Dimension of Aerostreet Consumers

No.	Dimension	Value	Category
	Decision-Making	3638	High
1.	Need Recognition	735	Very High
2.	Information Search	729	Very High

3.	Decision-Making Process	735	Very High
4.	Purchase Decision	723	Very High
5.	Post Behavior	706	Very High

The first analysis was performed to find out the positive or significant influence of digital marketing on consumer decision-making of Aerostreet products. The second analysis was conducted to discover the relationship level between product innovation and consumer satisfaction. The test was carried out using the F value, the significance of output results, and the coefficient of determination[33].

Table 5. Regression Testing

Model	Sum of Squares	d f	Mean Square	F	Sig.
1	1948.892	1	1948.892	71.393	.000 ^b
	Residual	56	27.298		
	Total	57			

Based on table 5, the hypothesis tested was whether digital marketing significantly influenced consumer decision-making purchases in Aerostreet. The test used a significance table as displayed in table 5 if the significance obtained was less than 0,05, H_a was then accepted, or in other words, there was a significant influence of digital marketing on consumers' decision-making purchase in Aerostreet. Based on the analysis result in table 5, the F value obtained was 71,393 with a significance value of 0,000 meaning that there was a significant influence of digital marketing on consumers' decision-making purchase in Aerostreet. This study also confirms the previous studies which revealed that digital marketing could give an impact on consumers' purchase decisions[34]–[36].

Table 6. Model Summary

Model	R	R Squared	Adjusted R Square	Std. Error of the Estimate
1	.749 ^a	.560	.553	5.225

After recognizing that digital marketing has influenced on consumers' purchasing decisions in Aerostreet, the other test performed was to find out the relationship level by using output results of R square or the coefficient of determination as seen in table 6. The value of the coefficient of determination obtained was 0,560 meaning that the value of digital marketing influence on consumer's purchasing decisions in Aerostreet

was 56%. This showed that the other, 44% was affected by other variables which were not examined in this study.

4. CONCLUSIONS

The result of the study shows that digital marketing has a significant relationship with consumers' purchase decisions, particularly on AeroStreet products. This concludes that there are business actors play a significant role in making use of social media or eCommerce. Doing good digital marketing can affect consumers' purchase decisions regarding the products sold. This is certainly one of the excellent business strategies for SMEs to maintain business existence amid the Covid19 pandemic condition.

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