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New trends in marketing mix strategies for digital consumer behaviour

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Abstract

The marketing mix is the first step in establishing a lasting relationship between the company's offer and the final consumer. From the product to the price meeting the needs and allows the consumer to buy, the placement and the promotion have received increasing importance. Also, when we think of an online environment where the consumer can be found, smartphones—consumer mobile journey, online TV advertising on Netflix and YouTube a.s.o. This paper aims to identify the element of the marketing mix with the highest impact on the final consumer buying decisions. For this, we have conducted a quantitative research on a sample of 100 respondents. The results show that the elements of the marketing mix passed through major changes because of the digital revolution and the unavoidable appearance of many situational factors that led to a significant variation of the consumer behaviours and changing the consumers' mindset and their personal system of values.

Keywords: Digital marketing mix, consumer behaviour, quantitative research.

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1. Consumer behaviour in the online environment

The recent notion of marketing is based on the hypothesis that every occupation that has an economic aspect has to aim at satisfying the actual and potential needs of the clients with very high efficiency (Catoiu & Teodorescu, 1997, p. 12). ‘Consumer behaviour is a component of the economic behaviour of people, which in turn represents a form of manifestation of human behaviour in general’ (Catoiu & Teodorescu, 1997, p. 13). Consumer behaviour contains all the processes required to select, purchase, use and renunciation of products and services (Ciobota & Stoica, 2015, p. 35).

Companies have a duty to perceive the factors that determine consumer behaviour by keeping customers, but also attracting new customers and gaining a market advantage. Understanding consumer needs and wishes allows certain businesses to satisfy their customers better than their competitors (Gunay & Baker, 2011). And this is precise because they have paid more attention to this type of research, easily identifying what their clients want and how they can meet their needs in a more efficient way.

Another important issue, unchecked, is how time data determine the choices that people make when they perform certain activities that have a finite resource of time (Vallen, Block & Eisenstein, 2014). And in this case, we are referring to the crisis of time in which all consumers are concerned. Nowadays, people do not have free time, they do not have time to go to shops whenever they need something. That’s why, when an efficient time-saving solution and satisfaction meet, the consumer is pleased.

Another factor influencing the consumer may be the environment of the shop (Buttner, Florack & Goritz, 2014). If we look at the retailer, we need to take into account the different retail areas. A seller of this type should take into account that a consumer may have experience when buying food or clothes (Buttner et al., 2014). And in this case, the elements of the marketing mix must not differ greatly from those with which our consumer was accustomed.

It is further suggested to us (Pantano, 2011) that so far, many studies have highlighted the fact that the image and the territorial identity influence the consumer. However, their degree of influence has not yet been thoroughly analysed. And this is true because time is a major problem for most consumers, and their choices nowadays rely heavily on proximity and speed. The more a consumer gets a satisfactory product in a shorter time, the higher the satisfaction level.

In the traditional offline world, the consumer has had problems in finding alternatives. In the digital world, the problem is that the individual has too many alternatives. Enhanced search process now throws digital data at every step. In the past, a consumer targeting process would have a record of all the items that have been purchased, but now a trader can record all the items on his website and in the shopping application that leads from what they purchased up to such as logs that record all activities on the items that were searched, clicked, added to the basket or wish list, abandoned, purchased, etc. (Hofacker, Malthouse & Sultan, 2016).

The proportional development that has taken place in the online environment over the past two decades has generated the emergence of a new consumer model with a new and different set of needs than the classical ones that economic theory is attempting to describe now. This consumer may be referred to as a digital consumer (including both consumers who purchase joy or online services, as well as press, music, film or other elements that are particularly present in the online environment). The differences between the traditional consumer and the digital consumer can easily be identified if we look closely at the consumption behaviour of each environment. If the traditional consumer was loyal to a mercy he found near his comfort area and chose it every time on the basis that it is the best and satisfies his needs in a positive way, the digital consumer is tempted to try new one’s products due to their availability at a distance of one click, being influenced in their choice by other factors than the known quality (time to delivery, delivery costs, product price, etc.). We can say that the digital consumer is more difficult to conceive (Brown, Pope & Voges, 2003) and the quality of the product.

Therefore, in order to increase the degree of choice of their products, companies call and generate new strategies for addressing and selling products in the online environment, trying to impress digital consumers and offer them the best variety of products.

2. Marketing mix strategies in the online environment

Recently, in a couple of years, the online shopping industry has grown, becoming even a threat to the traditional business environment. Because of the lack of time or convenience, more and more consumers choose to spend their time online, both for relaxation and impress as well as for shopping. Stores have also adapted to this trend, and the products available online belong to all categories needed by consumers: from food to care products, clothing and home appliances. Among the major benefits of the online environment, we can enumerate the increased selectivity offered to consumers, with plenty of choice, quality based on reviews and referrals to other consumers (unknown buyers), shorter time to buy, offering discounts and offers, because in the online environment it remains a history of purchases made from an online store, the ease of access, as the consumer can make shopping anytime, anywhere by simply clicking on an online store, the unlimited possibilities to view and compare products, practically in the online environment any element of the marketing mix can be viewed and compared, the price, first can be compared in many online stores.

Considering all these elements, as well as the fact that consumer behaviour in the online environment is different from that of traditional consumers, companies have begun to develop more and more solutions in strategies for attracting and retaining customers.

The usual treatment of strategic marketing places in the forefront the fact that it involves making decisions that are closely related to 4P, namely: product, price, placement and promotion (Blythe, 1998, p. 12) as well as other two elements, related to the online marketing mix, namely: 2D, databases (for individualising offers to clients) and dialogue (the degree of interactivity that can exist between an online store and a consumer) (Orzan & Orzan, 2007, p. 87).

In order to satisfy customers' needs in a more efficient way, but also to rely on them, online stores adopt different strategies based on the elements of the online marketing mix.

First of all, in the online environment, product policy is more customer-oriented than traditional stores, with a very large focus on the idea of personalisation and customisation. Basically, based on the history of orders made by a particular customer, staff at an online store can create personalised product offerings or customised products according to customer preferences.

The price also plays an extremely important role in the decision-making process because 'consumers with a saving attitude will have a larger portion of revenue in a savings account, their purchasing power and current consumption of market innovations in that period will be directly affected' (Wang, Dou & Zhou, 2008). Similarly, consumers' attitudes towards existing products on the market interact positively with family income. Thus, although revenue has a positive impact on market-leading products, revenue growth will change the attitude of consumers in the opposite direction—additional income allows the consumer to experience new products, innovations to the detriment of those to whom they are loyal. 'For example, in a shopping session, individuals find that certain styles, colours or sizes of the products they are interested in are exhausted'. In that case, how willing are they to buy a single product at full price when the quantity discount will not be applied because they will not find enough products to meet the requirements of the promotion—'two products reduced by 30%', 'four products reduced by 30%', etc.—(Huang & Yang, 2015.) Traders are prone to experience discontent shown by consumers when the production is limited, the logic being that the same consumers feel their choice of choice from the limited range of products made available by the company, making it impossible to capitalise on the offer. 'The obvious implication is that a consumer will more readily accept discount campaigns price instead of a campaign based on a number of products. A reduction in price per product will be beneficial to both the trader and the consumer,

as it is disadvantageous for potential consumers to choose from a pre-existing range of products to reach the reduction threshold' (Huang & Yang, 2015).

The facility for purchasing a product, accessibility contributes to consumer satisfaction. Amazon.com invests in a product policy that allows customers to complete their online orders with a simple click. In addition, Amazon is recognised for encouraging product evaluation after purchase with a review, implicitly increasing the quantity and quality of product information for potential consumers, reducing the time and cost of collecting impressions (Dennis, Merrilees, Jayawardhena & Wright, 2009).

Distribution in the online environment refers to the distribution channel used by online stores. There are campaigns running on social networks, or Google AdWords, or even campaigns made on the phone.

Online promotion can be considered as unlimited, with online self-promotion tools (through websites, banners, sponsorship) as well as integrated AdWords campaigns that give the client the exact product he/she has wants.

We can see that switching from offline to online has influenced both consumers to behave differently in the process of buying joy and services and companies to adapt to new market demands and new responses and to respond positively and effectively to market needs, the question still arises when it is necessary to capitalise on that component of the marketing bet that yields the most positive results compared to the others.

3. Research methodology

With the evolution of the Internet, more and more consumers have started to spend more and more time online, both to relax and to read the press (thus replacing the classified newspapers and TV with the online environment) and shopping. During this time, companies have begun to adapt, and also to be more and more present in the online environment, doing everything possible to satisfy and maintain as many customers as possible. Which of the marketing mix elements have the most influence on consumers that is the question that shows most interest for us?

In order to accomplish this research, we started from the purpose of identifying the most effective element of the marketing mix in the online environment and conducted a survey among 100 respondents using as the main tool a questionnaire consisting of two questions.

In the questionnaire, respondents were asked how often they shop online for different product categories, and the results showed that most consumers choose to shop online for most types of products, the most common online shopping being made for home appliances and clothing.



Figure 1. Online shopping frequency

Next, respondents were asked about what are the main reasons why they choose to shop online, and the answers were as we can see in Figure 2.

We can see that most of the respondents said they choose to shop online due to their high degree of comfort and the variety of products available and the ability to compare them without having to move from one commercial space to another. Also, time-saving is also a valuable indicator when it comes to choosing to make online shopping, most of the respondents thinking it takes much less time to give a click than to go to a shopping centre.

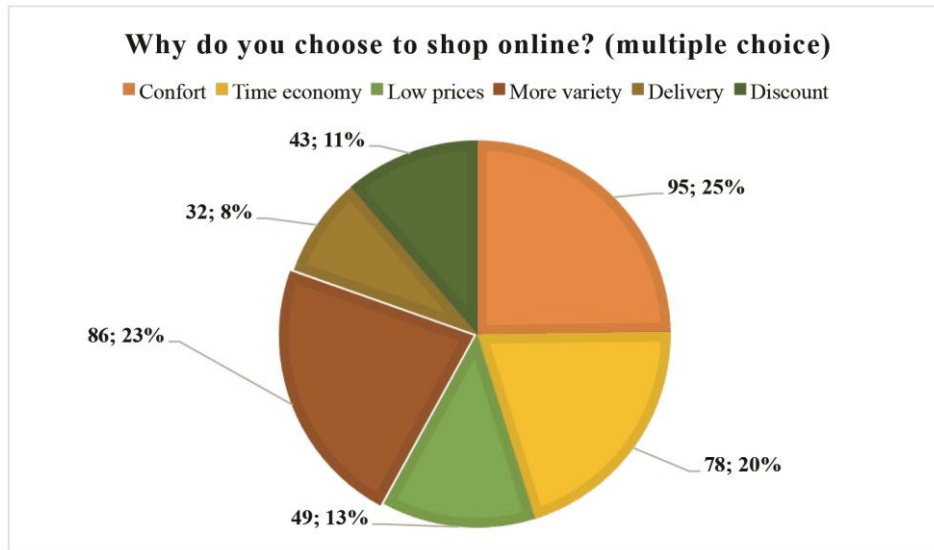


Figure 2. Reasons for online shopping

Another question in the questionnaire, this time referring directly to the elements of the marketing mix, as we wanted to notice that the latter give a bigger response. *In which measure do you consider the following attributes important for online stores?*

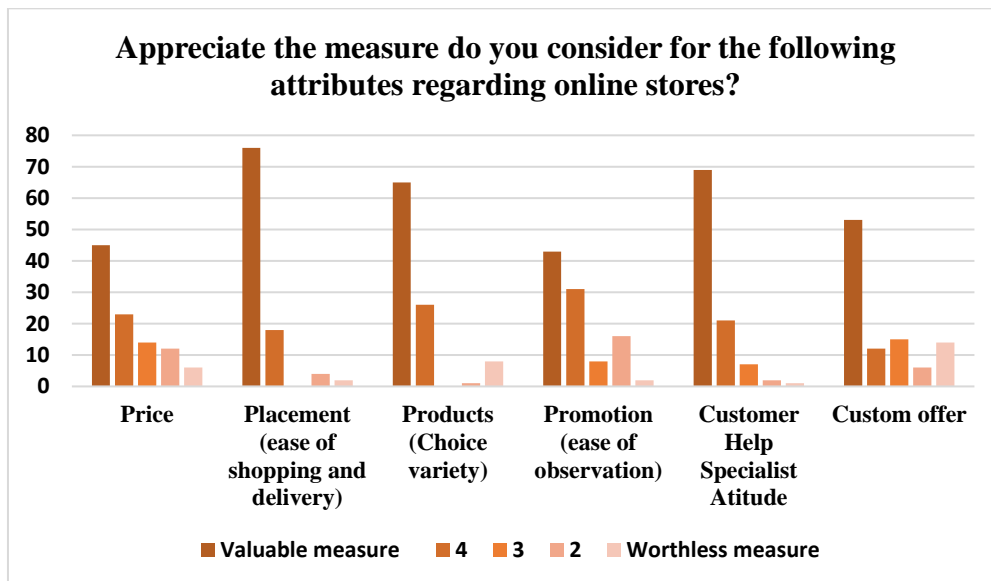


Figure 3. Importance of marketing mix elements

We can interpret the results obtained by presenting the main advantages considered by the respondents among the elements of the analysed marketing mix. Thus, we can see that distribution is an element to be taken into account when shopping online. Asked about the reasons why they chose the distribution, the respondents replied that 'it's important to be able to place an order with ease and the delivery time is as short and effective as possible' for the best time management.

Another element appreciated by the respondents was customer help specialist attitude because they enthralled that 'if I find a quality product at an affordable price but have a problem in the order placement process and there is no one in the company available to help me fix it in a timely manner, then I will choose another online store even if the prices are higher'.

On the other hand, the variety and type of products represent another major advantage of online stores that emphasise this element of the marketing mix, respondents believing that 'I always choose products that are suited or tailored to their own needs, even if the prices are higher the competition that offers standard products'.

4. Conclusions

We can conclude by saying that despite the fact that consumer behaviour is a major factor in the success of companies, they manage to adapt according to the changes that affect consumers either because of the social or psycho-graphic factors or because of the evolution technology.

The online environment today is a competitive advantage for those companies who have been able to adapt to the needs of consumers and to be present in the digital environment because, as we have seen, more and more consumers choose to spend a lot of time and carry out numerous activities online, from socialising to basic shopping.

In an attempt to attract and retain as many consumers as possible, companies have approached different marketing strategies based on marketing mix elements. As a result of the research to see which elements of the online marketing mix have the greatest influence on purchasing decisions, we have noticed that the distribution and staff of the online shops dealing with customer interaction are two of the more important attributes taken into account by consumers.

In our times where time is a major problem for most consumers, those time-saving items matter to the greatest extent, so they spend less time in placing an order, and the more the product gets quickly to the buyer, the more satisfied he is. Of course, the degree of satisfaction is also borne out by the other elements that represent an advantage in the online environment, namely lower prices or discounts based on customer loyalty, or even high product variability.

In other words, the online environment is an asset for consumers as well as for companies that have been able to present and be close to their customers in the digital environment.

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