The Role of Advertising in Decoding the Digital Consumer: A Case of Amazon and Myntra

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Abstract—*The term "Digital Consumer" refers to any person who purchases goods or avails of any service electronically, via the internet. In recent years, with e-commerce and online businesses on the rise, the study of consumer buying behaviour in the digital context has been of much interest. In the Indian consumer's mind however, there still seem to persist certain psychological barriers against going digital. With this backdrop, more and more businesses are realizing the importance of creative strategies and tools to boost their brand equity, and attempting to create a favourable image in the minds of potential consumers. Advertising is one such vital tool, using which businesses aim to bring about a positive change in the existing mindset of consumers. The authors aim to deconstruct the role that advertising plays in order to enable companies and brands to understand and remove existing mental blocks, capture a larger consumer base, and convert existing "offline" consumers into digital consumers.*

1. INTRODUCTION

The term "Digital Consumer" refers to any person who purchases goods or avails of any service electronically, via the internet. For the context of this paper, "digital consumer" is used in a wide sense and thus it includes but is not limited to ordering physical products via an online platform, booking tickets of various services (airplane and train tickets, movie tickets, booking doctor's appointments online etc.), and purchasing and downloading electronic books, songs, movies. There has been a rapid increase in e-commerce and internet use in India. A joint study by Assocham and Grant Thornton indicated that the number of online shoppers was expected to increase from 20 million in 2013 to 40 million in 2016. (Indo-Asian News Service, 2015). The percentage of Indians who are digital consumers indicates the „digital buyer penetration" in India. According to surveys conducted by Statista, the digital buyer penetration in India is expected to increase from 43.8% in 2016 to 64.4% in 2019. (Refer to Fig. 1) (Digital buyer penetration in India from 2014 to 2019). Studies indicate that e-commerce sector is expected to increase exponentially over the next three years. (Maheshwari, 2016).

2. OBJECTIVES

This paper entitled "The Role of Advertising in Decoding the "Digital Consumer", seeks to address the objectives outlined as follows:

- To study the growth of digital consumers and factors affecting the same, particularly in the Indian context.

- To analyze the differences, if any, between consumers buying behaviour in today's digital era and conventional consumer buying behaviour.

- To understand the psychological barriers of prospective digital consumers in India.

- To explore the role of advertising as a tool in getting, keeping and growing digital consumers.

- To study the impact of advertising strategies in creating a favourable brand image using the case study technique.

3. RESEARCH METHODOLOGY

In this review paper, an extensive analysis of existing relevant literature has been undertaken, with a largely theoretical perspective, in order to study advertising as a tool to influence prospective digital consumers. The conclusions enlisted were arrived at after a detailed descriptive analysis, with the internet serving as the source of secondary data. The literature reviewed consisted of journal articles, newspaper reports, excerpts from books, blog articles, company reports, and official websites of the brands in the case study analyses.

4. FACTORS LEADING TO GROWTH OF DIGITAL CONSUMERS IN INDIA

There are several factors or drivers which have led to (and continue to result in) growth in digital consumer base in India, out of which the major ones are:

- *Globalization:* With the world becoming increasingly flat and with a global convergence in the way businesses and