

**Drivers of Digital Consumer Behavior within a Consumer Context**

Student's Name:

Institutional Affiliation:

Course Number:

Professor's Name:

Date:

## Drivers of Digital Consumer Behavior within a Consumer Context

### **Research Background**

The past decade has witnessed a dramatic change in the shopping habits of consumers. The usage of digital technology in researching, browsing, and purchasing has witnessed transformation from segment-sporadic or specific to mainstream (Kiboro & Karanja, 2015). As a result, there is a non-reversible and undeniable shift in the retailing landscape. The transformation in consumer behavior has been tremendously influenced by digital technology, particularly in terms of their shopping experiences. A recent digital consumer study by Kiboro and Karanja (2015) has revealed that almost 50 percent of consumers have undertaken tasks related to shopping using their mobile phones. Due to the increased usage of digital channels by consumers, retailers have embraced numerous strategies towards attracting and retaining the omni-channel shoppers. Such strategies include content marketing, mobile alerts, free shipping offers, as well as website design, among others.

### **Problem Statement**

Today's shoppers are leveraging technology as a way of enhancing their shopping experiences. Existing research has shown that drivers or motivations of digital consumer behavior have been associated with the dramatic shift in behavior of consumers to include technology advancements. Digital technology investments have also become a critical strategic imperative for most of today's retail brands. At the heart of digital consumer behavior is personalization, which has played a central role towards ensuring that conventional behavior of consumers has shifted with technological advancements. As a key driver of digital consumer

behavior, personalization has hit the mainstream. Notably, although proactive brands have become more proactive in providing innovations towards enhancing the experience of shoppers, there is a limited research conducted on how the expectations of consumers have changed as they portray greater expectations from the retailers. The proposed research seeks to examine the rationale behind the shift in digital consumer behavior and how it influences consumer outcomes.

### **Research Questions**

The proposed research will be focused on responding to the following research questions.

- i) What are the drivers for the digital consumer behavior from a consumer perspective?
- ii) What is the impact of the drivers for digital consumer behavior on consumer outcomes and experiences

### **Research Objective**

The proposed research seeks to examine the drivers of digital consumer behavior within a consumer context, including how the behavior affects behavioral understanding of consumption outcomes. The research will utilize a qualitative research method to establish the perspectives and findings of existing research on the topic under study. This will be realized through the review of numerous articles on the research topic.

### **Literature Review**

Most of the modern day consumers are increasing the personalization of their digital experiences as they sample a diverse digital niche content. From customized start pages, to blogs, to recommendation engines, the “connected consumers” are capable of navigating their individual landscape, which portrays a greater niche than expected previously. Yasav (2015) revealed that about 60 percent of consumers have personalized their start/home pages. In

addition, about 55 percent of consumers utilize the really simple syndication (RSS) technology, which gives users an opportunity to subscribing to content feeds as well as reading them through their customized home pages or specialized readers (Kiboro & Karanja, 2015). The RSS technology has also helps consumers in keeping up-to-date on relevant information like sports and news.

The growth of digital technology is another key driver for the new consumer behavior because it had directly affected shopping and related activities. In particular, the mobile devices usage for shopping has witnessed a significant growth over the past decade. About 53 percent of consumers reveal that they visit retailer websites using their mobile phones, while at least 40 percent of consumers have undertaken tasks related to shopping using mobile phones (Yasav, 2015). Due to the changes in the shift to digital consumer behavior, retailers and brands need to keenly follow the new trends while implementing new strategies and tools as a way of responding to the dynamic needs of digital shoppers. The new omni-channel behavior does not portray any limitations to specific technology gurus and segments as it is becoming mainstream and widespread across generations. Examples of the strategies and tools embraced by brands include responsive design, enhanced wish lists, custom alerts, and drag and drop features (Yasav, 2015).

Responsive design tools manifested in brand websites has been instrumental in the optimization of consumer experience regardless of the device used by the consumer. The brand feel and website's look are similar across such devices laptops, tablets, and smartphones, although customization of shopping experience different for each device. Enhanced lists, on the other hand, are utilized in giving consumers a place of retaining as well as storing their desirable

items in virtual closet for shopping (Stephen, 2016). This tool plays an integral role in creating cross-selling opportunities for merchandise. The drag and drop features help in ensuring that mobile shoppers are capable of “dragging” products into clipboards while saving them as they continue with their shopping. With a single click, the shoppers are presented with the opportunity of seeing their personal clipboards anytime, which enables them to compare and review items while adding matching add-ons (Yasav, 2015). Custom alerts given customers an opportunity of receiving product alerts once such products go on sale or are available. To this end, shopper engagement is significantly boosted, and the benefit of “surprise and delight” is provided (Victor, Joy Thoppan, Jeyakumar Nathan & Farkas Maria, 2018).

The increased social media usage has also driven digital consumer behavior. There is no doubt that the millennial consumption has increased significantly as a result of social media usage. A study conducted by Stephen (2016) revealed that about 85 percent of consumers utilize social media, with 50 percent of them stating that they follow different brands via social media. About 30 percent of consumers purchase products after they see it on social media (Stephen, 2016). Diverse distinctions are witnessed based on generation, although millennials portray a greater influence by social media whereby more than half of them indicate to have purchased an item as a result social media usage. Social media content has been designed such that it encompasses emotional connections to specific brands. With some social media sites such as Facebook and Instagram supporting livestreams and videos, many brands have been able to enhance their brand identities. The recent growth in content strategy has played a central role in getting and keeping emotional connections with both potential and current consumers (Stephen,

2016). On the other hand, bloggers and influencers play a key role in promoting brand content when retailers have a unique brand identity or innovative product.

Credit cardholders are also portraying a greater use of digital channels compared to other categories of buyers or shoppers, especially in retail markets. The brands with a larger customer base using retail branded store credit are required to embrace digital strategies because such consumers exhibit a greater likelihood to possess digital devices. Through creation of branded store cards, successful retail brands have been keen on establishing programs that are aimed at enhancing the cardholder's shopping experience through fully enabling their consumers' phones with the latest retail apps and tools that are capable of driving engagement. Examples of common tools for retail cardholders include account lookup, account alerts, loyalty and rewards (through tracking and redemption), functionality of mobile credit applications, as well as customized user interface. Brands that have been effective in incorporating the interface for their retail cards with their retail brands have been successful in providing seamless experiences for their consumers

### **Research Methodology**

The main research methodology adopted for the proposed research is the review of literature on digital consumer behavior, particularly from a consumer perspective. The researcher will identify and classify various study related to the topic under study via the use of a structured approach. The various studies identified will be reviewed whereby consolidation of different research findings will be conducted as a way of realizing a tentative research that reflects the concept of digital consumer behavior from the consumer perspective. In addition, the study will undertake a comprehensive review of the underlying knowledge and academic research findings on digital consumer behavior, which will be aimed at identifying the various motivations for the

behavior of consumers in the digital world. The selected articles for research will be published after 2010 as a way of ensuring that the information provided is relevant and consistent with the desired research outcomes.

### **Research Outcomes**

Although the digital consumer behavior has witnessed a significant transformation in the recent past, retailers have the opportunity to attract more consumers through the implementation of numerous strategies. In particular, marketers and advertisers need to embrace the following strategies towards creating exceptional customer experience for modern day consumers. Firstly, retailers need to enhance the portability of content. Retail brands should leverage the personalization wave through making their content more portable. This can be realized through embracing RSS that gives them an opportunity of ensuring that users subscribe to their content as well as getting frequent updates. The use of widgets is also helpful in ensures that consumers gain richer and deeper experiences with the functions and features of a brand's website. Retailers are also required to create consumer reviews and ratings. This may be done through ensuring that customers are able to access and contribute peer reviews as well as rating and reviewing products. Whenever possible, publishers need to give consumers an opportunity to "comment" in addition to the reviews and ratings (Yasav, 2015).

Retailers also need to increase their investments in online videos. With videos being utilized as an integral part of digital marketing, businesses should ensure digitization and integration of all video assets with the existing services and content (Hoffman, Novak & Stein, 2013). The businesses should leverage near-term advances when using video advertising as a way of monetizing the effort. In addition, retailers need to think beyond their business website.

With the increased digital consumers, website plays a lesser role. The implication is that businesses should focus more on blogosphere, social media sites, advertising, and search, including how such attribute relate to their digital marketing efforts for appropriate and effective investment.

Consumer surveys have shown that digital tools have become an integral part of consumers' shopping experiences. From social sharing to mobile alerts to full price transparency, retail industry is largely dependent on the influence of social media and technology. Forward-looking and responsive retailers are presented with the opportunity of delighting customers in the new environment through putting a greater emphasis on the seamless digital experience. Some common tools that businesses should leverage include a compelling content strategy, custom alerts, and responsive web design. Seamlessly integrating such tools in customers' shopping experience is capable of attracting new shoppers for a brand as well as increasing the loyalty of existing consumers.

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