

Digital Marketing Influence on Customer Perception in Automobile Dealerships: A Conceptual Perspective

Y.A. Keerthi Josh

*Vel Tech Rangarajan Dr. Sagunthala
R&D Institute of Science and Technology*

Dr. S. Raja

*Associate Professor
Vel Tech Rangarajan Dr. Sagunthala
R&D Institute of Science and Technology*

Abstract

With a high rate of the evolution of digital technologies, marketing communication has greatly changed in industries. In automobile industry, the digital platform, including social media, online advertisements, brand websites and customer review portal, have been significant sources of information to prospective buyers. Consumers have increasingly been relying on the digital platforms to research on the features of the vehicles and compare them with the alternative brands and their capacity to perform their own credibility research. The proposed conceptual paper will consider the impact of digital marketing activities on customer perception in the case of automobile dealerships. The study is based on the premise of the existing marketing theory and previous scholarly literature that suggests the formation of a conceptual framework explaining the connection between digital communication tools and customer perception. Online information effectiveness, digital platform accessibility, social influence of the use of online communities, and customer comfort to use digital media are determined as some of the key constructs that are important in determining consumer perception. The paper indicates the extent to which these elements define the customer attitude of the automobile brands and credibility of its dealerships. Theoretical and managerial implications of adoption of digital marketing in automobile retail sector are also discussed in the paper. The research framework suggested offers a platform upon

which subsequent empirical studies into the effect of digital communication strategies in consumer behaviour in the automobile industry can be conducted.

Keywords: Customer Perception, Digital Marketing, Automobile Industry, Online Consumer behaviour, Social Media Marketing.

I. INTRODUCTION

The availability and access to the internet and the development in technology has radically transformed how business is carried out in communication between businesses and consumers. The digital platforms are the ones rapidly complementing or replacing traditional channels of marketing like the television or newspapers and radio as the organization moves closer to its target audience. Digital marketing is a web-based communication tool such as websites, search engines, social media, email marketing, and online advertising that helps in the marketing of goods and services. Over the last few years, digital marketing has come to form a critical part of marketing in different industries. The auto sector has undergone a major transformation towards online communication that used to adopt physical display and commercial advertisements through the mass media. Customers have become more active in seeking the information about the products online and consequently making purchases. Their awareness of the vehicle specifications, watch review videos, customer feedback, and their engagement with the brand is conducted through social media. It is not uncommon to have the modern consumer starting with an online journey. Prior to attending an automobile dealership, customers often search company websites, automobile forums, YouTube reviews and social media discussions. Such online communications have a very powerful impact on the consumer feelings of brand strength, product excellence, and stereotypical trustworthiness. Due to this, automobile companies and auto-dealer establishments are allocating more resources as far as digital marketing is concerned in order to reach and persuade prospective customers. Although most research in this field on automobile manufacturers incurs more emphasis on marketing at the manufacturer level, most studies have not explored the significance of digital marketing to the companies and attentively observed the impact of digital marketing on the manufacturers. The impacts of the dealership level digital communication on the consumer perception and the effect of the activity on consumer purchasing behaviour has received limited attention. This relationship is important to understand since it is the dealerships that are the last line of contact between the automobile brands and the consumers. Thus, the purpose of the current conceptual paper is to investigate how digital marketing communication affects the perception of the customers in the context of automobile dealership. Through the examination of topical

literature and the marketing theories, the research aims at developing a conceptual framework in which the varied components of digital marketing are determined to affect consumer perception towards an automobile dealership.

Background Conceptual and Theoretical Framework.

The analysis of digital marketing has to incorporate a number of theoretical views of the literature of marketing and consumer behaviour in grasping the effect of digital marketing on customer perception. The Theory of Planned Behaviour (Ajzen, 1991) is one of the most topical theoretical grounds. This theory claims that attitudes, subjective norms and the perceived behavioural control govern consumer behaviour. Online reviews, social sites discussions, and informational contents are digital marketing activities that influence consumer attitude towards the products and brand. When consumers are exposed to positive information on the internet, their attitudes towards a brand are improved, and this might make them have more intention to buy the product. The Customer Perception Theory is another relevant school of thought that clarifies the ways of how people perceive marketing stimuli and shape their opinion on products and services. The overall perception of the consumers is influenced by a number of informational signals such as advertisement messages, peer judgment, brand messages, and consumer experience. These cues are intensified on digital platforms as they offer real-time feeds of information which affect general consumer judgments about brands. Another important concept is the concept of Electronic Word-of-Mouth (eWOM), which is very important in the digital marketing environment. Consumers can communicate with a vast number of people and post their experiences and opinions through online reviews, ratings and social media discussions. Trust and credibility may be fortified by positive eWOM, whereas negative feedback may influence the brand among the people, to a great extent. In addition, the Digital Marketing Communication Models recommend the significance of interactive interaction between the consumers and the businesses. The digital platforms that are used to conduct the marketing do not have a one-way communication like in traditional marketing channels, where the consumer only receives what the brand has to say, but cannot respond or express their views or comments. The level of customer engagement is improved, and the perception of the brand is influenced more working in this type of interactive environment as compared to traditional advertising means. Combined, these theoretical approaches point to the impact of digital communication tools on consumer attitudes, and trust as well as general perception of automobile brands and dealerships.

Review of Literature

The importance of digital marketing in shaping consumer behaviour has received a lot of coverage in research works.

As noted by **Tiago and Verissimo (2015)**, digital marketing platforms help organizations to interact with consumers in a stronger relationship due to the interactive characteristic feature of this digital marketing service. Their examination has noted how online interactions assist companies to enhance brand image and improve relationships with customers.

Stephen (2016) discussed the impacts of social media marketing on the consumer behaviour and revealed digital platforms have a remarkable impact on consumer attitudes and purchase intentions. The interaction on social media, online advertising, and online communities of brand consumers were recognized to have a major influence on shaping consumer perceptions.

Dahiya and Gayatri (2017) examined the Indian car buyers in terms of their engagement in digital marketing communication. Their results were that shoppers often use online platforms to acquire knowledge about cars features, prices, and performance and then go to showrooms.

Gupta and Singh (2017) considered the effects that social media marketing has on the purchasing behaviour and found that digital media becomes a significant factor to get consumers to alter their perception and brand image. They conducted a research which implied that social media could be effectively employed by organizations to reach out to their customers and create brand awareness.

Holliman and Rowley (2017) concerned themselves with the digital content marketing concept and emphasized the necessity to offer valuable information to consumers. In their study, they reveal that informative and interesting content on the internet platform assists organizations in gaining credibility and develop long term relationships with their customers.

Kapoor and Vij (2018) talked about the increasing digital marketing approaches in the automobile market. Their research reported that awareness and purchasing decisions of consumers depend greatly on online advertising campaigns and digital engagement activities.

Kingsnorth (2019) has stated that digital marketing analytics is crucial to assessing consumer reactions and enhancing marketing outcomes.

Despite the fact that the current literature proves the significance of digital marketing in its impact on consumer behaviour, numerous studies concentrate more on the marketing strategies at the manufacturer level.

There is lack of studies on the impacts of digital marketing activities that are being undertaken by automobile dealerships on consumer perception and engagement. Consequently, the necessity to create a conceptual framework

outlining the influence of the dealership-level digital marketing communication on the perception of the customers within the automobile industry is evident.

Statement of the Problem

There is a lot of competition in the automobile market with many cars brands in the market at various price ranges. Consequently, motor vehicle dealerships have to implement appropriate marketing plans to win the interest of a potential customer. The interdependence of modern consumers on digital sites is becoming more popular, which include social networks, reviews on the Internet, and car websites, in order to collect information on vehicles.

These online interactions affect the brand perceptions and product judgments by the customers. By its widespread usage among automobile firms in digital marketing, most firms neglect that digital communication has a wide range of influence on consumer perception and purchasing behaviour, which is still a challenge that confronts many dealerships.

In addition, the majority of available studies concentrate on digital marketing strategies applied on the manufacturer level but not on the dealership level. The research findings of the impact of digital marketing activities on customer perceptions of particular car dealerships are scanty.

Objectives of the Study

Primary Objective

- Digital Marketing Influence on Customer Perception in Automobile Dealerships: A Conceptual Perspective

Secondary Objectives:

- To examine how online platforms (website, social media) provide vehicle information to customers.
- To understand whether customers find digital platforms easy and convenient to use.
- To analyse the influence of online reviews and social media opinions on customer decisions.
- To study how comfortable customers feel while using digital media for car research.

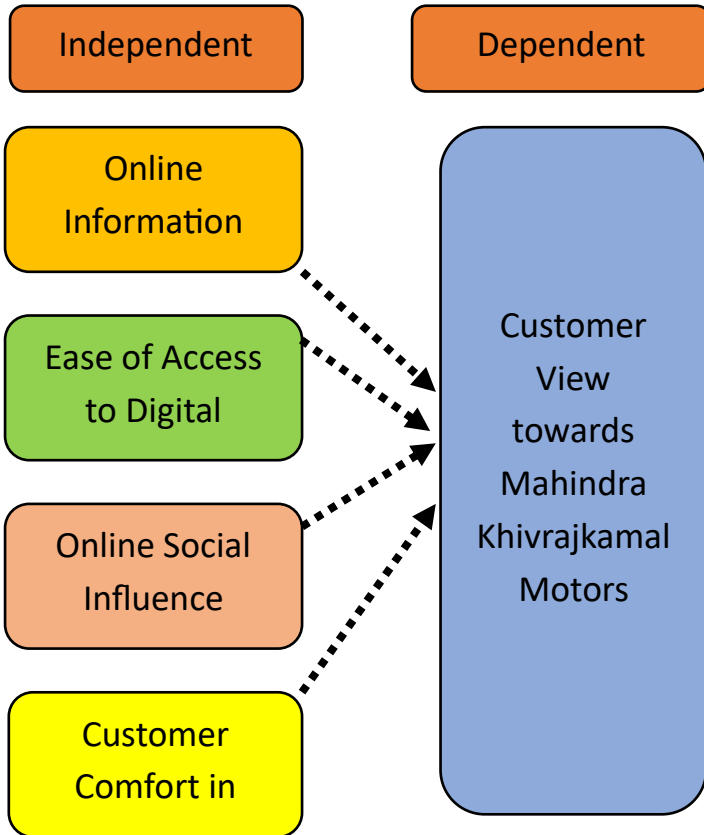
Scope of the Study

This study is confined to the consumer perception of Mahindra Khivrajkamal Motors, which is situated in Ambattur, Chennai with respect to the effect of digital marketing. The study mainly dwells on the online mode of

communication such as social media, company websites, and online advertisement campaigns employed by the dealership.

The paper also assesses the interactions between the consumers and these sites during the period when they seek information about Mahindra cars.

Conceptual Framework



Discussion

The growing influence of online media in the consumer decision making process has changed the way marketing strategies are in the automobile industry. The information available to consumers is highly informative and therefore consumers are able to consider their product through digital communication channels prior to making a purchase decision. The theoretical framework used in this paper brings out the importance of multiple aspects of digital marketing in building the perception of customers. The consumer learns about the features and benefits of a product online when they read product descriptions, review videos and other comparison tools. When the information is represented in a clear and

transparent way, it raises the confidence towards the brand. The social media sites also enhance the consumer interactions as they provide interactive communication between the company and customers. Reviews and online debate can be very useful in terms of getting customer reviews, which may affect purchasing behaviour considerably. The second significant one is the familiarity of the consumers with the digital technologies. With the growing levels of digital literacy, consumers are more at ease with the online platform in product research and decision-making. The trend serves to underline the significance of effective digital marketing tactics of automobile dealerships that want to appeal to contemporary consumers.

Limitations of the Study

There are some research limitations that must be taken into consideration during the process of interpretation of results. The research is geographically confined to the customers that are related to Mahindra Khivrajkamal Motors in Ambattur, Chennai. The sample was taken rather small because time was an issue. The method is based on the opinions of the respondents who might have a personal prejudice or opinion. Research laid much emphasis on the factors of digital marketing and fails to look at other factors, including product features, pricing strategy, or brand loyalty. The lack of time was a constraint on the thorough data collection and examination.

II. CONCLUSION

Digital marketing has caught up as a tool that organizations need to reach consumers at the digital age. The growing popularity of internet technologies and digital platforms have affected the ability of consumers to obtain information and compare products prior to making buying decisions greatly. The results of this investigation show that digital marketing is significant in creating perception of consumers about Mahindra Khivrajkamal Motors. Online platforms like social media, websites of the companies and online advertisements are often used by the customers to get information regarding cars and evaluate brand credibility. Optimistic digital marketing techniques have the capacity to boost brand awareness, increase customer interactions as well as purchasing decisions. When auto dealers employ digital marketing tools effectively, they will be able to consolidate their market stance and gain more potential customers. Thus, automobile dealerships are to consider creating exhaustive digital marketing plans that combine social media communications, informative websites, and appealing online campaigns to impact the consumer attitude and make them visit showrooms.

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