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

2.1 Hypothesis Development

Figure 1. Research Framework.

Figure 1 shows the involvement of variables in this study involving two variables consisting of Digital Marketing and Purchase Decision variables. The hypothesis development in this study is based on the previous studies and relevant theories. Therefore, the formulated hypothesis in this study is as following:

**Ho**: There is no significant influence of digital marketing processes on consumer purchase decision in Aerostreet company.

**Ha**: There is significant influence of digital marketing processes on consumer purchase decision in Aerostreet company.

2.2 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

| 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%     |

### Marketplaces

| Marketplace     | Value | Category |
|-----------------|-------|----------|
| 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 (response; \( Y \)) and one or more independent variables (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 |
|-----|-------------------|-------|----------|
| 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 |
|-----|--------------------------|-------|----------|
| 1   | Decision-Making          | 3638  | High     |
| 2   | Need Recognition         | 735   | Very High|
| 3   | Information Search       | 729   | Very High|
| 4   | Decision-Making Process  | 735   | Very High|
| 5   | Purchase Decision        | 723   | Very High|
| 6   | 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. |
|-----------------|----------------|-----|-------------|------|------|
| Regressi on     | 1948.892       | 1   | 1948.892    | 71.3 | .000*|
| Residual        | 1528.694       | 6   | 272.987     |      |      |
| Total           | 3477.586       | 7   |             |      |      |

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.

Table 6. Model Summary

| Model | R      | R Squar e | Adjusted R Square | Std. Error of the Estimate |
|-------|--------|-----------|-------------------|---------------------------|
| 1     | .749*  | .560      | .553              | 5.225                     |

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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