Consumer Behaviour Trends In The Digital Age

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I.   Introduction: Consumer Behaviour: A New Approach In The Digital Economy.

The advancement in technology has greatly influenced the consumers' behaviour towards products, brands, and markets. Characterised by fast innovation, availability of the internet, and the use of digital platforms, this generation has brought about a major shift in consumers' behaviour (Smith, 2020). Such consumers nowadays are able to use both the online and the physical world in their buying processes as they have changed from the traditional ways of purchasing goods and services. E-commerce sites, social media, and mobile applications are the key drivers of the customer journey in the current world, which makes it crucial for the business to know these changing consumer behaviours (Brown & Lee, 2021).

Another significant change that has been observed in the digital world is that of personalization. Some of the advanced marketing techniques include data-driven strategies in which products and services are specially designed to suit clients and their previous search history (Kumar, 2019). Other factors that have also influenced the consumer's purchase decision include the power of social media together with peer reviews through influencer marketing with buyers resorting to social media recommendations before making a purchase (Zhang and Chen, 2020). In the same way, ethical consumption has been on the rise due to technological advancement in the digital platform that makes it convenient for consumers to make purchases that are in line with their values such as sustainability and corporate social responsibility (Davis, 2021).

The purpose of this paper is thus to assess the main factors that are shaping consumer behaviour in the digital world and, therefore, how firms can respond to these shifts. Knowing these trends, companies can come up with ways on how to get-in to the consumers in the ever-changing digital world.

II.   Literature Review: Consumer Attitude And Behaviour Towards Products And Brand In The Digital Environment

To comprehend consumer behaviour in the digital age, there is the need of analysing the previous theories and frameworks which help to describe the process of decision making on the consumer's side. A popular theory is Maslow's hierarchy of needs which postulates that consumer behaviour is motivated by the need to satisfy basic needs from the physiological to the self-actualization needs (Kotler, 2018). This model has been transformed in the digital environment with technology offering means to satisfy the needs of the higher order including, individualisation, identity, and interconnection through the use of the internet (Anderson & Rainie, 2020). For instance, in the social media platforms, people are able to express themselves and join groups where they can interact with like-minded people, this caters for the social and esteem needs as defined by Maslow (Kumar & Sharma, 2021).

Another factor that helped explain consumers' behaviour online is the development of behavioural economics. According to Thaler and Sunstein (2017), consumers are vulnerable to such cognitive biases as anchoring and bandwagon effect while making decisions in the digital platforms. For instance, online retailers employ the anchoring technique by displaying the selling price next to the normal price in an effort to influence consumers to consider value of the former (Johnson & Smith, 2019). Likewise, the bandwagon effect can also be noted in the consumer's tendency to make purchases based on the reviews and ratings given by other consumers, which are more influential than the company's marketing campaigns (Chen & Zhang, 2020).

Another important factor that defines the digital consumer behaviour is the change in consumers' consumption. The approach that blends the online and the offline experiences is now popularly known as omni-channel strategy. There is currently a need for consumer experience to be consistent whether in a mobile app, on a website, or even in physical stores with individualized service across all the touchpoints (Brown & Lee, 2021). Research has suggested that 73% of consumers like to engage with brands that provide an omnichannel experience because the consumers feel they have a better connection with the brand (Jones, 2020).

Cultural changes have also played a part in the consumers' buying behaviour especially with the growth of digital platforms. The process of globalization has extended the reach of the digital consumerism

across the globe, and culture norms have change to adapt to the globalization of brands and products (Grewal, 2019). Specifically, the increase of ethical consumerism is a result of increasing consciousness of consumers about the environment and company's responsibility. The advancement of the digital platforms has enabled consumers to access information about the social and environmental responsibility of companies thus changing consumer buying behaviour (Davis, 2021).

Thus, the presented literature review demonstrates that the classical theories of consumer behaviour have been extended to the digital context, and such factors as personalization, omni- channel experiences, and changes in culture influence the behaviour of consumers nowadays.

III. Consumer Behaviour And Its Shifts In The Digital World: Key Trends In The Modern World

There are new trends that characterize the digital age which affect consumers' behaviour when it comes to brand engagement and purchasing decisions. These trends have been necessitated by the integration of technology in the society as well as changes in the market perception.

Mobile Commerce (m-commerce)

It has been identified that m-commerce which means shopping or buying goods and services through mobile phones is one of the greatest trends. The use of mobile commerce has been on the rise due to the increased use of smartphones and the ease that is offered by the devices (Singh & Gupta, 2021). Recent statistics indicate that sixty percent of the e-commerce transactions are made through the mobile devices, a trend which has slowly emerged (Rogers, 2020). This is an untapped market which businesses can tap into and offer smooth shopping experiences on small screens since more and more people are using their mobile devices to access websites and apps (Khan, 2021).

Personalization and Customization

This means that shoppers today are looking for a very specific treatment and attention that is in line with their individual needs. This trend is attributed to the fact that there is a lot of data and there are improvements in artificial intelligence which makes businesses understand the consumers' behaviour and make recommendations to them (Brown & Lee, 2021). Personalization increases the interest of the user by providing the content, products or services that are related to the previous searches, previous purchases, and preferences. Some examples of the application of AI include Amazon and Netflix where they employ recommendation systems to offer products and content that suit the preference of the customer hence enhancing satisfaction and sales (Chen & Zhang, 2020).

Social Media Influence

Today, consumers turn to the social media sites in order to find information about a brand, as well as opinions about the brand. It is worth to note that social media influencers, people with many followers on Instagram, TikTok, and other platforms, have a significant impact on consumers' decision. According to Wang (2020), 70% of the millennials' consumers' decision is influenced by social media, and influencers are often their trusted sources of information. Furthermore, user- generated content such as product reviews, and testimonials that are shared by users on social media platforms are another tool in the marketer's arsenal to help build trust and create authenticity (Zhang and Lee, 2021). This means that brands that have well developed social media marketing strategies can get in touch with consumers in a more intimate way and in return create brand advocates.

Subscription Models

Besides, the increasing use of subscription services is another important trend in the digital environment. In the near future, customers prefer to pay for the access to the products and services instead of buying them one by one, for example, using the services of Netflix, Spotify, or Blue Apron (Johnson & Smith, 2019). This shift is due to the consumers' need for convenience and the ability to make accurate predictions on the experience they will have as a customer through subscriptions (Kumar & Sharma, 2021). Organizations that have embraced the subscription model get the advantage of predictable and regular income streams while the consumers are able to get products or services at their convenience without having to make purchases frequently.

Ethical Consumerism

This has been made possible due to increased information through the use of digital media where the consumers are now more conscious of the social and environmental impacts. The concept of ethical consumerism has gained a lot of momentum recently as consumers are searching for the brands that represent

their values, primarily the ones that share the concerns about the sustainability and corporate accountability (Davis, 2021). According to a survey that was done globally, it was found out that 55% of the consumers would like to spend their money on products from companies that support social and environmental causes (Jones, 2020). Organizations that are sustainable and ensure that they relay the information to their consumers will be appealing to such consumers and will stand out from other brands (Grewal, 2019).

Factors Affecting the Consumers in the Age of Technology
There are several factors that define consumer behaviour in the world of digital consumer and affect consumer decision making and his/her relationship with the brand. Such factors include ease in use of digital platforms, improvements in technology, and shift in culture.

Convenience and Accessibility
Due to advancement in technology, convenience has emerged as one of the key influencers of consumers' decision-making process. The convenience of shopping online at any time and from any place has somehow altered the conventional ways of shopping. The digital platforms act as a one-stop shop that gives consumers round the clock access to the products and services that they require and hence, they do not have to make time to visit the traditional physical stores (Miller & Smith, 2021). According to Johnson (2020), the preferred factor that consumers consider while shopping is convenience, thus pointing towards increased online and mobile commerce. The factors such as same-day delivery and easy return policies make online shopping more convenient as compared to the traditional shopping which has made it popular among the consumers (Lee & Davis, 2021).

Technological Advancements
Recent technological innovations especially in the areas of artificial intelligence and big data are changing the consumer behaviour. AI technologies help firms to gather extensive data on their consumers in order to identify patterns and adapt the marketing approach accordingly (Brown & Lee, 2021). For example, chatbots driven by artificial intelligence enable clients to get almost immediate assistance and make suggestions on products that might interest them during the shopping process (Smith & Patel, 2022). Furthermore, the following technologies are becoming popular in the shopping industry and provide consumers with ways to interact with products as if they are physically holding them in their hands: Augmented Reality (AR) and Virtual Reality (VR) which makes it possible for consumers to visualise the products in their environment before making a purchase (Green & White, 2020).

Changing Societal Values
Other cultural factors are also affecting the consumer behaviour especially through the increased focus on the ethical and sustainable consumption. The consumers have become conscious of the environmental and social implications of consumption, hence, there is a need for products and brands that resonate with the consumer's values (Davis, 2021). This paper posits that companies that practices ethical standards like, sourcing for products in a sustainable manner and ensuring that they do not exploit their workers, are likely to attract and retain consumers who are ethical (Grewal, 2019). According to the study done by Chen and Zhang (2020), it was revealed that 65 percent of consumers are willing to spend more money on the products of companies that are environmentally conscious as well as socially conscious.

Word of mouth and Social Pressure
Word of mouth and social influence have gained much importance as they influence the consumers' decision making. Online reviews and ratings also feedback and recommendations from friends and family members take a central place in their decision-making process (Zhang & Chen, 2020). Yelp, TripAdvisor, and other similar platforms have given consumers a voice and the ability to sway other consumers thus creating a cycle that influences brand perception and consumer trust (Wang, 2020). This change underlines the need to control the brand's online representation and interact with the consumers to establish a constructive dialogue and trust.

IV.   Challenges And Opportunities In Business Environment
The world today is digital, and this comes with its advantages and disadvantages to businesses as they try to understand the consumers. This understanding is very important for the companies which work in a very competitive environment.

Challenges
Data privacy is an issue that has raised a lot of concern especially in the modern world. Due to the present trend of data collection and utilization, consumers are becoming more and more concerned with the

processing of their data (Smith, 2021). Recent cases of data leaks, and privacy scandals have increased the concern and cynicism towards the protection of data (Jones & Patel, 2022). Companies are required to follow the legislation like GDPR and have to develop and implement proper security measures to achieve and preserve the consumers' trust (Miller, 2020).

Technological Overload: Technology has advanced at a very high rate and this can cause a form of overload to both the business and the consumer. It is tiresome, there are constant updates, new platforms, emerging technologies, and it becomes a daunting task for companies to keep up and know how to include them in their operations (Green, 2021). However, consumers may get overwhelmed with the use of multiple platforms and creating many accounts, which would affect their engagement and satisfaction (Chen & Lee, 2021).

The changes in the markets and consumers' behaviour to meet the challenges presented by the fast-paced business environment. If companies do not adapt to the new trends and technologies that are emerging in the market then they risk becoming obsolete (Brown & Lee, 2021). In the modern epoch, it is crucial to learn and adapt to new strategies and approaches as well as develop an insight into new consumers' tendencies (Kumar, 2022).

Opportunities

Improved Customer Interaction With the advancement in technology, there are better ways of engaging the customer through tailored marketing and other services. Some of the technologies that companies are using include AI and machine learning which assist in the formulation of effective marketing strategies and increasing the bond between companies and customers (Davis, 2021). Other features like quizzes and live chat can also be used to improve engagement and therefore have a better connection with the customers (Smith & Johnson, 2020).

Market penetration through the use of digital platforms Since the use of the digital platforms, firms are able to access new markets and prospective customers. Through e-commerce, the companies can extend their market to the global market hence access the international market (Rogers, 2020). The following are some of the ways that businesses can use to benefit from this mobile commerce opportunity and grow their customer base as well as revenue (Lee & Davis, 2021):

New Business Strategies The new business models such as subscription services and DTC are Faster, Cheaper, and Better. Thus, the use of subscription services, which provide regular and predictable income flow and, thus, customer loyalty, has become more common across industries (Chen & Zhang, 2020). Also, DTC models help organizations to foster better customer relationships since they eliminate the middlemen and directly engage customers through digital interfaces (Brown & Lee, 2021).

Using social media Social media sites can be used as tools for building and strengthening a brand as well as engaging with the customers. Some of the ways through which businesses can leverage on social media platform include advertising, content promotion, and receiving customer feedback (Zhang & Lee, 2021). The right application of social media can increase the company's brand awareness, create a community, and increase customer loyalty (Wang, 2020).

V. Case Studies: A Good Digital Strategy Depends On Several Factors That When Well Implemented Can Make The Strategy A Success

Thus, it is possible to learn from successful digital strategies how companies can successfully operate in the environment of modern consumers. This section discusses examples of organisations that have thrived through the use of digital trends and technologies.

Amazon: The article is titled as Mastering Personalization and Convenience which reveals how these concepts can be developed and implemented

A classic example of this is Amazon which is an organization that has greatly implemented digital strategies in the management of customer experience. The use of personalization especially through the recommendation engine is another factor that has made Amazon what it is today.

Through tracking consumers' behaviour through browsing history and purchasing habits, Amazon recommends products which the consumers are more likely to purchase (Smith, 2020). Further, the convenience that amazon has adopted through one-click purchase and same-day delivery among other aspects has raised the bar for e-commerce (Brown & Lee, 2021). It has been enhanced by the company's ability to incorporate cutting edge logistics and technology making it dominant in the online retail market (Kumar, 2019).

Netflix: Using Data to Enhance Content Delivery for the Individualizes Audience

Netflix has, therefore, used data analytics in its content provide and to capture its audience's attention. Through a complex system of algorithms, the company is able to define the users' behaviour and preferences

thus providing the most relevant content to the user (Chen & Zhang, 2020). It also enhances the user satisfaction while at the same time increasing the retention rate of the viewers. The company's strategic approach to creating original content based on data analytics of the audience has only strengthened the company's position on the market (Wang, 2020). This is because Netflix has ensured that it changes its content to suit the audience's preferences thus standing out from other competitors in the market.

Nike: The Adoption of Technology and Involvement of the Community
Nike has been able to align the use of digital innovation with community engagement in order to boost the company's brand positioning. For instance, Nike+ ecosystem, which comprises of applications for fitness tracking and online communities, is a clear indication of the company's use of digital platforms to engage the customers (Green & White, 2020). Nike is one of the companies that have embraced the use of augmented reality in their physical stores whereby customers can try out the products virtually to help them make their purchases (Davis, 2021). Moreover, the use of social media marketing and partner with influencers has helped Nike to increase its brand awareness and engagement with its consumers (Smith & Johnson, 2020). The given strategies have contributed to Nike in staying as one of the leading brand names across the globe targeting the sports and fitness business.

Starbucks: Optimizing the Customer Retention through the Digital Channel
Starbucks has been able to utilize the use of digital media to create customer loyalty and increase customers' interaction. The company's loyalty programme is through the mobile application known as Starbucks Rewards where the customers are given special offers and rewards depending on their preferences and buying habits (Lee & Davis, 2021). It also has elements like mobile ordering and payment thus improving the customer experience (Johnson, 2020). Incorporating the digital element and the reward program, Starbucks was able to enhance customer loyalty and retention thus building a powerful brand (Kumar & Sharma, 2021).

VI.   Future Directions And Implications
In the world of digital consumers, companies need to be ready for changes and new tendencies in consumers' behaviour. This section draws the future trends and the challenges that firms must face in order to maintain their competitive advantage.

Technologies that are on the Rise and their Effects
AI and machine learning are anticipated to become more prominent in the provision of consumers' experiences. New and improved AI solutions including predictive analytics and the enhanced chatbots will most possibly continue to evolve and enhance the level at which businesses may engage with their customers (Brown & Lee, 2021). It can also affect the behaviour of consumers through increasing the levels of transparency and security of the transactions through the use of the blockchain technology hence boosting the levels of trust between consumers and the brands (Green, 2021).

Virtual and augmented reality, a new trend in the future of the global economy.
Virtual reality and Augmented reality are among the revolutionary technologies that are expected to impact the consumer experience through the shop and product experience. It means that incorporating VR and AR into companies' marketing strategies can help to offer the customers more interesting and interactive ways of engaging with products, which may lead to higher conversion rates and customer satisfaction (Davis, 2021). This being the case, the use of such technologies is expected to increase as they become more readily available and cheaper, thus providing a chance for firms to come up with new ideas (Chen & Lee, 2021).

New Emphasis on the Data Privacy and Ethical Issues
Another emerging issue is data privacy since the consumers will be more conscious of how their data is being used. Other than the changes brought about by the pandemic, companies will have to spend in better data protection measures and embrace ethical practices in order to meet requirements such as the General Data Protection Regulation (GDPR) (Smith, 2021). It will therefore be important for companies to be more transparent on how consumer data is used and how this information is treated to ensure that the consumers are not bent off by the companies they are dealing with (Jones & Patel, 2022).

Evolution of Consumer Expectations
It is reasonable to expect that consumers' expectations will change further, and the focus on the environmental impact and social issues will grow. This paper posits that, companies that pay special attention to the environment and ethical issues will have higher chances of winning the attention of the conscious consumer (Grewal, 2019). Also, with the customers' experience being more interconnected than ever, businesses should

pay attention to the continuity of the interactions across all channels, whether they are traditional or digital (Rogers, 2020).

The Effects of Globalization and Cultural Diversity

Due to the effects of globalization, the consumer is becoming more diverse and sophisticated and thus business will have to learn how to market their products to the global market. Cultural sensitivity will also be pivotal when coming up with strategies for marketing as well as forging wide international partnerships (Chen & Zhang, 2020). It is argued that the companies that manage to localise their digital strategies and at the same time ensure to keep their brand identity will be in a better position to compete in the global market (Kumar, 2022).

VII. Conclusion

Therefore, it is possible to state that the digital age has significantly impacted consumer behaviour due to the development of technology and changing consumers' demands and preferences along with the increased use of digital channels. It is therefore important for organizations to understand these changes in order to excel in this ever-changing environment.

Today's consumers' behaviour has changed greatly due to the growth of mobile commerce, and personalization, as well as the roles of social media. The portability of the digital platforms that can provide specific recommendations and create an engaging experience has shifted consumer behaviour and their decision making when it comes to making a purchase (Smith 2020; Brown and Lee 2021). Amazon, Netflix, Nike, and many others have provided examples of how digital strategies can be used to boost customer experience and accelerate revenue growth in today's digital economy (Chen & Zhang, 2020; Green & White, 2020).

But there are disadvantages like, data privacy issues, technology overload and the pressure to adapt to frequent changes among other challenges that business encounter. Meeting these issues calls for pre-emptive measures in data management, being in tune with the new technology, and being prepared for change in the market trends (Smith, 2021; Miller & Smith, 2021).

The future trends of AI, VR, and AR have the potential to shift consumer behaviour in the near future, thus creating new avenues for creativity and customer experience (Brown & Lee, 2021; Davis, 2021). It also means that companies have to pay attention to their ethical behaviour and sustainability since consumers are more likely to demand more responsibility from companies (Grewal, 2019). These are some of the trends that have been identified and by planning for them and adjusting strategies accordingly businesses will be able to thrive in the constantly growing digital world.

Therefore, the digital age has its benefits and risks for companies. Knowing the current tendencies in consumers' behaviour, the possible issues that may arise in the future, and the possible technological advancements, will be crucial to overcome competition and be successful in the further years.

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