

Effectiveness Of Digitalization In Automobile Sectors

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ABSTRACT

Digital Marketing and different Innovations made by an organization move on the era of digitalization. Digital marketing is promotion of products or brand via one or more forms of electrical media. This Research study has been undertaken to assess the digital intervention on the sale of cars of automobile sectors. Fundamental sampling method has been used in the research work. A highly designed Questionnaire had been used to collect the responses from one hundred customers. The data collected has been analysed through various statistical tools like Cross tabulations, percentage analysis, factor analysis. The result of the study would help the management to understand, meet or exceed the expectations of the customers and their buying decisions. The results indicated that digital marketing plays a Positive impact on sales

Keywords

Digital marketing, Consumer behaviour, Product, Advertisement.

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Introduction

The development of any industry will depend on many factors. One of the key factor is sales. The growing interest of the companies in exploring the rural markets further aided the growth of automobile sector. The growth is predicted at 3.05 per cent during 2016-2026. The sales makes India as a market leader in two and four wheeler sales. It consists of social media Marketing, internet marketing etc.

Digital marketing is the force behind a company's online success. All the companies in India and the world are now keeping huge budgets for internet marketing to retail conversion. The organizations know that it can bring them new products and services. Digital marketing gives accurate answer within a short period of time. It is used for generating traffic to site and more product awareness, but there are also other applications like insurance, entertainment and objectives of the organization as a whole. Digital marketing and digital tool intervention have the excellent instrument in achieving a number of important marketing and sales objectives, and making it a globalization. It plays a dramatic effect on the sales; the functionality, efficiency, and durability of the product; and the satisfaction of the brand if it carried out methodologically. Many of the market research studies highlighted that the impulse purchase decision creates to buy and increase the sales.

Research Objectives

- To analyze the Effectiveness of Digital Marketing in Sales
- To determine an Impact of Promotion activities.
- Comparison of Traditional marketing and digital marketing

Literature Review

Peter F.H. leebeng et.al. (2015), investigated that the digital marketing enhance to the sales of products and

services in Business to Business and Business to Consumer sales.

According to **Patrizia (2012)**, a mix of methods like social networks, word of mouth marketing creates awareness for the company's branding, products and services. It highlights the importance of planning and execution.

In the view of **Abed Abedniya (2010)**, the role of digital marketing and its characteristics influence the users to spread, share and motivate to buy the brand. Structural equation modelling is used to examine the inter correlations among the variables.

Research Methodology

Research design

A accurate data collection instrument was designed keeping in view of the purpose of the study and was administered to the sample respondents. The researcher had adopted the descriptive research design.

Methods of Data Collection

Primary Data: In this research study, the researcher has used Questionnaire to obtain information from the respondents.

Secondary Data: Secondary data have been taken from the various Indian and foreign journals, books, articles and the internet.

Twenty-two questions had been prepared after referring to Gallup's work place audit questions from Digital marketing. The variables are analyzed and through the internal consistency rule used to test the Reliability of the study. In this study the Cronbach's alpha co-efficient of reliability was found based on primary data. The overall reliability of the study is 0.84. i.e., 84%. Both the face and content validities were established in the study. The both face validity and content validity tested by the experts in the field of research. 100 responses were considered for this research, although the questionnaire was sent to 152 respondents. Hence, the response rate was 65.78%. All the

employees of the companies were sent on online questionnaire through Google Docs.in some cases print copies of the questionnaire were also distributed, and the objective of the survey was conveyed verbally. Survey respondents were mostly men.

Sampling Method

Fundamental sampling Method was applied for this study. Employees at the entry level, middle level and senior level were considered for this study. To avoid the common method bias, which might occur since the data regarding dependent and independent variables were being collected from the respondents at one point (Podsakoff, Mac Kenzie, Lee, &Podsakoff,2003), the Harmen test was conducted. The main factor accounted for 33% of the variance, which is less than 50%. Hence, the data does not suffer from common method bias.

Analysis and Results

Data analysis was done by statistical package for social science. The data collected was coded, and analysed with the help of SPSS version 21.0.

Demographic variables

The demographic profile of the employees reveals that employees were covered across different genders, age groups, experience and educational qualifications.

Table 1. Personnel profile

Variables	No. of Responses	Result
Age group in Years		
21-30yrs	9	9.00
31-40yrs	53	53.00
41-50yrs	22	22.00
More than 50 yrs.	16	16.00
Gender		
Male	62	62.00
Female	38	38.00
Educational Qualification		
Post Graduate	12	12.00
Graduate	31	31.00
Diploma and ITI	57	57.00
Experience		
Less than 2 years	27	27.00
2 to 5 years	33	33.00
More than 5 years	40	40.00
Total	100	100%

The demographic profile of respondents shown in the Table 1 indicates that, 53% of the respondents belong to 31-40. 16% respondents more than 50 years. The majority (62%) belong to male and others female. 57% of employees are Diploma and ITI holders,31% possessed graduate degrees. Nearly 40% of the employees had an experience of over 5 years in the company.33% of the employees had an experience of 2 to 5 years.

Table 2. Percentage Analysis results Depicting the association among the various particulars like Usefulness of Social media, source of enquiry and impact of digital tools.

Particulars	No. of Respondents	Percentage of respondents
Social media (Face book, Twitter, Instagram)		
Yes	42	42.00
No	30	30.00
May be	28	28.00
Sources of enquiry		
Walk-in	22	22.00
Telephone	20	20.00
Field team	26	26.00
Online portal	32	32.00
Impact of digital tools (live chat, online finance, E-mail)		
Strongly Agree	32	32.00
Agree	26	26.00
Neutral	16	16.00
Disagree	12	12.00
Strongly Disagree	14	14.00
Total	100	100%

From the above table, useful of social media constituted nearly 42% of the sample, and not useful accounted for a good 30%. 22% of the respondent’s walk-in to the showroom and enquire about the vehicle. 20% of the respondents enquire through Telephone, 26% of the respondents enquire with the field team, and the rest 32% of the respondents enquire through Online portal. 32% of the respondents are strongly agreed that they are influenced with the use of Digital tools whereas the same 26% of the respondents are agreed that they are influenced with the use of Digital tools and the rest 44% of the respondents are not influenced with the sure of whether they are influenced with the digital tools.

Table 3. Percentage Analysis Results Depicting the influence of digital tools for sales.

Particulars	Frequency	Percentage
Strongly Agree	31	31.00
Agree	22	22.00
Neutral	19	19.00
Disagree	16	16.00
Strongly Disagree	12	12.00
Total	100	100%

From the above table, 31% of the respondents feel Digital tools influence the car sales, 22 % agreed that Digital tools influence the buying decision of customers, whereas the rest 12% of the respondents felt Digital tools does not influence the buying decision.

Table 4: Age groups *Income Cross Tabulation

	Income					Total
	20000-30000	30000-40000	40000-50000	50000-100000	Above 100000	
21-30	1	4	2	2	0	9
31-40	10	15	8	7	13	53
41-50	0	9	4	2	1	16
51-60	6	6	8	2	0	22
Total	17	34	22	13	14	100

From the output across various ages, we infer that the respondent's age group between 31-40 (53%) prefer i.e., often enquire about cars. The respondents between the age group of 41-50 (16%) sometimes enquire about cars. The respondents between the age group of 21-30 (9%) rarely enquire about cars.

Table 5: Description of Variances

Component	Total Variance Explained								
	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.828	15.234	15.234	1.828	15.234	15.234	1.604	13.364	13.364
2	1.795	14.962	30.196	1.795	14.962	30.196	1.531	12.754	26.118
3	1.543	12.859	43.055	1.543	12.859	43.055	1.510	12.584	38.702
4	1.298	10.815	53.870	1.298	10.815	53.870	1.510	12.582	51.284
5	1.210	10.086	63.956	1.210	10.086	63.956	1.335	11.123	62.407
6	1.080	9.002	72.958	1.080	9.002	72.958	1.266	10.551	72.958
7	.844	7.034	79.992						
8	.593	4.943	84.935						
9	.536	4.466	89.401						
10	.454	3.785	93.186						
11	.443	3.695	96.881						
12	.374	3.119	100.000						

Extraction Method: Principal Component Analysis.

Table 6: Explanation of Variables

	Items					
	1	2	3	4	5	6
Price	.801	-.097	-.021	.149	.012	.284
Fuel consumption	.827	.111	-.023	-.035	.001	-.265
Power	.004	.083	-.068	-.014	-.007	.851
Driving comfort	-.178	-.049	-.265	.034	.777	-.226
Safety	.003	-.010	-.043	-.706	.034	-.391
Size	.085	-.108	-.131	.758	.101	-.287
After sales	-.124	.671	-.321	-.062	.311	.082
Brand popularity	-.078	-.007	.850	-.237	-.014	-.045
Resale value	.053	.009	.681	.515	-.040	-.034
Technology	-.068	.769	.087	.106	-.263	-.031
Design	.359	.665	.123	-.272	-.031	.127
Maintenance	.285	-.062	.323	.047	.743	.279

From the above Table, the variables that come under Component 1 are Price and Fuel consumption as they have very much influence on the buying behaviour of consumers. The variables that come under Component 2 are After sales, Technology and Design defines the second most preference of the customers to buy a car. The variables that come under Component 3 are Brand popularity and resale value defines the basic expectation of customers. The variables that come under Component 4,5 and 6th are Size, Driving comfort and Power defines the expectations of respondents.

Findings

- Most of the employees between 31-40. 62% male and 57% of the employees are Diploma and ITI holders,31% possessed graduate degrees. Nearly 40% of the employees had an experience of over 5 years in the company.
- Usefulness of social media constituted nearly 42% of the sample.32% of the respondents enquire through Online portal. 32% of the respondents are strongly agreed that they are influenced with the use of Digital tools.
- 31% of the respondents feel Digital tools influence the car sales.
- people in the age group between 31-40 often enquire about cars.
- Price and Fuel consumption as they have very much influence on the buying behaviors of consumers.

Discussion and Conclusion

Sales Promotion plays a major role to influences the buying decision of the Consumer. So, the marketer can concentrate more on Sales Promotion. The growth and development of any organization is dependent upon multiple factors and one of the most prominent one is financial growth. In an organization robust and strong financial strength is the prerequisite to escalate growth. There is a need of digitization required due to extensive competition and technological changes. This Research has been undertaken to understand the overall impact of digitalization on sales to understand the digital product enquiry and to the retail conversion of the enquiry. Rapidly growing digital payment systems, online facilities and different marketing innovations introduced by the Indian government like digital India made India and the globe move on the path of digitalization.

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