

THE IMPACT OF DIGITAL MARKETING ON CONSUMER PURCHASING DECISION IN THE UNITED ARAB EMIRATES

Tasnim AlHelali

Department of Business Administration, Istanbul, Turkey

DOI: <https://doi.org/10.5281/zenodo.7912887>

Published Date: 09-May-2023

Abstract: With the evolving strategies of marketing and the rapid change in technology, businesses that incorporate digital marketing strategies possess a more effective influence on consumers than those using traditional marketing. Thus, this study focuses on how digital marketing strategies such as online advertising, mobile marketing, email marketing, and social media marketing play a vital role in affecting the consumer purchasing decision. A questionnaire was distributed through online channels among people residing in the UAE. 392 consumers residing in the UAE participated in the study, where the questionnaires was applied using a simple sampling technique. The survey included questions measuring four strategies of digital marketing (email marketing, social media marketing, online advertising, and mobile marketing) and the consumer purchasing decision. The relation between them was measured based on the 392 responses that have been acquired. The data collected was analyzed using the statistical analysis program SPSS, and according to the analysis findings, which demonstrated that the most important factor influencing consumer purchasing decisions is social media, which influences consumer purchasing decisions in a significantly positive way. Additionally, online advertising has a significant impact on consumers purchasing decisions; following that, only age, gender, education level from the demographic factors affect the consumer purchasing decision significantly.

Keywords: Consumer purchasing decision, digital marketing, online advertising, mobile marketing, email marketing, and social media marketing.

1. INTRODUCTION

The Internet today has made it possible for businesses to take advantage of amazing digital marketing opportunities. Businesses can not only use a variety of digital marketing channels to promote their goods and services online, but they can also attract more customers, grow their customer base, and boost their return on investment (ROI). Additionally, digital marketing strategies have taken the place of traditional marketing strategies in the development of markets and technologies that are highly competitive with the use of the internet (Alnsour, 2018). Additionally, digital marketing encompasses a sizable portion of the global market and incorporates business models that utilize digital technologies to cut costs and expand businesses globally (Rafiq & Malik, 2018). Due to customers' increased satisfaction with online shopping and perceptions of digital marketing's safety compared to traditional marketing, there is currently a larger potential for growth for businesses engaged in digital marketing (Alzyoud, 2018).

Moreover, marketing activities carried out through digital channels give marketers the opportunity to communicate directly with potential consumers wherever they may be in the world. Additionally, digital marketing employs a variety of channels to reach the desired target market, such as social media, websites, multimedia ads, online advertising, E-marketing, communicating marketing such as opinion polls, game augmentation, and mobile marketing (Garg et al., 2021). To get the data they require from customers, marketers can instead use online surveys. They can then analyze the results and respond appropriately to customers' responses in order to meet their needs. The study also assessed the effectiveness of digital

marketing channels for marketers, including email marketing, online advertising, social media marketing, and mobile marketing. It examines how these channels affect the purchasing choices made by consumers in the UAE.

Therefore, it has become vital to investigate the relationship between digital marketing and consumer purchasing decision, as well as to determine “what is the influence of digital marketing and demographic factors on consumer purchasing decisions in the UAE”.

2. LITERATURE REVIEW

Digital Marketing

The primary goal of digital marketing is to create new forms of communication channels, where the parties could maintain close communication with one another through them and deliver information and data directly to customers. In this regard, digital marketing enables businesses to communicate with customers more directly through the Internet, mobile devices, and personal computers that people use (Çizmecci and Ercan 2015, p. 153).

Digital marketing strategies provide a number of significant benefits, including campaigns created in a digital environment, the rapid transformation of these efforts, low costs, immediate and efficient customer communication, and more (Bulunmaz 2016, p. 351). Also, compared to previous marketing techniques, digital marketing, which includes all Internet-based marketing activities, is far more affordable, practical, and effective (Stewart and Zhao 2000, p. 288). Four different strategies of digital marketing were chosen to be discussed in the following subsections.

Email Marketing

Using the email as a marketing strategy to send a commercial message, to customers is called e-mail marketing. Every e-mail that is sent to a client, whether it was a current customer or a potential one, might be regarded as email marketing (Olanrewaju, 2021).

The goal of email marketing is to boost sales conversion, which entails increasing the frequency of website visits, generating sales, repeat business or cross-selling of products, and obtaining insightful visitor feedback to raise customer satisfaction (Salehi, et al., 2012 p.513). Email length and customer response rate are inversely related, which means that when the e-mail is longer, there will be less consumer response. On the other hand, e-mails with images obtain a higher response rate.

Social Media Marketing

The following definition explains a general explanation of social media: “It is a phrase for applications and services that allows customers to interact socially, share ideas and communicate with one another online; texts, audio, photos, videos, and other media may be used separately or in any combination as part of that interaction. Social media may involve creating new content, recommending and disseminating already created information, reviewing and rating goods and services, talking about current events, pursuing interests and passions, and sharing knowledge and experience (Ryan & Jones, 2009).” There are two distinct categories for social platforms. The first category is social networks, where users may connect with others and communicate with a larger audience. Examples include blogs, microblogs, and social media sites like Snapchat, Twitter, Facebook, Instagram. Niche social networks, the second category, which were created for a specific purpose, such as dating websites and job search engines like LinkedIn (Ege, 2020).

Online Advertising

Online advertisements come in a variety of formats such as display and banner ads, pop-up ads, floating ads, wallpaper ads, trick banners, expanding ads, leaderboard ads, and map ads (Bakshi & Gupta, 2013).

According to Aqsa and Kartini (2015), online advertisements influence consumers attitudes. They provide information about products that affect the consumer’s attitude and interest in purchasing. Kila and Mishra (2016) noticed that animation and visual graphics in online advertisements are more preferred to other online advertisements, especially discounting showing advertisements. Also, rectangular banner ads and the ones on the sides (vertically) of a webpage grasp the attention of consumers, which is why marketers focus on online advertisements to generate more profit and sales.

Highly visited websites are the kind of platforms that are used for online advertising to increase the amount of target consumers who view the ads because of the many visits. Advertisements in mobile marketing and social media are also forms of online advertising that will be covered in other sections (Yusuf, 2018).

Mobile Marketing

Mobile marketing has been defined as “techniques that allows firms to engage with users using any mobile device,” according to the MMA Updated Definition of Mobile Marketing (2009). There are many platforms available for mobile marketing, including SMS and MMS (Multimedia Messaging Service). Additionally, there are more methods such as display ads, search ads, video ads, QR codes, digital watermarks and barcodes (Clow & Baack, 2016, p.231).

Because practically everyone has a mobile phone and is online almost constantly, mobile marketing is recognized as one of the greatest methods for advertising. Mobile devices allow for the personalization of marketing campaigns, the tracking of each step, and the measuring of target audience demographics (Kemp, 2019). (Stokes, 2011, pp.464-465). As the use of mobile platforms like smartphones and tablets has increased, businesses have started to use mobile marketing as a digital marketing strategy. Social networks are now easily accessible to both individuals and businesses via mobile devices (Safko 2012, p. 464).

Consumer Purchasing Decision

Consumers' emotions, attitudes, and contextual factors are studied in the purchasing process. A variety of biological and psychological factors influence consumer purchasing decisions. Other factors, such as the social classes, families, gender, sociocultural factors, psychological factors, motivation, and learning are sub-elements of consumer behavior that affect the consumer purchasing decision, which will be studied through the consumer decision making 5-step process.



Figure 1: Five-stage customer buying process model (Kotler & Keller, 2012)

These five stages of the consumer decision-making process include the following: need recognition, information search, alternative evaluation, purchase decision, and post-purchase evaluation; will be explained by studies taken from Kotler and Keller (2016):

Need Recognition

A client can initially identify the need or the issue. This identification results from a need, necessity, or replacement scenario that results from a change in the way of life. Physical and psychological needs are the two main categories into which this need is divided (Michael, 2006). According to Maslow (1954), personal needs can be divided into needs for social interaction, self-esteem, physical health, safety, and self-actualization. The consumer determines the need based on the prior need and might never completely satisfy them.

Information Search

Once the need has been identified clearly, the customer may start searching for the adequate information. The consumer seeks out information that can offer options for problems to be solved as well as additional information about the product, alternatives, and other options that are available for purchase (Punj & Moore, 2009).

Evaluation of Alternatives

Customers' information gathered from several places are then evaluated for suitability to their need, where alternatives are assessed, taking into account all benefits and drawbacks as well as using different standards of evaluation and decision-making (Hallaq and Pettit, 1983).

Price, quality, warranty, and other objective criteria may or may not be used to evaluate the options (socio-psychologic condition) (Engel and Blackwell, 2005).

Purchase Decision

After weighing down the options, the buyer then may decide on a product to purchase. The actual transaction happens in this step of the process. Macinnis and Hoyer (2008) were aware that even if the buyer carefully followed all the steps, the decision to purchase is frequently influenced by the availability of the stock and store management or issues such as price, warranty, and maintenance.

Post-Purchase Evaluation

Whether or not the needs have been met will determine whether the purchase is adequate. If the need is met, customers would suggest what they have purchased to others (Amira and Nermine, 2020). Reviews left by customers are the driving factor of other customer’s references and purchases (Ofir 2005.). Consumers are divided into three different situations post-purchase: either they are satisfied and will have a high change of buying from the same brand again, or partially satisfied and they will have doubts, or not satisfied and won’t buy the product again (Aysel 2020).

3. METHODOLOGY

This research followed a quantitative approach, with the use of survey research strategies. The population chosen for this study are all consumers residing in the UAE; a simple random method was used to collect the data needed from the sample where 392 responses were acquired. The collection of this primary data was carried out by a survey tool using a questionnaire based on a 5 Likert-type scale.

The digital marketing consist of four strategies (Email Marketing DME, Social Media Marketing DMS, Online Advertising DMO, and Mobile Marketing DMM) and were measured with a 16-item measuring tool, 4 items per variable, and the consumer purchasing decision was measured with a 10-item tool. However, for the demographic factors, frequency tables were created. Descriptive analysis, Validity analysis, Factor analysis, Reliability analysis, Correlation analysis, Linear Regression analysis were done.

Conceptual Framework

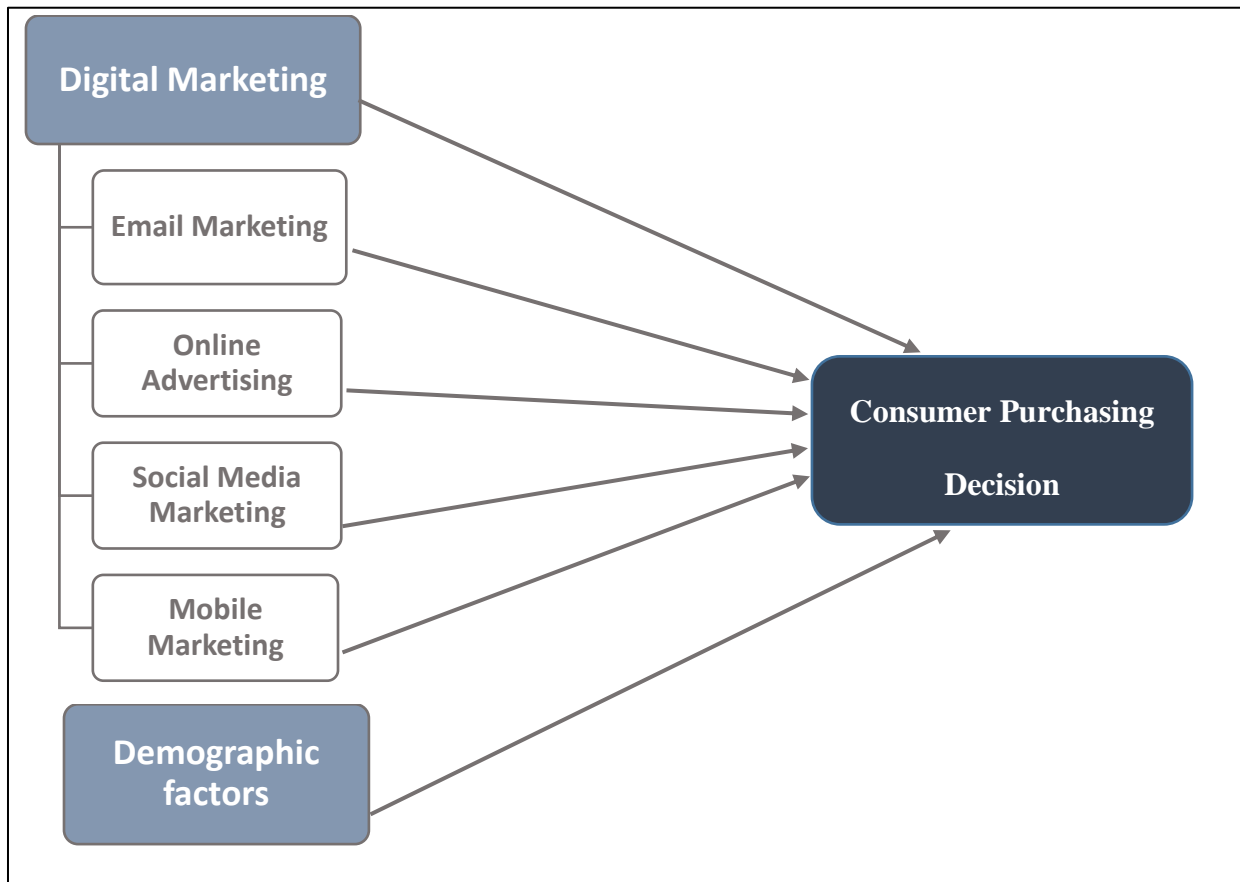


Figure 2: Conceptual Framework

4. FINDINGS

Descriptive statistics

The descriptive characteristics of the four digital marketing strategies and the consumer purchasing decision is represented in Table 1, in terms of mean and standard deviation.

Table 1: Descriptive Characteristics of Variables

Variable	N	Mean	St. Deviation
DME	392	1.00	5.00
DMS	392	1.00	5.00
DMO	392	1.00	5.00
DMM	392	1.00	5.00
CPD	392	1.00	5.00
Valid N (listwise)	392		

Reliability findings

Cronbach's alpha coefficient demonstrates the relationship of a group of items and how closely related they are; thus, the higher the value, the stronger the relationship between the items in a group. Table 2 shows the Cronbach's alpha values for each item.

Table 2: Reliability Analysis

Number of Items	Variable	Cronbach's Alpha
4	DME	.891
4	DMS	.891
4	DMO	.885
4	DMM	.903
20	CPD	.877
41	Total	.926

Correlation Analysis

Table 3 demonstrates the correlation or relationship of the variables between each other; if the significant value is positive, then there is a positive relationship between them; also, if the significance value is higher than 0.8 then the variables are significantly correlated.

Table 3: Correlation Analysis

	Gender	Age	Marital Status	Education	Income	DME	DMS	DMO	DMM	CPD
Gender	1	-.014	.055	-.205**	-.387**	-.170**	-.150**	-.151**	-.220**	-.192**
Age	-.014	1	.641**	.184**	.118*	.091	-.145**	-.051	-.150**	-.018
Marital Status	.055	.641**	1	.178**	.102*	.017	-.120*	-.074	-.084	-.013
Education	-.205**	.184**	.178**	1	.373**	.041	.066	.032	.021	.162**
Income	-.387**	.118*	.102*	.373**	1	.131**	.126*	.113*	.178**	.118*
DME	-.170**	.091	.017	.041	.131**	1	.264**	.380**	.392**	.255**
DMS	-.150**	-.145**	-.120*	.066	.126*	.264**	1	.564**	.410**	.612**
DMO	-.151**	-.051	-.074	.032	.113*	.380**	.564**	1	.611**	.444**
DMM	-.220**	-.150**	-.084	.021	.178**	.392**	.410**	.611**	1	.328**
CPD	-.192**	-.018	-.013	.162**	.118*	.255**	.612**	.444**	.328**	1

Regression Analysis (Separately)

Table 4 demonstrates the regression analysis of the four digital marketing strategies separately.

Table 4: Models' summary (separately)

Variable Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.255 ^a	.065	.063	.69331
2	.612 ^b	.375	.373	.56705
3	.444 ^c	.197	.195	.64246
4	.328 ^d	.107	.105	.67752
Predictors: (Constant), DME				
Predictors: (Constant), DMS				
Predictors: (Constant), DMO				
Predictors: (Constant), DMM				

Model 1 represents Email Marketing as the predictor of consumer purchasing decision. Findings show that DME has a weak relationship to job satisfaction ($\beta = .173$; p -value < 0.001). The R square value of this model is 0.063, which means that the model explains 6.3% of the variance in consumer purchasing decision. Values from ANOVA test (F-value = 27.190; p -value < 0.001) also support the statistical significance of the explained variance.

Model 2 represents Social Media Marketing as the predictor of consumer purchasing decision. Findings show that DMS has a positive relationship to job satisfaction ($\beta = .465$; p -value < 0.001). The R square value of this model is 0.375, which means that the model explains 37.5% of the variance in consumer purchasing decision. Values from ANOVA test (F-value = 233.656; p -value < 0.001) also support the statistical significance of the explained variance.

Model 3 represents Online Advertising as the predictor of consumer purchasing decision. Findings show that DMO has a positive relationship to job satisfaction ($\beta = .311$; p -value < 0.001). The R square value of this model is 0.197, which means that the model explains 19.7% of the variance in consumer purchasing decision. Values from ANOVA test (F-value = 95.837; p -value < 0.001) also support the statistical significance of the explained variance.

Model 4 represents Mobile Marketing as the predictor of consumer purchasing decision. Findings show that DMM has a weak relationship to job satisfaction ($\beta = .246$; p -value < 0.001). The R square value of this model is 0.107, which means that the model explains 10.7% of the variance in consumer purchasing decision. Values from ANOVA test (F-value = 46.858; p -value < 0.001) also support the statistical significance of the explained variance.

Regression Analysis (Combined)

Table 5 demonstrates the regression analysis of all the four strategies of digital marketing combined.

Table 5: Model's summary (combined)

Variable Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
5	.627 ^a	.393	.387	.560624
a. Predictors: (Constant), DMM, DME, DMS, DMO				

Model 5 represents Digital Marketing as a whole (dimensions are combined) as the predictor of consumer purchasing decision and shows that it has a positive relationship to the consumer purchasing decision and shows that the R-squared model is 0.0393, which means that 39.3% of the variance has been affected by the different digital marketing strategies in the consumer purchasing decision; and also shows how strong of an impact social media marketing and online advertisements have on the consumer purchasing decision (significance p -value < 0.05), while the other variable are not affecting it as much. Values from ANOVA test (F-value = 62.762; p -value < 0.005 for most variables) also support the statistical significance of the explained variance.

Hypotheses testing

Table 6 demonstrates the hypotheses findings that were examined.

Table 6: Hypothesis testing

Hypothesis	Statement	Result
H1	There is a significant impact of digital marketing on the consumer's purchasing decision	Supported
H1a	There is a significant impact of email marketing on the the consumer's purchasing decision	Not Supported
H1b	There is a significant impact of social media marketing on the consumer's purchasing decision	Supported
H1c	There is a significant impact of online advertising on the consumer's purchasing decision	Supported
H1d	There is a significant impact of mobile marketing on the consumer's purchasing decision	Not Supported
H2	Consumer purchasing decisions differ according to demographic factors	Supported

After conducting the necessary tests and analysis, most of the hypotheses were accepted and supported as the significance values (p value) were < 0.001 and other were not. Those which were accepted: H1b, H1c, H2 (only age, gender, education level), and those which were not accepted: H1a, H1d, H2 (marital status and income).

5. CONCLUSION

The aim of this research is to examine the impact of digital marketing on the consumer purchasing decision in the UAE. The digital marketing strategies tested were email marketing, social media marketing, online advertising, and mobile marketing.

To reach the aim of the research, a survey was conducted by distributing questionnaires to a sample of consumers in the UAE, then the data collected from the consumers responses were analyzed; thus, the results from the analysis were discussed to evaluate the research questions and hypotheses of this study.

- Hypothesis (H1a):

There is no significant positive relationship between email marketing and the consumer's purchasing decision in the UAE.

According to the regression analysis conducted, there is no significant impact of email marketing (DME) variable on the dependent variable, the consumer's purchasing decision in the UAE.

We can conclude that the consumer's purchasing decision are not significantly affected by email marketing strategies.

- Hypothesis (H1b):

There is a significant positive relationship between social media marketing and the consumer's purchasing decision in the UAE.

According to the regression analysis conducted, there is no significant impact of social media marketing (DMS) variable on the dependent variable, the consumer's purchasing decision in the UAE.

We can conclude that the consumer's purchasing decision are significantly affected by social media marketing strategies; thus, consumers are more affected by advertising on social media, leading to increasing demand in specific products. According to our research, we can find that consumers in the UAE that use social media are the most affected by social media marketing techniques.

- Hypothesis (H1c):

There is a significant positive relationship between online advertising and the consumer's purchasing decision in the UAE.

According to the regression analysis conducted, there is no significant impact of online advertising (DMO) variable on the dependent variable, the consumer's purchasing decision in the UAE.

We can conclude that the consumer's purchasing decision are significantly affected by social media marketing strategies; thus, consumers are more affected by advertising on social media, leading to increasing demand in specific products. According to our research, we can find that consumers in the UAE that use social media are the most affected by online advertising techniques.

- Hypothesis (H1d):

There is no significant positive relationship between mobile marketing and the consumer's purchasing decision in the UAE.

According to the regression analysis conducted, there is no significant impact of mobile marketing (DMM) variable on the dependent variable, the consumer's purchasing decision in the UAE.

We can conclude that the consumer's purchasing decision are not significantly affected by mobile marketing strategies

- Hypothesis (H1):

There is a significant positive relationship between digital marketing and the consumer's purchasing decision in the UAE.

According to the regression analysis conducted, there is no significant impact of digital marketing (DM) independent variable on the dependent variable, the consumer's purchasing decision in the UAE.

In order to test the relationship between the two variables, the predictors in the regression analysis of organizational agility were the four dimensions: DME, DMS, DMO, and DMM. Overall, we can conclude that consumers purchasing decisions are mostly affected by social media and online advertising strategies than email marketing and mobile marketing strategies.

- Hypothesis (H2):

Consumer purchasing decisions differ according to demographic factors in the UAE.

According to the Mann-Whitney and Kruskal-Wallis tests conducted, there is a significant impact of age, gender, and education level on the dependent variable, the consumer's purchasing decision in the UAE. On the other hand, marital status and income do not affect it as much.

Overall, we can conclude that consumers purchasing decisions are mostly affected by age, gender, and education level than marital status and income.

REFERENCES

- [1] Abdel Fattah Al-Azzam "The Effect of Digital Marketing on Purchasing Decisions: A Case Study in Jordan" Volume 8, Issue 5, 2021, Page: 455-463, (2021)
- [2] Alnsour, M. (2018). Social Media Effect on Purchase Intention: Jordanian Airline Industry. *Journal of Internet Banking and Commerce*, 23(2), 20-28.
- [3] Alzyoud M. F. (2018). Does Social Media Marketing Enhance Impulse Purchasing Among Female Customers Case Study of Jordanian Female Shoppers. *Journal of Business and Retail Management Research*, 13(2), 135-151. <https://doi.org/10.24052/jbrmr/v13is02/art-13>
- [4] Amira M. Omar and Nermin Atteya (2020). "The Impact of Digital Marketing on Consumer Buying Decision Process in the Egyptian Market." *International Journal of Business and Management*, Vol. 15, No. 7
- [5] Aysel Kazimova "Data driven approaches in marketing communication and its effectiveness on consumer behavior" 2020
- [6] Bhandari Pritha, "An introduction to quantitative research", Scribbr, Retrieved from <https://www.scribbr.com/methodology/quantitative-research/>
- [7] Bulunmaz (2016). "Importance of digital marketing in the service sector: A case study on hotels." *Journal of Tourism and Hospitality Management*, 4(3), 350-359.
- [8] Çizmeçi and Ercan (2015). "Digital marketing strategies: An empirical study on how companies cope with digital technologies." *International Journal of Marketing Studies*, 7(2), 153-162.
- [9] Dudovskiy John, "Fundamental research - research-methodology", Research. Retrieved from <https://research-methodology.net/research-methodology/research-types/fundamental-research/>

- [10] Ege Simge Demirel "The impact of influencer marketing on consumer behavior: a study on luxury consumption" 2020
- [11] Ellis-Chadwick, Fiona and Doherty, Neil F. (2012). Web advertising: the role of email marketing. *Journal of Business Research*, 65(6) pp. 846.
- [12] Endeksa. (2019) 'Turkey, İstanbul Population, Income Level and Education Level information you absolutely need to check before giving decision...' Retrieved from Endeksa Website: <https://www.endeksa.com/en/analiz/istanbul/demografi>
- [13] Hoyer, W. D., & MacInnis D. H. (2008). *Consumer Behavior* (5th ed.). South-Western, Mason, OH: Cengage Learning.
- [14] Kemp, S. (2019). *Mobile marketing: A guide for small business owners*. Packt.
- [15] Maslow, A. H. (1954). *Motivation and Personality*. New York: Harper
- [16] Michael, S. (2006). *Consumer Behavior - A European Perspective*. U.S.: Financial Times, Prentice-Hall. Mobile Marketing Association. (2009). MMA Updates Definition of Mobile Marketing. Retrieved 27.6.2013 from <http://www.mmaglobal.com/news/mma-updates-definition-mobile-marketing>
- [17] Olanrewaju Isiaka Anafi "Impact of electronic marketing strategies on consumer buying behaviour among Kwara State Polytechnic students, Ilorin" 2021
- [18] Rafiq, M., & Malik, A. (2018). Impact of Social Media on Purchasing Decision of Consumer with Special Reference to Lahore, Pakistan. *Journal of Social Sciences*, 4(2), 268-2733.
- [19] Rowell Lonnie L., et al., "Action Researchers' Perspectives About the Distinguishing Characteristics of Action Research: A Delphi and Learning Circles Mixed-Methods Study", *Educational Action Research*, Vol. 23, Issue 2, 2015, Pages 243-270.
- [20] Salehi, M., Torkzadeh, J., & Ghorbani, M. (2012). The impact of email marketing on customer loyalty in the B2C e-commerce. *International Journal of Business and Management*, 7(8), 513-522.
- [21] Saunders Mark, Lewis Philip, and Thornhill Adrian, *Research Methods for Business Students* (6th ed.). Pearson. 2012.
- [22] Schiffmann L. G., Wisenblit J. L. (2015). *Consumer behavior*. Edinburg: Pearson Education Limited
- [23] Stangor Charles and Walinga Jennifer, "3.5 psychologists use descriptive, Correlational, and experimental research designs to understand behaviour", *Introduction to Psychology*. <https://openpress.usask.ca/introductiontopsychology/chapter/psychologists-use-descriptive-correlational-and-experimental-research-designs-to-understand-behavior/>
- [24] Stewart and Zhao (2000). "The impact of the Internet on traditional marketing channels." *Journal of Marketing Management*, 16(3), 288-301.
- [25] Stokes, R., 2013. *eMarketing: the essential guide to marketing in a digital world*. 5th edition. Quirk Education Ltd.
- [26] Süar, O. (2017). The effect of online advertising on consumer purchase intention. *International Journal of Economics, Commerce and Management*, 5(1), 27.
- [27] Tekvar, S. O. (2016). Tüketici davranışlarının demografik özelliklere göre tanımlanması. *İnsan ve Toplum Bilimleri Araştırmaları Dergisi*, 5(6), 1601-1616
- [28] Yasmin, S., Tasneem, S., & Fatema, K. (2015). Mobile Marketing: A Literature Review. *Journal of Marketing and Communication*, 11(1), 70-77
- [29] Yusuf Burak Genç "Consumer perception on digital marketing: a research on online shopping" 2018