

A Conceptual Framework on Consumerism in Digital Era

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Abstract

Consumerism is a social phenomenon that empowers the buyers and consumers; it is the loyalty or an action of people who expend a lot of money on goods and services. Digitalization is the integration of digital technologies into everyday life by the digitization of everything that can be digitized. Consumerism is also an economical thought which encourages the acquisition of goods and services in ever-rising amounts. The digital world is creating new opportunities for people to tackle with social norms, explore interests, develop technical skills, and experiment with new forms of self-expression. Digitalization is not only supporting the growth of the business but also extended its presence in the minds of the customers. This study unveils some of the important objectives to discuss the significance of digitalization in consumerism.

Key words

Digitization, Consumerism, Impulsive Buying, Electronic Gadgets, Customer Relation Management (CRM), Customer Retention.

Introduction

What is Consumerism?

Consumerism is a social phenomenon that empowers the buyers and consumers; it is the faith or an action of people who spend a lot of money on goods and services. In other words, consumerism is a social and economical thought that encourages the acquisition of goods and services in ever-rising amounts. At some places, the term "consumerism" refers to the consumerists' movement, consumer activism or consumer protection which seeks to defend and inform consumers by having required these practices as honest advertising and packaging, product guarantees, and enhanced standards of safety.

In this regard it is a movement or an array of policies having a mission of regulating the products, methods, services, and standards of sellers, manufacturers and advertisers in the buyers' interests.

Concepts of Consumerism

The term "consumerism" had been first used in the year 1915 and referred to "advocacy of the rights and interests of consumers" defined in Oxford English Dictionary but here in this article the term "consumerism" means the sense which was first used in 1960, "emphasis on or preoccupation with the acquisition of consumer goods'.

In a general sense consumerism is a social phenomenon that empowers the buyers and consumers. Its effects are visible in the laws, regulations and also the marketing practices.

Consumerism keeps a check on the companies and ensures that the consumers get quality products which are safe for them at the correct price. It also ensures that the consumers are provided with the correct information about the products. Also Consumerism forces the companies to operate and produce goods and services according to the consumer's needs.

It plays a very important role in every stage of marketing, starting from new product design to communication through advertisements.

As per economics, consumerism means economic policies laying emphasis on consumption. In a sense, it is believed that the consumers are free to make choice and should dictate the society's economic structure.

Digitalization

Digitalization is the integration of digital technologies into everyday life by the digitization of everything that can be digitized. The literal meaning of digitalization gives an apparent idea of development and technology dependent world. In this paper, digitalization means computerization of systems for better ease and accessibility.

Many people worry that most of them are spending their valuable time with electronic gadgets like mobiles, online, texting, surfing, or playing some games. The researchers explain why people find these activities compelling and important. The fundamental reason for compelling the people is the technology of Digitalization. The digital world is creating new opportunities for people to grapple with social norms, explore interests, develop technical skills, and experiment with new forms of self-expression. Digitalization is

not only supporting the growth of the business but also extended its presence in the minds of the customers.

Clearly the world of technology, digital marketing and social media is having a significant impact on how we behave socially; act as consumers and how we do business so it could be fair to say that any business that does not adapt to the new era of marketing and communications is in danger of losing out.

Objectives

- To understand and study the consumerism in digital era.
- To study the benefits of digitalization to the consumers and the business firms.
- To identify the role of digitalization in marketing of goods and services.

Methodology

The paper is completely a conceptual one whose basic foundation comes from various secondary sources like research articles, published and unpublished scholarly papers, books, various international and local journals and websites.

Benefits of Digitalization to the Business

Now a days, digitalization offers best-in-class service to their customers. Most of the successful businesses have integrated modern technologies to satisfy their consumers' essentials, as well as to gain competitive advantage on their rivalry businesses. To survive in the business for a longer period it is a bounden duty of every business to reach consumer expectation. Let us discuss some of the important points which are benefitted to the business through digitization.

- **No Physical Limits for Storage:** digitization ensures free from physical storage, an organization can store plenty of customer databases for further assistance, using the stored customer database a business can easily analyze the buying behavior of the consumers.
- **Can Be Accessed via the Internet:** As an advantage of digitization most of the businesses have started providing services to the customers through internet access, Smart-phones have extended their wings with the apex of many applications. Continue access of internet facilities encourages customers to deal with buying and selling activities.
- **24/7 Availability of Access:** A consumers/ customer can easily access any kind of information through their fingertip, Smart-Phones, Tablets,

Personal computers and other gadgets have made it possible to access relevant and proximate information throughout the day.

- **Time Saving:** time is excessively precious for every business man as well as customers. A representative or a business man who spend their valuable time with the customer ensures the conversion of prospective customer into potential one. Providing necessary information to the customer by sales people through proper usage of technology ensure the time saving.
- **Preservation of Data:** most of the consumer based businesses have created their applications to deal with the convenience of the consumers. These applications ensure proper maintenance of consumers buying information, through these record a business can easily manage good relationship with its existing customers.

Benefits of Digitalization to the Consumers

The buying behaviour of consumers majorly depends on the marketing strategy adopted by the firm. Customers want a quick and seamless digital experience, and they want it as fast as possible. Digitalization plays a crucial role on utilization of modern technologies to obtain more consumers towards business. Let us discuss the following points how these consumers are benefitted through the integration of digitization.

- **Time Saving:** technology saves valuable time of its customers, by sitting somewhere else a consumer can easily buy and sell the products. Here it reduces physical involvement as much as possible when consumers become technological dependent.
- **Assured Quality:** quality is more important to retain a consumer for a longer period when there is a more competition in the market, no one business man wants to lose the consumer by offering low quality products. Hence, quality is guaranteed when it comes to purchase of products with an assistance of digitalization.
- **Easy Returns:** when customers feels purchased products are not meeting their expectation retailers are always ready provide easy replacements under the warranty period to maintain a very good customer relationship management. Additional to this retailer would also provide customer money back if the products were not satisfied. To maintain easy return activities retailer integrates easy return option in the system.

- **Wide Substitutes:** customers are always kings in the competitive market; they have complete right to go for alternative if they are not satisfied with their previous experience. So, technology offers wide opportunity to search available substitutes in the market.
- **Quick Solutions:** when customer faces any issues related to their purchased products or services technology provides immediate solution through relevant websites. On the other hand, with an integration of digitalization a business also thinks about customer retention strategies, deploying customer support executives for assisting its consumers in 24 hours and 7 days a week is a smart strategy of a customer retention as well as an immediate solution for the unexpected problems.
- **Genuine Products:** genuine product represent original product, whatever the product has been displayed in the system those products should be genuine. If the product were not genuine consumers lose hopes on business as well as loyalty when it comes to customer expectation, digitalization ensures customer will be delivered with the genuine products and ensures value for money.
- **Wide Network:** technology consist wide network to offer wide verity of choices to its customers, wide network also helps consumers to openly discuss product oriented information with social bookmarks through the product rating. These ratings signify the quality of the product by real users. When ratings were excellent products get huge demand, social networks like Facebook, WhatsApp, and twitter etc., helps consumer to go for better decision.
- **One Stop for All Needs:** technology ensures one stop for all needs of the consumers; it is trying to reduce the physical shopping experience of the consumers. If the consumer has personal computer, smart phone or any electronic gadgets easily they can use it for buying or selling of the products from their own places. Most of the online shopper's target is to sell the product according to consumer conveniences. Digitalization ensures an online shopper and a consumer can easily benefit from the buying and selling activities.

Role of Digitalization in Marketing of Goods and Services

Digitization also ensures that the public goods and services are reaching people effectively. Whether it is banking, railways or even Public distribution system, it makes their delivery faster and easier to keep track with. Unlike the times when the people had to visit the government offices

multiple times to get their work done, people can now do almost everything online, to apply for a PAN card, passport and to book a railway ticket or pay bills they no longer need to stand in long queues. There is also an online grievance system for almost every service and therefore people's problems are now better attended because everything is now recorded and tracked. We have even seen people directly tweet the grievance to the concerned minister and getting it resolved.

Conclusion

Consumerism is a social and economical thought that encourages the acquisition of goods and services with the help of modern digitization. In the future, when consumers become dependent on digital system, physical shops' may become the places for experiences instead of places for shopping. In this paper, digitalization means computerization of systems for better ease and accessibility, with improved digital technologies, infrastructure and security, consumer at large would shift their behaviour into making purchase online, as it provides time efficiency and convenience.

During this digital era, the role of retailers is expected to change as the e-commerce market expands and how the companies manage this change is very critical towards their survival. Consumerism in digital era plays a significant role in the modern world hence; every business should incorporate and update the contemporary technology of digitalization to satisfy the requirement of their consumers and to sustain in the competitive world for a longer period.

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