

# Digital Consumer Behavior in Emerging Markets

**Dr.N. Santhanavadi<sup>1</sup>, Dr.N.Premila<sup>2</sup>**

<sup>1</sup>(Associate Professor & Research Supervisor, PG & Research Department of Commerce, Thiruthangal Nadar College, Selavayal, Chennai – 51.)

<sup>2</sup>Associate Professor, Queen Mary's College, Chennai-4

## **Abstract**

Consumer purchase behaviour concerns with the aspects of activities that start prior to purchase, during usage, post-purchase consumption and evaluation of the activities at various levels. It is also concerned with the people involved, either directly or indirectly, in purchasing decisions and end-user consumption activities including influencers and opinion leaders of the brand. The article includes the major issues that influence the purchase behaviour of the consumers. Some of the factors are (1) quality of the product/service, (2) innovation in value proposition of the product/service, (3) technology influence on the purchase, (4) cross-culture influence, (5) economic factors. The paradigm shift in the buying behaviour of the consumers has led the emerging markets mould their strategies positively. The market is emerging in a very faster pace with the consumers being more aware and accepts the innovation of the products and/or services on a regular basis. The market hence is facing variety of issues with the sudden and rapid change in purchase behavior Consumer purchase behaviour encompasses a wide range of activities that occur before purchase, during product usage, and after purchase, including post-consumption evaluation at various levels. It also involves individuals who directly or indirectly influence purchasing decisions and end-user consumption, such as family members, influencers, and opinion leaders associated with a brand. Consumer behaviour literature highlights several key factors that significantly influence purchasing decisions, including product or service quality, innovation in the value proposition, technological advancements affecting purchasing processes, cross-cultural influences, and prevailing economic conditions. In recent years, a paradigm shift in consumer buying behaviour has been observed, particularly in emerging markets, prompting firms to adapt and redesign their strategies proactively. These markets are evolving at a rapid pace, with consumers becoming increasingly informed and more receptive to product and service innovations. Consequently, markets are facing multiple challenges arising from sudden and continuous changes in consumer purchase behaviour, necessitating greater flexibility and responsiveness from businesses.

Digital consumer behavior in emerging markets is defined by high mobile usage, strong social media influence for research and trust, a focus on value/promotions, increasing digital payments (but reliance on COD/local methods), and a need for localized, culturally relevant, trustworthy content, with influencers and live streaming shaping purchases, notes McKinsey & Company, [ijsred.com](http://ijsred.com), and [ResearchGate](http://ResearchGate). Key

drivers include convenience, personalization, and authenticity, despite ongoing challenges like digital literacy gaps and varied internet access.

## Key Characteristics

- **Mobile-First:** Smartphones are the primary internet access, demanding mobile-optimized experiences and content.
- **Social & Influencer Driven:** Strong reliance on social platforms for product discovery, reviews, and influencer recommendations for building trust.
- **Value & Price Sensitive:** Consumers actively seek deals, promotions, and the best value for their money.
- **Evolving Payments:** Growing adoption of digital wallets and online payments, but cash-on-delivery (COD) and local systems remain significant.
- **High Engagement:** Deep engagement with digital content, from music to e-commerce research.

## Influencing Factors & Trends

- **Digital Literacy & Trust:** Concerns about data security and privacy persist, impacting trust in online transactions.
- **Cultural Relevance:** Localized content and culturally resonant messages significantly boost engagement and brand perception.
- **Live Streaming Commerce (LSC):** Offers immersive product demos and real-time interaction, influencing decisions emotionally and cognitively.
- **Omnichannel Journeys:** Seamless integration of online and offline experiences is becoming the norm.

## Marketing Implications

- **Influencer Marketing:** Invest in relatable local influencers for authenticity and reach.
- **Localized Content:** Tailor marketing messages to specific cultural contexts.
- **Mobile Optimization:** Ensure all digital platforms are user-friendly on mobile devices.
- **Transparency:** Build trust through clear, authentic communication.
- **Personalization:** Use data to offer tailored experiences, fostering loyalty.

‘Emerging Markets’ is a popular term now but it was introduced in 1981, by Antoine van Agtmael, an economist at International Finance Corporation (IFC), to represent a set of countries with promising stock-markets that could grow rapidly with investments (Economist, 2017). Since then, the scope of emerging markets has expanded, to include all those lower-income but rapid-growth economies that are using economic liberalization as their primary engine of growth (Hoskisson, Eden, Lau, & Wright, 2000). Emerging markets fall into two broad groups: the developing countries in Asia, Latin America, Africa, and the Middle East, and the transition economies in the former Soviet Union and China (Hoskisson et al., 2000). Interestingly, despite making significant economic and social progress, most emerging markets still continue to suffer from periodic financial crises, credit defaults and economic slumps, hence there is a risk that they may remain ‘emerging’ and not achieve the same status as the ‘developed’ markets (Economist, 2017).

Early research on emerging economies focused mostly on the differences in the business and management strategies between developed and emerging markets, using diverse theoretical perspectives, such as institutional theory (Kirca, Fernandez, & Kundu, 2016), transaction cost theory (Brouthers&Brouthers, 2003), resource-based theory (Bortoluzzi, Chiarvesio, Di Maria, & Tabacco, 2014), and agency theory (Wright, Filatotchev, Hoskisson, & Peng, 2005). In the meantime, marketing researchers have also been interested in the emerging markets despite “obstacles and technical difficulties in applying research techniques in less-developed countries” (e.g., Boyd Jr, Frank, Massy, & Zoheir, 1964). However, with recent advances in information and communication technologies that have flattened the world and brought consumers and marketers around the world closer to each other more than ever (Friedman, 2005), there is a renewed interest among marketing researchers to understand the differences between the consumers in the developed and emerging markets as well as the challenges and opportunities posed by these differences for both local and foreign marketers in these emerging markets (Guo, 2013; Kotabe& Kothari, 2016; Sharma, 2011; Sheth, 2011).

Notwithstanding the above, most concepts and theories in consumer research and marketing strategy have been developed and tested in the existing developed markets and some of these have been replicated in the emerging markets. We argue that it is a very limited perspective because it colors our perceptions about the consumers and marketers in the emerging markets as seen through the cultural-institutional lens of the typical developed world context in which major marketing journals and their contributors operate. This is in stark contrast to the professional marketing community and multinational companies who are able to keep pace with the rapidly globalizing world economy, resulting in a regular exchange of consumer and market knowledge from the developed to the emerging markets and vice versa.

Based on the above, there seems to be a clear need to not only further extend but also develop a comprehensive conceptual framework to guide and structure the rapidly growing research on the challenges and opportunities faced by the marketers in the emerging markets. Moreover, it seems important for the future of marketing discipline that we reflect the real picture of the consumers and the markets in the emerging markets because they represent a large share of the world's population as well as economic growth. A stronger focus on emerging markets will thus help us push the theoretical boundaries of the marketing discipline and also provide significant practical benefits and managerial implications (Burgess & Steenkamp, 2013).

In this special issue of the Journal of Business Research, we aim to push the agenda for making the field of marketing into a truly global discipline, by attracting not just mere replications of establish theories and models in the emerging markets, but fresh attempts to identify the limitations of the existing theories and to develop new or revised theories of consumer behavior and marketing strategy. We also note the relative paucity of research in the business-to-business (B2B) context in the emerging markets and address this gap in this special issue. In the next section, we categorize and briefly describe the twenty-six articles included in this special issue, contributed by researchers with diverse backgrounds (e.g., consumer behavior, marketing strategy and econometric modeling) from all over the world.

## **Challenges and opportunities for marketers in the emerging markets**

Early researchers tried to differentiate countries on the basis of simple criteria, such as their level of economic development (Rostow, 1960) or their size and the development of their middle classes (Dichter, 1962). Subsequent researchers developed more complex typologies with a diverse range of micro and macro variables (Samli & Hassan, 1992). For example, researchers have identified three factors that shape consumption values of the consumers, which include level of economic development

## **Importance of Digital Consumer Behaviour in Emerging Markets**

Digital consumer behaviour plays a crucial role in shaping economic growth and business strategies in emerging markets. With the rapid penetration of smartphones, affordable internet, and digital payment systems, consumers in these markets are increasingly shifting from traditional purchasing methods to online and mobile-based platforms. Understanding digital consumer behaviour helps businesses identify changing preferences, buying patterns, and decision-making processes, enabling them to design effective marketing strategies and personalized offerings.

In emerging markets, digital consumer behaviour contributes significantly to **market expansion and financial inclusion**. Digital platforms allow consumers from rural and semi-urban areas to access a wide range of products and services that were previously unavailable. The adoption of digital payments, e-wallets, and fintech solutions enhances convenience, transparency, and trust, thereby encouraging more frequent online transactions and participation in the formal economy.

Moreover, insights into digital consumer behaviour support **innovation and competitiveness** among firms. Businesses can leverage data analytics, social media engagement, and e-commerce trends to respond quickly to consumer needs, improve customer experience, and build long-term relationships. For policymakers, understanding digital consumer behaviour is important for framing regulations related to consumer protection, data privacy, and digital infrastructure development. Overall, the study of digital consumer behaviour is essential for sustainable growth, inclusive development, and successful digital transformation in emerging markets.

## **Features of Digital Consumer Behaviour in Emerging Markets**

### **1. High Mobile and Smartphone Dependence**

Consumers in emerging markets predominantly access digital platforms through smartphones due to affordable devices and mobile data. Mobile-first behavior influences shopping, payments, and information search.

### **2. Rapid Adoption of Digital Payments**

The use of UPI, mobile wallets, QR codes, and cards is growing quickly, driven by convenience, government initiatives, and fintech innovations. Cash usage is gradually declining, especially in urban and semi-urban areas.

### **3. Price Sensitivity and Value Consciousness**

Digital consumers actively compare prices, seek discounts, cashback offers, and promotional deals. Online platforms are preferred for competitive pricing and better value for money.

#### 4. **Influence of Social Media and Peer Reviews**

Purchase decisions are strongly influenced by social media content, influencer marketing, online reviews, and word-of-mouth through digital channels such as WhatsApp, Instagram, and YouTube.

#### 5. **Trust and Security Concerns**

Although adoption is increasing, consumers remain cautious about data privacy, payment security, and product authenticity. Trust in platforms, secure payment gateways, and reliable return policies play a vital role.

#### 6. **Preference for Convenience and Speed**

Consumers value ease of use, quick delivery, multiple payment options, and user-friendly apps. Time-saving and doorstep delivery are major motivators for digital purchases.

#### 7. **Hybrid Buying Behaviour (Online–Offline Mix)**

Many consumers follow a “research online, purchase offline” or vice versa approach. Physical stores coexist with digital platforms, reflecting transitional market conditions.

#### 8. **Regional and Language Diversity**

Digital behaviour varies widely due to differences in language, culture, income, and digital literacy. Platforms offering local languages and regional customization gain higher acceptance.

#### 9. **Growing Digital Awareness and Literacy**

Consumers are increasingly comfortable using apps, e-commerce websites, and digital services, supported by digital education initiatives and increased exposure to technology.

#### 10. **Brand Loyalty with Experimentation**

While consumers show loyalty to trusted brands and platforms, they are also willing to experiment with new digital brands that offer better quality, price, or service.

These features highlight how digital consumer behaviour in emerging markets is dynamic, evolving, and shaped by technology access, economic conditions, and socio-cultural factors.

### **Strategies Related to Digital Consumer Behaviour in Emerging Markets**

#### 1. **Mobile-First Marketing Strategy**

Since consumers primarily use smartphones, businesses should design mobile-friendly websites, apps, and advertisements. Simple interfaces, low data usage, and fast-loading content improve engagement.

#### 2. **Localized and Regional Customization**

Adapting content to local languages, cultural preferences, and regional needs builds trust and relevance. Localization helps brands connect with diverse consumer segments.

### 3. **Affordable Pricing and Value-Based Offers**

Price-sensitive consumers respond positively to discounts, cashback, EMI options, and bundled offers. Competitive pricing strategies encourage trial and repeat purchases.

### 4. **Digital Payment Integration**

Offering multiple payment options such as UPI, wallets, cards, and cash-on-delivery increases convenience and adoption, especially among first-time digital buyers.

### 5. **Social Media and Influencer Engagement**

Leveraging social media platforms, regional influencers, and user-generated content helps shape consumer perceptions and drives purchase decisions.

### 6. **Building Trust and Transparency**

Clear return policies, secure payment systems, customer reviews, and transparent pricing reduce perceived risk and enhance consumer confidence.

### 7. **Omnichannel Presence**

Integrating online and offline channels ensures a seamless consumer experience. Click-and-collect, online support for offline purchases, and digital promotions in physical stores are effective.

### 8. **Personalization through Data Analytics**

Using consumer data to provide personalized recommendations, targeted promotions, and customized communication improves satisfaction and loyalty.

### 9. **Customer Education and Digital Literacy Support**

Educating consumers on app usage, digital payments, and security measures helps overcome resistance and builds long-term adoption.

### 10. **Efficient Logistics and After-Sales Service**

Fast delivery, easy returns, and responsive customer support are critical for retaining digital consumers and ensuring positive experiences.

These strategies enable businesses to align with evolving digital consumer behaviour in emerging markets, enhance competitiveness, and achieve sustainable growth.

## **Conclusion**

Digital consumer behaviour in emerging markets has undergone a significant transformation due to rapid technological advancements, increased internet penetration, and widespread use of smartphones and digital payment systems. Consumers are increasingly adopting online platforms for information search, purchasing, and post-purchase engagement, driven by convenience, affordability, and accessibility. This shift reflects changing lifestyles, rising digital awareness, and growing trust in digital ecosystems.

The behaviour of digital consumers in emerging markets is characterized by price sensitivity, strong influence of social media, preference for mobile-based services, and a hybrid approach that combines

online and offline channels. While challenges such as digital literacy gaps, infrastructure limitations, and security concerns remain, continuous innovation by businesses and supportive government initiatives are helping to overcome these barriers.

Overall, understanding digital consumer behaviour is essential for businesses and policymakers to design effective strategies, improve customer experience, and promote inclusive growth. As digital adoption continues to expand across urban and rural areas, emerging markets are expected to play a vital role in shaping the future of the global digital economy.

## References

Chaffey, D., & Ellis-Chadwick, F. (2019). *Digital Marketing: Strategy, Implementation and Practice* (7th ed.). Pearson Education.

1. Kotler, P., Kartajaya, H., & Setiawan, I. (2017). *Marketing 4.0: Moving from Traditional to Digital*. Wiley.
2. Kotler, P., & Keller, K. L. (2016). *Marketing Management* (15th ed.). Pearson Education.
3. Ryan, D. (2016). *Understanding Digital Marketing: Marketing Strategies for Engaging the Digital Generation* (4th ed.). Kogan Page.
4. Strauss, J., & Frost, R. (2014). *E-Marketing* (7th ed.). Pearson Education.
5. Tiago, M. T. P. M. B., & Veríssimo, J. M. C. (2014). Digital marketing and social media: Why bother? *Business Horizons*, 57(6), 703–708.
6. Stephen, A. T. (2016). The role of digital and social media marketing in consumer behavior. *Current Opinion in Psychology*, 10, 17–21.
7. Kumar, V., Dixit, A., Javalgi, R. G., & Dass, M. (2020). Digital transformation of marketing: Framework, challenges, and opportunities. *Journal of Business Research*, 117, 1–6.