

FEATURES OF CONSUMER BEHAVIOR IN THE ONLINE ENVIRONMENT

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Abstract

In the article, the authors investigate the behavior of online consumers, studying global trends and online behavior of users in the Republic of Moldova. The paper considers the factors influencing their behavior and the possibility of changing these factors. The authors analyze the behavior of consumers in the network in different genders, age groups in different time periods. Features of consumer behavior on the Internet require its constant study, monitoring and building new models of interaction with them. Information technology makes it possible to more accurately study the behavior of consumers on the network. The development and adaptation of marketing strategies today should be carried out taking into account such characteristics of consumer behavior as the frequency and time spent on the Internet, studying the characteristics of a product, and analyzing the best offers. Online shopping behavior is influenced by factors such as: confident web browsing, consumer income, online risk attitude, online shopping experience. Marketers should strive for flexibility and rapid adaptation to a changing information environment at points of interaction with channels and curation of content.

Keywords: *consumer research, online consumer behavior, features, online shopping, social networks, informing, marketing strategies, marketing communications.*

JEL Classification: *M31, N30, P46, O 33*

I. INTRODUCTION

The study of consumer behavior is the most important area of marketing activity, as it allows you to identify the requirements and needs of customers and satisfy them as much as possible.

Consumer behavior has been actively studied since the last century, in the 60s of the last century, a discipline studying consumer behavior appeared in American universities.

It is quite difficult to study consumer behavior, since the consumer is not a static object, he is constantly changing, his needs and motivation are often unconscious, his behavior is influenced by both internal and external factors of the turbulent external environment. A set of methods and techniques used in sociology, psychology, anthropology and pedagogy are used to study consumers.

Consumer behavior in a virtual environment is studied by authors such as F. Kotler, N.F. Isa, N.A.M. Saleh, A.A. Azis, Dulcea Camelia, Mirela Turks, Adrian Micu, Alyoshina I.V. and others.

The behavior of consumers on the web has its own characteristics related to the peculiarities of the Internet and the forms of information presentation. Convenience, speed and lack of geographical distances, simplicity, resource savings, democracy, entertainment of providing information make the Internet a new world, a new reality where an individual can exist in parallel worlds and live several lives, realizing a long-standing dream of mankind.

II. REVIEW OF STUDIES

The development of information technology and communication has led to profound changes in consumer behavior online. Today, the online consumer influences marketing strategies more strongly than before. The consumer rationally approaches the choice of goods, studies reviews and recommendations, striving to find the best product at a favorable price.

Information technologies allow us to study the behavior of consumers in the network more accurately. For example, various platforms for studying the behavior of Internet users are emerging, such as Consumer Barometer, an online analytical tool developed by Google. The data for it is collected in two ways: the Consumer Barometer Survey, aimed at studying the behavior of Internet users, and the Connected Consumer Study, which aims to study the behavior and habits of the population (online and offline).

In the modern world, the Internet space is developing very dynamically. The Internet is increasingly penetrating our lives, changing behavior, habits and developing new skills.

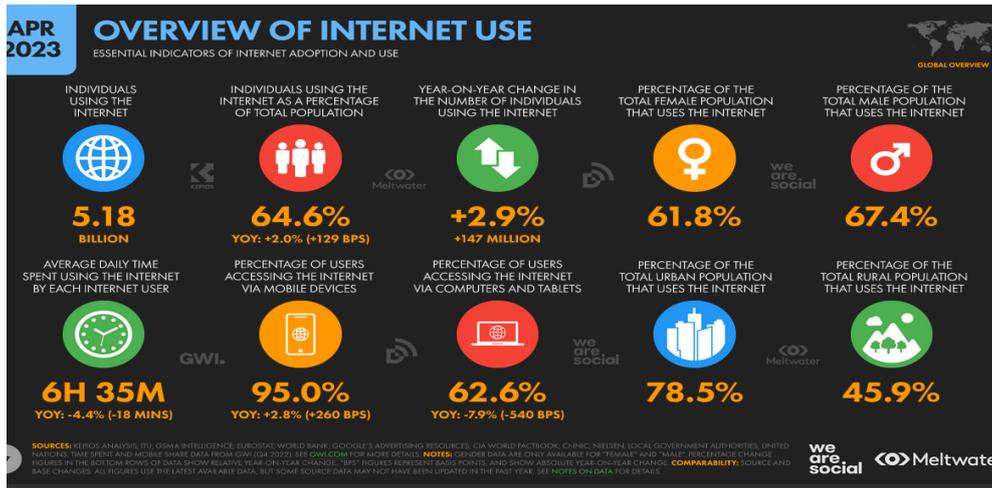


Figure 1 - Digital 2023 April Global Statshot Report <https://datareportal.com/reports/digital-2023-april-global-statshot>

So, according to Google/TNS Consumer Barometer Study, the number of users is constantly growing. On average, a user spends 6 hours and 35 minutes on the Internet every day. Urban residents use the Internet more than rural residents (Figure 1). Women and men use the Internet in the following percentage: women - 61.8%, men - 67.4%.

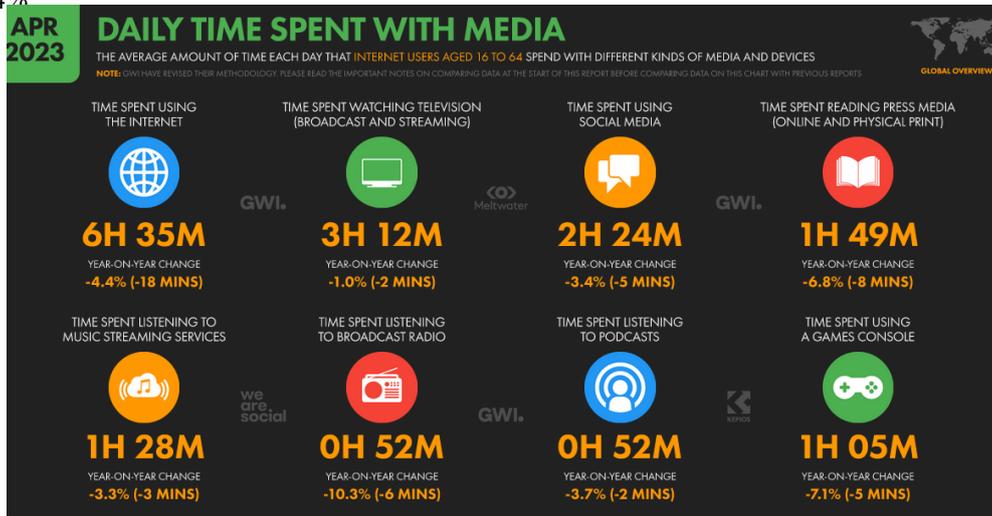


Figure 2 - Digital 2023 April Global Statshot Report: <https://datareportal.com/reports/digital-2023-april-global-statshot>

The time spent by an Internet user on the network is used for watching television programs, streaming, communicating on social networks, informing from online media, listening to music, radio, online games, etc. (Figure 2).

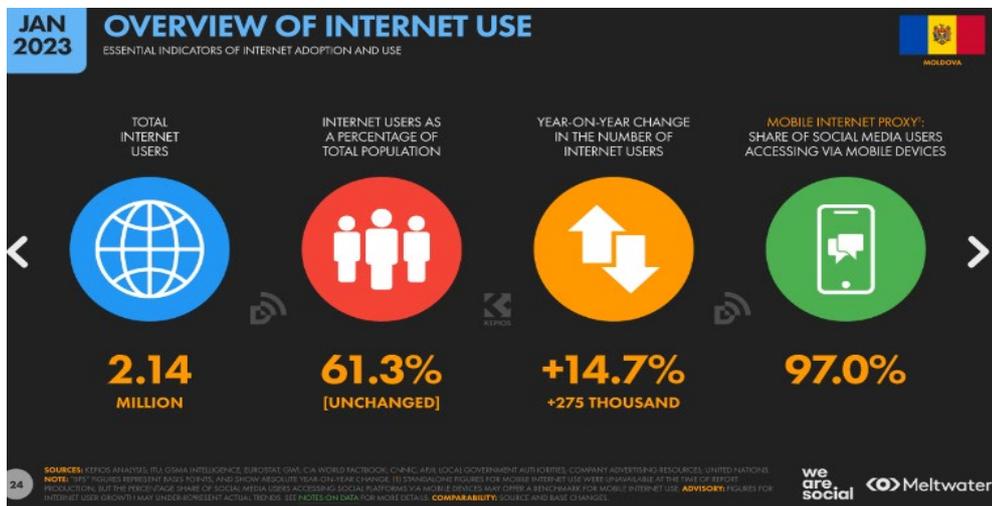


Figure 3 - Internet usage in Moldova. Access: <https://datareportal.com/reports/digital-2023-moldova?rq=%20Moldova>

The rapid development of Internet technologies can also be traced in Moldova (Figure 3.4). The number of Internet users is growing, the range of goods and services that can be purchased or consumed online is increasing. The coronavirus pandemic has contributed to the rapid growth of remote access to information, government and financial services, e-commerce, consulting and training.

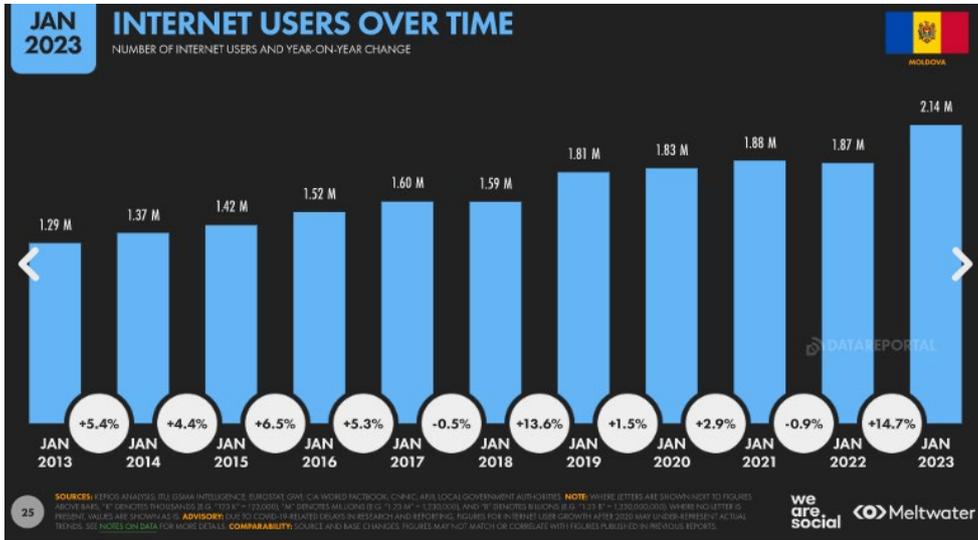


Figure 4. Change in the number of Internet users in Moldova: 2013-2023 Access: <https://datareportal.com/reports/digital-2023-moldova?rq=%20Moldova>

Changes in the scientific and technical marketing environment are changing the marketing strategies of companies that have so far been based on the traditional study of consumer behavior. Now there is a need to study "digital" consumers, as the percentage of people who mainly use the network for information and purchases is growing.

The Internet provides new opportunities not only for traditional consumers who make purchases in a traditional format. So, new segments are emerging - groups of consumers who previously had no opportunity to make a choice of goods and purchases.

A new world has opened up for people with disabilities, people of the third age with an unlimited choice of goods and services, wide opportunities for development, training and self-actualization. In the network, everyone is equal: gender, physical limitations, age does not matter – the market is ready to satisfy the needs of any consumer as much as possible.

The development and adaptation of marketing strategies today is carried out taking into account such characteristics of consumer behavior as the frequency and time spent on the Internet, studying the characteristics of the goods, analyzing the best offers, often comparing the goods presented on the Internet with the same in offline trading [13].

III. METHODOLOGY

In order to identify the peculiarities of consumer behavior in the online environment, a study was conducted from 2018 to 2023 among network users in Moldova aged 15 to 85 years. Respondents were offered a questionnaire with a small number of questions, including: for what purpose do you use the Internet; how much time do you spend online every day and what do you do; which social networks do you prefer; what do social network users hide; how often do you make purchases online or based on information from the Internet? 280 respondents from Moldova participated in the survey, including 184 women and 96 men. The study used a non-random quota sample.

IV. RESULTS AND DISCUSSIONS

The majority of respondents – 95% - use the Internet daily for the following purposes: obtaining information, studying market information (offering products or services), work, shopping, accessing public services, paying utility bills, education, entertainment and recreation.

Thus, the motives for navigating the Internet are:

Getting information. For example, young people under the age of 30 call the Internet the main source of information on any topic. Users receive information about goods and services from the web pages of organizations, social networks, online advertising, e-mail, etc.

Personalization of communication and quick feedback. Networks offer the opportunity to communicate directly with manufacturers of goods and services, it becomes possible to adapt the offer to a specific consumer, make purchases at any time of the day and receive prompt feedback.

The network offers an opportunity to speak out about products and actively participate in their evaluation, which is necessary for both the consumer and the manufacturer. The consumer in the network is more active and visible, which becomes necessary for the manufacturer, since the starting point of the report when improving a product or service is the attitude of the online user.

A large selection, a wide assortment is the motive why consumers are increasingly turning to the Internet for shopping. A wide range of products, the ability to buy from any online platform, price variability, attractive discounts and other sales promotion activities make online shopping very attractive.

If in 2018 only 18% of respondents preferred to shop online, and these were mostly young people under 35, then in 2023 this percentage increased to 40% and older people were added to the ranks of young people buying online, among whom there are 70+.

Many organizations, both commercial and government, have partially moved their activities to the online environment, which was facilitated by the coronavirus pandemic and the development of information technology. Some of the functions and daily actions of the individual have been transferred to the network: payment of utility bills, training, consultations with a doctor, a psychologist, parent-teacher meetings in schools, lectures, etc. The transition to online provided new, alternative opportunities to the consumer, but caused inconvenience due to lack of training, lack of knowledge in the field of navigation on the Internet, lack of necessary technical capabilities and Internet access. Thus, consumers over 50 years of age have fewer skills to use all the features of the network than consumers over 20+.

According to the survey results, young people on average spend more time online than older consumers (Figure 5).

A group of users under 25 also actively uses the network for training, and the online learning skills acquired during the coronavirus make themselves felt.

Consumers are engaged in self-development on the web, learning foreign languages, health improvement courses, etc. Consumers on the web take an active position, partly promoting brands, services, sellers they like through the content they create. [2].

A large percentage of users use the Internet for entertainment, recreation and information, as a rule, a large percentage of respondents under 25 and after 55 years.

Many users from 25 to 45 years old – on average, 20% of their time online - work. This is a young, active part of the population. However, there is a percentage of users who work online all day long.

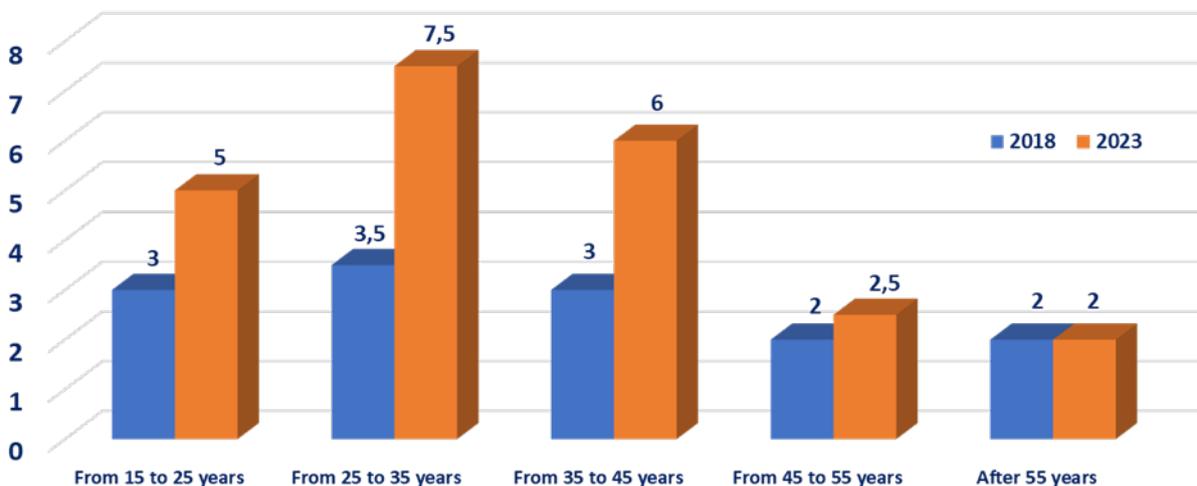


Figure 5. Time spent daily by respondents online 2018, 2023 yy.

Respondents noted what they do online in the following proportion:

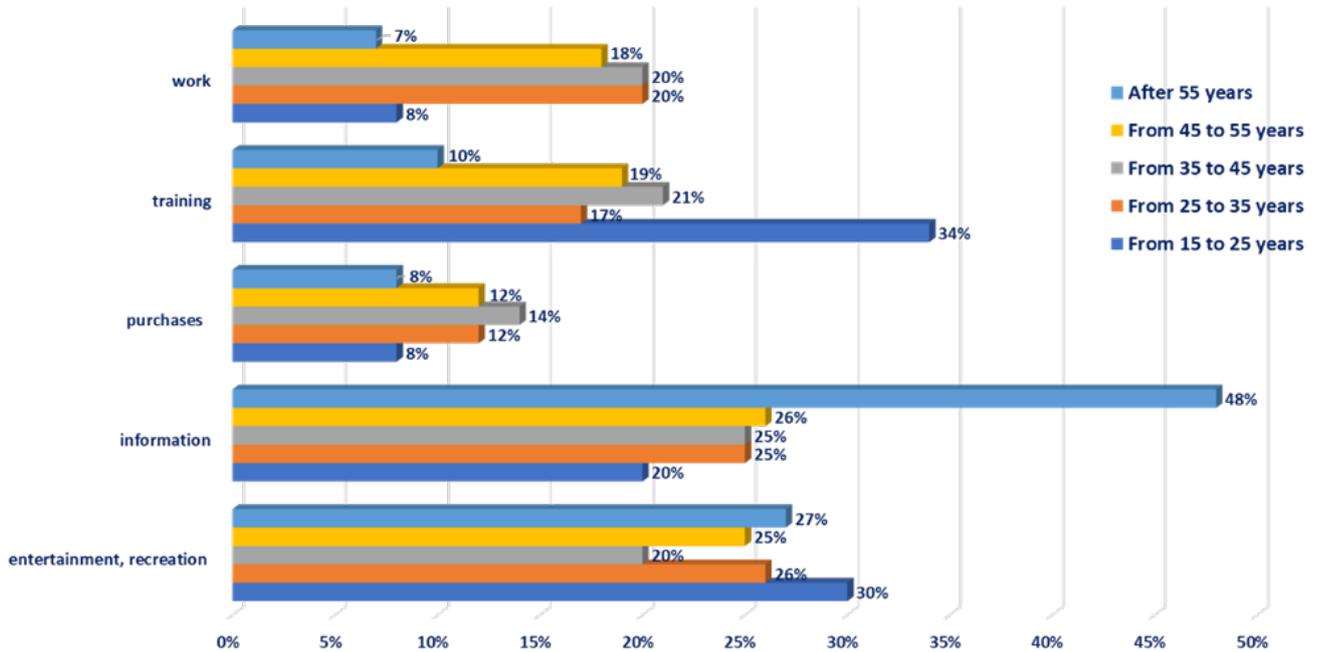


Figure 6. Distribution of daily time spent on the Internet among users

Most of all online purchases are made by consumers from 25 to 55 years old. The number of users over the age of 55 who make purchases on the Internet is growing, if in 2018 these were units, now more than 55% of respondents in this category occasionally buy from trusted sellers.

The frequency of online purchases varies greatly depending on the geographical location of customers. Consumers from Asia, North America and Western Europe are more likely to shop online, while in Eastern Europe, Latin America, the Middle East and Africa, the number of online purchases per capita is significantly less. [3].

The main reason for shopping in online stores offering mass-demand goods is the price. In a few clicks, saving time, the consumer can compare competitors' products and choose at a more attractive price, thus, competition in the network intensifies.

Online purchasing behavior is influenced by factors such as:

- confident navigation on the web, i.e. online experience. (Consumer confidence index CCI) Generally speaking, digital consumers have a higher level of consumer confidence than traditional consumers. Such consumers also demonstrate a higher level of purchases of various product categories online, especially non-essential goods such as electronics, purchase of banking services. Confident consumers show great tolerance and interest in various media channels on the Internet, demonstrate involvement in the process of choosing and purchasing goods and services;
- consumer income;
- attitude to risk on the Internet;
- online shopping experience (your own and others').

Online consumers are focused on convenience, saving time resources, benefits and additional bonuses and entertainment. Thus, such factors as: income level, network availability and consumer confidence of consumers in the Internet will contribute to the activity of consumers in the network, the growth of online sales.

Men, in general, make a purchase decision faster, do not spend a lot of time studying the product. Women study the information in detail, are in no hurry to make a purchase, they are less prone to risk than men.

According to a study by *The Demand Institute*, "digital" consumers mainly represent the segment of Generation Y and Generation Z, that is, their age lies in the range of 25-34 years [13].

Generation Z is the new leader in the field of shopping. Generation Z accounts for almost 30% of the world's total population, and they are projected to make up about 27% of the workforce by 2025. And their purchasing power is growing. It is typical for Generation Z to be in contact constantly in real time. Marketers

need to take into account the special habits and preferences of representatives of generation Z, for example, how they search for information from reliable sources on the Internet.

The study of consumer behavior in the United States shows the activity of young people in online shopping. So, in August 2022, the study was conducted among respondents from the United States aged 18 and over who made a purchase in the last six months, the base: generation Z N = 385, millennials N = 2335, generation X N = 1251, baby boomers and older N = 1815 [8].

The results of the study show that 42% of Generation Z's spending is on physical stores, next to a pie chart showing that 38% of millennials' (Generation Y) spending is on physical stores (Figure 7).



Figure 7 - Expenses incurred by physical stores of generations Z and Y (millennials)

Source: Google/Bain, CIIA, *Future of Retail: U.S. Consumer Survey*, Access: <https://www.thinkwithgoogle.com/consumer-insights/consumer-trends/future-of-retail/>

The Internet is changing consumer behavior. So, before buying, most consumers search for information about the product on the Internet, compare prices, read reviews and tips, get acquainted with the features of using goods, despite the fact that the purchase is made not only online, but also offline. Most of the users monitor the Internet aimlessly, not knowing whether they are going to buy something or not.

In the modern omnichannel environment, the behavior of consumers in the network is constantly changing, which is influenced by an extensive product offer and the development of new sales channels. Online consumers do not spend a lot of time shopping, they tend to have ROPO behavior, that is, many study information online, but buy both online and offline stores.

According to DigitasLBI (2014), 88% of consumers study products online before buying [12].

Not every visit to online stores ends with purchases. For most online consumers, a "cumulative" rational model of behavior is characteristic, primarily concerning multi-brand online stores and sites with an assortment of tens or hundreds of thousands of items. Every time they visit an online store, they put their favorite products in the basket, an immediate purchase is made only in extremely rare cases. Further, when free funds appear or you are ready to pay for purchases, the basket is audited for "Do I really want this product?" and the availability of shares is found out [15].

As the online retail industry continues to grow, more and more consumers are choosing to shop online.

All consumer groups use the Internet for information, but for young people under 30, the network is the main channel for obtaining information, while older groups use other channels for obtaining information, such as television.

The majority of consumers use social networks to inform and communicate (98%). Instagram Facebook and Tik Tok are the most popular social networks in Moldova.

Typical Facebook users are consumers from 30-35 years old. Instagram is popular among all user groups, but young people spend more time there. For consumers who prefer visual content, these networks are the most popular. Tik Tok is most in demand among young people, up to 25-28 years old.

Most often, users of social networks withhold personal information - name, age, social status, income. Many people try not to advertise their political views and religion.

Social networks have a huge potential for the development and transformation of e-commerce. E-commerce will grow into a new, more organized business based on knowledge management [6,9].

As we can see, the range of user activities on the network is quite wide and it is constantly expanding, so, for example, consumers are starting to use artificial intelligence (AI) services. The consumer adapts, learns and applies new skills through the consumption of various information resources, new applications and services, joining the latest trends in market development.

V. CONCLUSIONS

The results of a desk study studying global trends in online consumer behavior and a field study of Internet users in Moldova revealed the following general differences in online consumer behavior:

- ✚ Perform an omnichannel search,
- ✚ Advanced media consumers,
- ✚ High level of consumer confidence,

- ✚ The income of online buyers is slightly higher,
- ✚ Young age group,
- ✚ The need for individual incentives,
- ✚ Cosmopolitanism in shopping.

The behavior of online consumers from Moldova has the same characteristics as consumers from other countries, their online activity is influenced by: network availability, income, consumer experience, age, etc.

The Internet allows freedom of choice: choosing the place and time of purchase, goods, which from a psychological point of view is extremely important for the consumer. If life in the physical world is difficult enough to control, then virtual space provides us with more opportunities in this regard. In the network, the consumer can give up social roles, realizing the dream of humanity to live several lives, at least in virtual space.

The features of perception and assimilation of information in the network are different. This difference is clearly traced through the terms "navigation" or "surfing", used to refer to obtaining information on the Internet, which fully reflects the features of this process, where instead of deep immersion and comprehension of data, speed and superficiality prevail.

It should be borne in mind that marketing communications on the web are characterized by a weak emotional impact, unlike direct traditional communication during the sale process, so marketers direct all their efforts to create positive emotions in the consumer through online content: audio, video, texts and spectacular photos.

Not only the first purchase of the consumer, but also the further commitment of the company depends on the synergistic approach to the online promotion strategy, marketing skills and knowledge.

At the heart of consumer behavior on the Internet are interpersonal communications, extending to communications between buyer and seller. The Internet is an open system where information is constantly being created, transformed, exchanged and transmitted by users who are involved in communication and market exchange. The boundaries between e-commerce and content are increasingly blurring.

Omnichannel consumer behavior will continue to evolve. Consumers will be increasingly adept at maneuvering between digital, physical, virtual and social platforms, quickly switching from viewing, searching and buying.

Marketers can get as close as possible to potential online buyers by knowing which channels they use to inform, where they learn about products and services, and which videos they view. Knowing the peculiarities of the origin of demand, acquaintance, choice and consumption of goods, the seller will be able to influence the consumer more pointwise. The interaction of the consumer with the company on the network leaves a digital footprint that provides data on the interests and preferences of consumers, which will allow marketers to manage communication with the consumer. Thus, today online consumers influence the company's marketing strategies much more than ever.

The maximum use by companies of information about consumer behavior and factors influencing purchasing decisions in the face of fierce competition on the Internet is becoming increasingly important to strengthen its market position and reduce economic risks.

The peculiarities of consumer behavior on the Internet require its constant study, monitoring, building new models and subsequent research to adjust the company's marketing strategies for online promotion. Marketers should strive for flexibility and rapid adaptation to the changing information environment at the points of interaction with channels and content curation.

In addition to such areas as the development and customization of a comprehensive offer, companies must necessarily analyze the consumer experience of "digital" consumers, which will make it possible not only to study existing needs, but also to anticipate and influence the formation of new consumer requests.

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