



## Digital touchpoints and consumer decision journey with reference to two-wheelers

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### ABSTRACT

*Digitisation has brought about a sense of urgency in a majority of companies to adapt to the emerging digital platforms and devices. As consumers take the drivers' seat, they are offered a multitude of choices and information is targeted at them from proliferating online sources. This empowerment of consumers has left businesses to wonder about the volatility of the consumers' preferences. With this rapid change comes the need for studying touch points most used by consumers at each stage of the purchasing journey. Understanding which online platform consumers' visit at pre-purchase, purchase and post-purchase stages is of utmost importance. This study reports the findings of a survey conducted on a sample of 181 respondents over a period of two months, April and May 2018 to understand why consumers own two-wheelers, the digital platforms they frequent at each stage and the online activities that consumers generally indulge in. Further, the analysis is done to understand the different types of digital consumers for two-wheelers based on their interactions with online platforms. The study identifies the need to understand the deeper variables that consumers are looking to purchase a two-wheeler. This led to the analysis of content in the pre-purchase stage to get insights. It is observed that blogs rank the highest at pre-purchase and so data is sourced from the customer and expert reviews for a period of three months, March, April and May 2018. The most mentioned two-wheeler blogs are analysed through qualitative methods to understand the numerous variables that customers look for in two-wheelers. Thus, the study sheds light on the different touch point's consumer's visit through the journey, the types of consumers who indulge in online activities and the variables that contribute to their satisfaction in the buying of a two-wheeler.*

**Keywords**— Consumer decision journey, Digitization, Digital behaviour, Digital platforms, Touchpoints

### 1. INTRODUCTION

Today, digitization has phenomenally overpowered the traditionally existing forms of reaching a customer. Times, when companies used to come up with innovative pamphlets and brochures to attract a customer to their retail stores or showrooms, is fast ebbing. The conception of the internet and the availability of search engines for anything from DIY videos to learning professional courses have left the consumers highly vested. This could prove to be an advantage or a limitation to industries since they face the peril of commoditization. Companies that still stand will be the ones that know how to construct a strategic advantage, leaving their competitors unaware of what hit them (Ernst & Young, 2011). With the advent of the internet and proliferation of infinite online sources, made available to the public, just a click away, digitisation has proved to be an amendment of how the economy functions (Scott, 2016). The purchase decision journey of consumers from need recognition to post-purchase feedback is no longer a linear one. It is a continuous loop that captures various touch points and significant buying factors as a result of the explosion of digital channels and product choices (Court, et al., 2009). This revolution has left the companies to experience the wrath of changing consumer preferences and empowered consumers, beyond cognition (Bhasin, 2017). The study explores the various touch points that consumers go to, at each stage of the consumer decision journey during the purchase of a two-wheeler, types of digital two-wheeler consumers and the variables that they look for at the pre-purchase stage of the decision journey. The area of study chosen is digital platforms' emergence and its impact on the consumer decision journey because it is an emerging trend that is topical. The importance of understanding the various nuances of effective digital marketing in the field of two-wheelers thus proves to be a fertile area of study.

#### 1.1 Objectives of the study

This study has employed both quantitative and qualitative methodologies to better understand the impact that digital platforms have at the pre-purchase stage of the consumer decision-making journey. This study has the following objectives:

- To identify the digital touch points most utilised by two-wheeler industry consumers.
- To categorise consumer segments based on their online activities with respect to two-wheelers.
- To derive insights into buying decision behaviour from customer and expert reviews.

## **2. REVIEW OF LITERATURE**

A marketer's purpose is to make sure that the message to be conveyed to the customers reaches them at the right moment. Despite the customers' knowledge of various products, marketers still display the products. This is because the core responsibility of a marketer is to be aware of those moments when the customers are open to influence (Court, et al., 2009). This can be achieved at a lesser cost by monitoring consumer behaviour at each touch point. Touchpoints are visualized as a funnel, where the wide end is usually the number of brands that can be potential purchases for a customer, channelling down to the one brand that turns into a purchase (Richardson, 2010). However, the funnel needs an update since consumer behaviour has rapidly developed. Consumer behaviour has evolved in terms of an increase in urbanization, growing affluence and aspirations, nuclearisation of households, increasing the potential for trading up, etc. Compelling evidence goes to show that the unpredictability of a consumer's decisions can define the fate of a company's sales. Efforts are taken to understand consumers and as a result, companies splurge finances on promotions and brand loyalty programs with the intention of achieving greater returns. But customers who have been named loyal might be considering switching to other companies that may offer a different take at marketing. Deciphering the constantly fluctuating code of customers' activities must be at the topmost rung of a CEO's priority ladder (Court, et al., 2017). However, the anomaly of consumer behaviour can be said to be a mystery wrapped inside an enigma since it is ever changing and dynamic (Ervin, 2016).

### **2.1 Consumer behaviour in the automobile sector**

McKinsey's research from a database of 1, 25,000 customers shows that out of 30 categories that were researched, only 3 were loyalty driven and the rest showcased certain percentages of shopping tendencies. The research further illustrates that the automobile sector is only 10% loyalty driven and 90% exhibit a brand switch (Court, et al., 2017). A paradigm shift in consumer behaviour was observed with the advent of digitization and the meteoric rise of online blogs, social media and specification-comparison websites that moulded consumer behaviour to take to online platforms for decision making (Meister, 2016). Availability of substitutes is another factor that influences consumer behaviour in the automobile sector. The frequency of public transport like buses, trains and the metro rail prove to be an easier and cheaper mode of transport for consumers. The rising prices of petrol and/or diesel can make a consumer rethink the need for using the vehicle (Investopedia, n.d.). The upcoming buzz of collaborative consumption can make consumers reconsider even owning a car. The author has quoted an example that shows that consumers prefer to travel by car only during weekends and are more comfortable using the bus to go to work (Egerton, 2016). Digitisation is the answer for this changed behaviour of consumers who would rather share cabs and travel to work than drive their own. The impact of digitization has led to various concepts like collaborative consumption and similar shared platforms.

### **2.2 Impact of digitization**

A study by Ernst and Young asserts the urge for all companies to digitize innovation and customer engagement. The awareness for urgent need to digitize is spreading across companies, however, very few companies realize the pace at which the transformation needs to occur. Resistance goes in hand with change and this proves to be a major challenge for majorly established brick and mortar companies. The fear of losing control over the customer base, the threat from competitors and commoditization are key reasons for the resistance of digitization (Ernst & Young, 2007). However, this transformation has immensely helped producers with real-time information about the preferences and choices of consumers. Digitization has also empowered the customer and has resulted in higher performance expectations from employees. Customers are taking the driver's seat and are not only demanding, but also better informed and vocal about their feelings (Scott, 2016). Consumers are making purchase decisions not based on the brand, nowadays, but based on the products' specifications itself. To get information about the product, the various forums that allow a consumer to compare products, read reviews and blogs and evaluates ratings, come to the rescue. This availability of transparent information on one platform (internet) has made the consumer decision making the process more rational and informed (Bhasin, 2017).

### **2.3 Consumer decision making**

For almost a decade, McKinsey & Company has studied the decision-making process of consumers and the various paths they take to move from brand awareness to purchase and then to loyalty. For companies, it is most crucial to fit themselves in the initial consideration stage of the consumer. Studies show that the brands that get into the stage of preliminary consideration of customers are twice more likely to be purchased than the brands that enter the journey in the later stages (Court, et al., 2017). Two forms of mapping customer experiences are discussed further. Hopfauf (2017) describes the marketing funnel as a pictorial representation that gives the step by step process of converting potential consumers into customers. The traditional funnel stresses on casting a wide net to find as many potential customers as possible and winning them over at the purchase stage. A typical customer timeline includes engaging a customer with the product, buying it, using it, advocating the experience to others, and ending the journey by upgrading, replacing or switching to a competitor. Though Richardson (2010) had stated that the journey is typically a timeline, Atsmon, et al., (2012) have suggested that the timeline or the "funnel" approach be substituted with a less linear, more elaborate journey with numerable loops for feedback, called the Consumer Decision Journey. On the other hand, the Consumer Decision Journey described in (Court, et al., 2009) explains the evolution of the purchasing funnel into a comprehensive, multi-loop feedback diagram in order to incorporate the complex buying behaviour exhibited by empowered consumers. The Consumer Decision Journey attempts to improve on the drawbacks of the funnel. Marketers should study and understand this journey which will enable them to concentrate on spending and sending messages to the customers, at moments which are most likely to influence them. This would result in a greater probability of capturing consumers at the correct time with the right message (Court, et al., 2009; Bommel, et al., 2014). The automobile sector can benefit a great deal by targeting customers at the right touchpoints with the right message, provided they dedicate resources to understanding their behaviour.

## 2.4 Automobile sector decision making

Sales of automobiles shot up at a global scale in the year 2014. This got companies to thinking if they had to collaborate with the various socioeconomic changes happening all over the world. The prime transformation of this time was the digitization and this created a path for many new players to ingress the automobile market. This brings customer experience to the forefront of any company's strategies. Buyers rely on various factors before arriving at a purchase decision. It's not just about the satisfaction derived from the product anymore, the buying experience matters equally. Audi came up with a concept of a digital showroom bringing an experience, real-time, just at the tap on the screen and it also allows booking test drives whenever convenient (Khanna, 2015). Companies are not only posed with challenges during the pre-purchase and purchase phases alone but also post purchase. The focus shifts from experiencing just the vehicle to experiencing the brands' package. With more upcoming individual service centres for vehicles, automobile brands are unable to provide a gripping after-sales service unless they are integrated with the purchase decision, in order to build a repeat customer base (Hainz, et al., 2015). As years pass by, consumers are willing to buy automobiles if they are cheaper, more fuel efficient and more affordable (Drew, et al., 2014).

## 3. METHODOLOGY

The study was undertaken majorly within Tamil Nadu. Quantitative methods were used to understand why consumers owned two-wheelers, which online platforms they went to, at the pre-purchase, purchase and post-purchase stages, and the online activities consumer involved themselves in, for a sample of 181 respondents to whom the questionnaire was circulated. Taking from the responses of the questionnaire, a qualitative analysis was done on the most mentioned blog names at the pre-purchase stage and also arrived at deeper variables that customers looked for at the pre-purchase stage.

## 4. QUANTITATIVE FINDINGS

Out of the sample of 181 respondents, 87% agreed that they owned a bike because it was a necessity followed by 65% who said that it was the "sense of power" that made them purchase a two-wheeler. The next stage of analysis showed the most used online platforms at each stage of the consumer decision journey, pre-purchase, purchase and post-purchase. Tables depicting the analysis done at each stage are given below.

**Table 1: Most used touchpoints for information search**

Customer Reviews	11.04%
Expert Reviews	10.39%
Company Website	10.17%
Showrooms	10.17%
Social Media	7.36%
Videos	7.03%
Brochures	5.74%
Advertisements	5.74%
Newspapers	5.41%
Forums	5.19%
Reference Groups	4.76%
Television	4.65%
Magazine	4.11%
Blogs	4.11%
Online Ads	3.79%
e-WOM	0.32%

From table 1, it can be understood that the customer reviews (11.04%) and expert reviews (10.39%) are the most frequently used digital platforms for information search, followed by company website (10.17%) and showrooms (10.17%). Customer reviews are forms of feedback written by customers about what they liked, disliked or what they thought needed improvement with respect to the two-wheeler they own. Similarly, expert reviews are those written by experts in the field of two-wheelers who mostly make more technical comments with reference to specific brands of two-wheelers. These reviews are reliable because websites such as bikewale.com, bikedekho.com and zigwheels.com post such reviews based on experts they trust. On the flip side, consumers hardly rely on e-WOM (0.32%) and online ads (3.79%) to get their preliminary information for two-wheelers. E-WOM is a version of buzz marketing that can spread virally if the message being marketed is funny enough. Online ads are part of other online marketing tools which use the internet to convey promotional messages to the end users.

**Table 2: Most Frequented Touchpoints during Purchase**

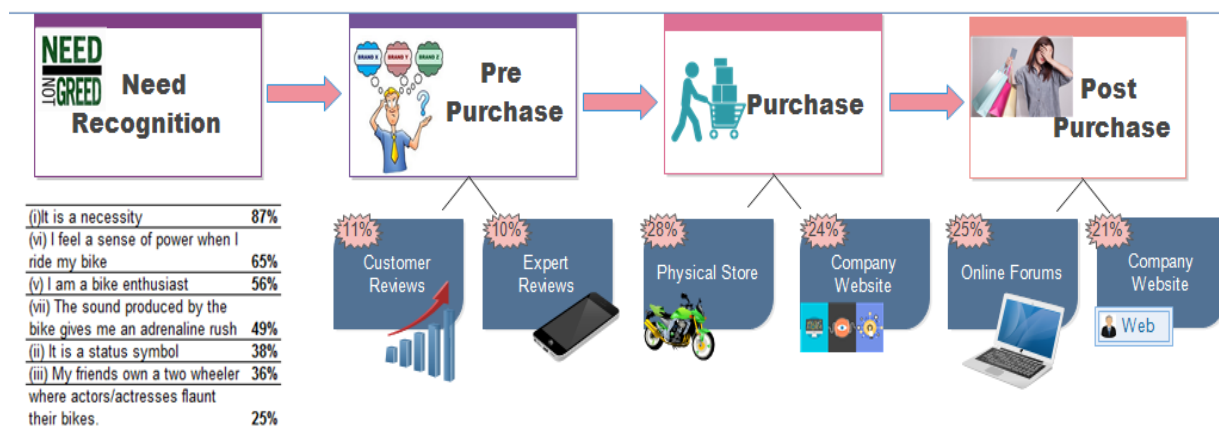
Purchase Decision		Choosing Dealer	
Physical Store	25%	Physical Store	30%
Company Website	23%	Company Website	25%
Online Forum	21%	Online Forum	20%
Social Media	17%	Social Media	14%
Blogs	14%	Blogs	11%

The purchase stage has been divided into two activities, making the purchase decision and choosing the dealers for the same. It was observed that for both the activities, consumers go to the physical stores most often (25% and 30% respectively for purchase decision and choosing dealers). This is followed by the company website, online forums, social media and blogs. Table 2 shows the percentage usage of each touchpoint during the purchase decision and the activity of choosing dealers respectively. This shows evidently that consumers, in spite of the rising digital platforms do not go through with buying the two-wheeler solely by searching for information online. This goes to show that customers, even in this digital age need tangibles to make their purchase decisions. Thus, the high percentages for physical stores. The post purchase stage is crucial to reduce dissonance and it is vital at this stage for iterations to be made by the company based on the content posted on the digital platforms about their respective brands. Table 3 highlights the most frequently used digital platforms in the post purchase stage.

**Table 3: Most used touchpoints post purchase**

Online Forum	25%
Company Website	21%
Social Media	19%
Physical Store	19%
Blogs	16%

It can be understood that customers access online forums the most, post-purchase, in order to post their comments and views on their satisfaction or dissatisfaction about the two-wheeler, queries about the two-wheeler or ask for suggestions about two-wheeler problems. The percentage of customers who go to online forums is 25%. This is followed by a company website at 21%. The least used digital platform at this stage is the blogs (16%). A summary of the most frequented touchpoints through the consumer decision journey for two-wheelers is given in figure 1.



**Fig. 1: Most-used digital platforms through the consumer decision journey**

The survey also contained questions pertaining to the online activities consumers may indulge in. 17 activities were condensed to form three factors by applying Factor Analysis using IBM-SPSS Software. The variables were rotated to reduce the total number of variables into concise dimensions. The rotated variables are shown in table 4. The highlighted variables under each component make up the three factors. There are several methods to rotate the variables. In this study, Varimax rotation is used and thus, eliminates the problem of multi-collinearity.

**Table 4: Rotated component matrix**

	Component		
	1	2	3
Initial set before information	.856	.160	.156
Past experience influence	.814	.122	.154
Digital availability of information	.785	.159	.355
Pre-booking at ease	.762	.189	.247
Appearance	.759	.154	.158
Information online reliable	.728	.235	.276
See ad seek information	.698	.244	.374
Distorted Information	.692	.287	-.284
Holistic picture	.645	.357	.204
Track of trends	.580	.496	.177
Comment	.182	.867	.157
Answer questions	.143	.820	.224
Post queries online	.236	.797	-.127
Post pictures	.139	.684	.273
Passively read	.461	.557	.220
Influenced by friends	.230	.187	.752
Prompt responses	.404	.250	.657

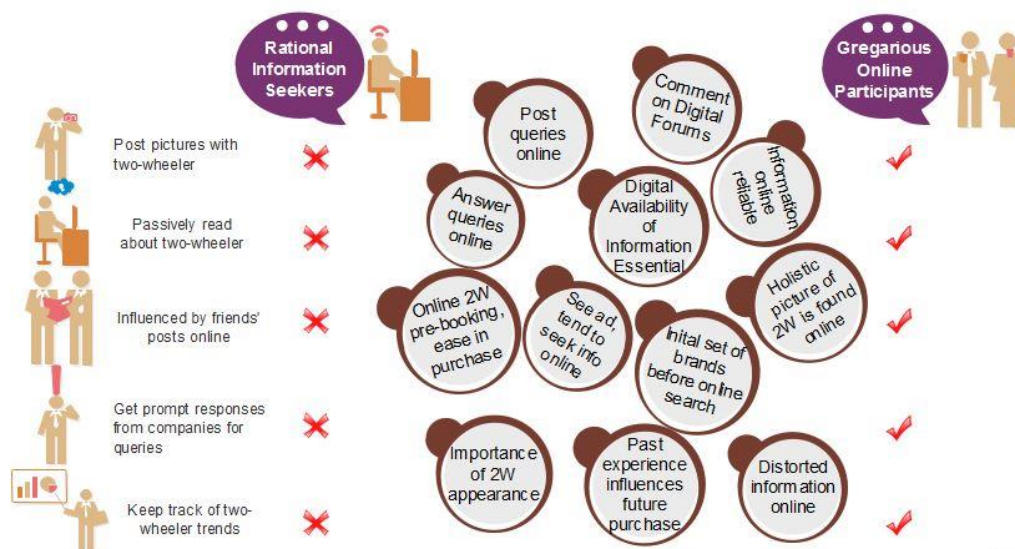


Further, a Cluster Analysis was done using the factors, which boiled down to two major clusters as shown in Table 2.

**Table 5: Final cluster**

	Cluster	
	1	2
Rational Information Seekers	-.19708	.14925
Media Savvy	-.22146	.16771
Gregarious Online Participants	-.86415	.65440

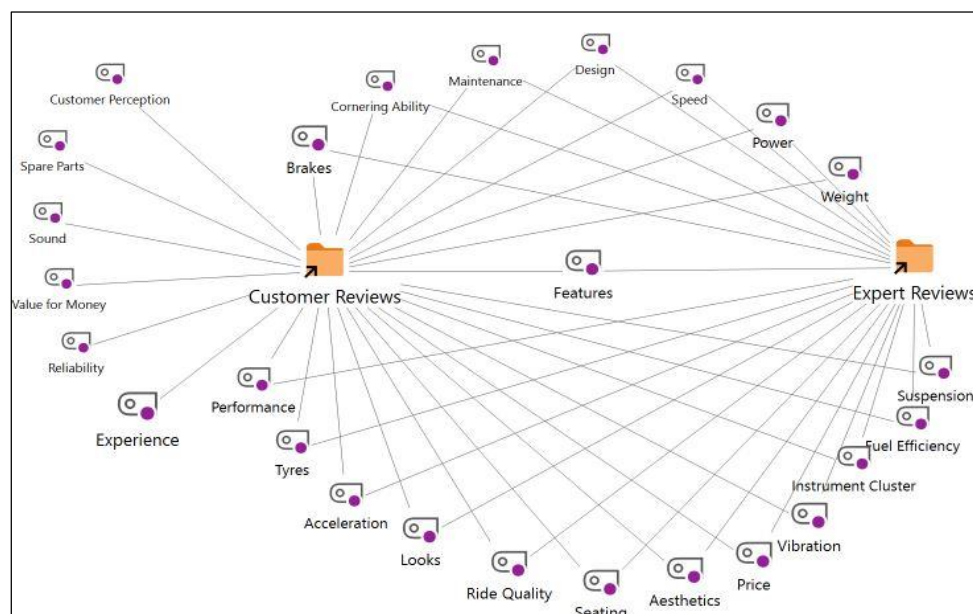
The data derived from this was used to categorise two types of digital two-wheeler buyers. Two clusters were formed where one was “Rational Information Seekers” and the other, “Gregarious Online Participants”. The latter is influenced by friends’ online posts about two-wheelers and expectation of prompt responses for queries posted online. The former comprises activities like seeking information on seeing an ad digital availability, evaluating the reliability of online information, not driven mainly by the appearance of the bike, keeping an initial set of brands before seeking information, past experience influence, getting a holistic picture of two-wheelers through online platforms and keeping a track of trends. In this fleeting spell, companies need to draw a clear understanding of the consumers’ behaviour in order to draft their marketing strategies accordingly. The two types of digital two-wheeler buyers are depicted in diagrammatically in figure 2.



**Fig. 2: Types of digital two-wheeler buyers**

## 5. QUALITATIVE FINDINGS

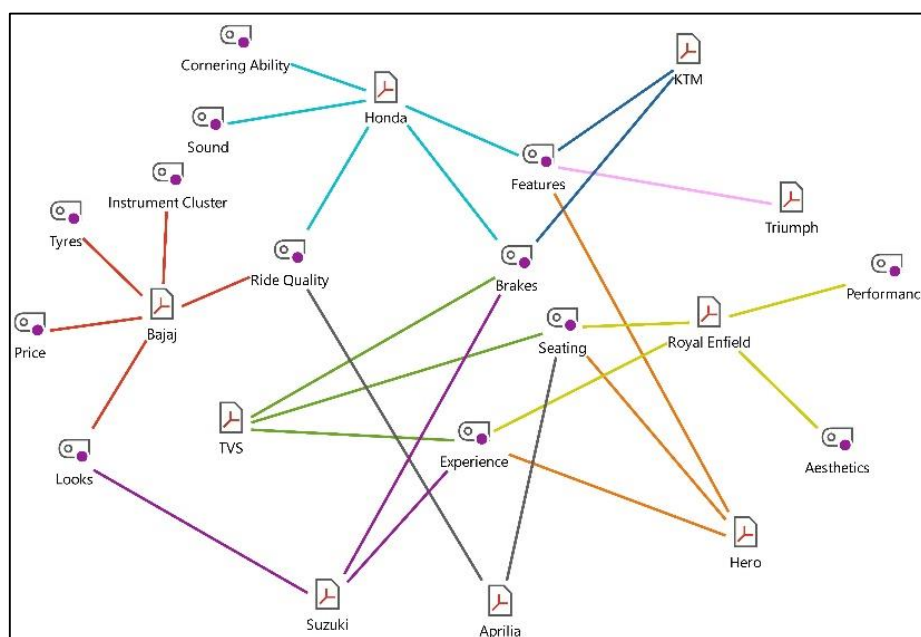
From the findings of the quantitative analysis, it could be inferred that consumers majorly use customer and expert reviews for the pre-purchase stage of information search. Taking such a finding forward, an attempt was made to understand what kind of information consumers look for in the customer and expert reviews. It could be inferred that there were variables that were more precise to the purchase of a two-wheeler than what had already been established in the quantitative findings. 25 variables were arrived at, post content analysis of customer and expert reviews of 9 two-wheeler companies as shown in figure 3.



**Fig. 3: Variables derived by analysing customer and expert reviews**

The variables are: Sound, Value for Money, Experience, Reliability, Spare Parts, Maintenance, Cornering Ability, Tyres, Suspension, Fuel Efficiency, Features, Instrument Cluster, Vibration, Brakes, Price, Aesthetics, Ride Quality, Acceleration, Seating, Power, Design, Weight, Speed, Looks, and Performance.

These variables were used as a base to analyse what customers and experts felt about the variables existing in the nine companies namely, Hero, Honda, Bajaj, Suzuki, Aprilia, TVS, Triumph, Aprilia and KTM, etc. It was found that not all companies concentrated effectively on all variables and delivered what consumers expected. Excerpts of the comments given by consumers and experts are listed for select variables. A Hero consumer has commented positively on its seating comfort saying, “*Seating stance is on the sportier side, with rear-seat foot pegs and a slightly low-set handlebar.*” On the other hand, a customer has given a negative comment about the discomfort of riding a KTM in congested areas saying, “*Not comfortable in Mumbai traffic. I can feel the engine crying when there are regular gear changes.*” Experts move into intricate details of two-wheelers and talk about variables like instrument cluster, aesthetics, vibration, etc. An expert review about Royal Enfield applauds its aesthetics saying, “*As with all Royal Enfield motorcycles, the paint on the 350X is top notch. The attention to minute detail is applaudable; the triple bolts that hold the headlamp are finished in anodized silver for a custom look.*” Experts’ negative reviews will go a long way in influencing a consumers’ decision to purchase a two-wheeler since the experts are believed to have the field knowledge to give genuine comments. “*Digital display in the instrument cluster is a simple one but hides all the necessary information, including a rev counter, trip computer and traction control status,*” says an expert on Triumph’s instrument cluster which informs the consumer about the features available in the two-wheeler. The number of variables most mentioned by customers about each of the companies is given in figure 4.



**Fig. 4: Most mentioned company-specific variables**

## 6. SUMMARY AND CONCLUSION

The survey of touchpoints across the consumer decision journey with reference to two-wheelers was done using the mixed methodology of research. Quantitative and qualitative data analysis helped in substantiating the objectives of the study. With digital platforms arising from every nook and cranny of the internet, customers are becoming very meticulous with the products they purchase. They make extensive searches online, compare prices, and demand discounts, otherwise, switch brands. The uncertainty of consumers’ expectations makes it imperative for firms to study consumers’ behaviour in order to survive the hyper-competition. This study’s findings give a snapshot of why customers own two-wheelers, where customers go to, at what stage of the consumer decision journey, what types of digital two-wheeler customers exist and what specifics they look for, in a two-wheeler.

## 7. IMPLICATIONS OF THE RESEARCH

Based on the findings and analysis of this study, the following are the suggestions that two-wheeler marketers could consider to ensure effective marketing strategies:

**Table 6: Findings and Implications of the Study**

Findings	Implications
The sample of respondents are majorly young, male consumers between ages 17 and 25, also mostly employed with a salary of more than Rs.1 lakh.	It can be understood that the employed youth of India tend to be more active on digital platforms.
Consumers own two-wheelers mainly because it is a need, followed by the sense of power they feel.	The basic needs of all two-wheeler consumers are the same; however, there are nuances which can be qualitatively explored to fit market strategy to the needs of the target market.

Consumers accessed different touchpoints at each stage of the consumer decision journey	Companies can design their marketing strategy in a way that they can capture their target segment by reaching out to them at the right touchpoints at the right time
Two major types of digital two-wheeler buyers were identified as Rational Information Seekers and Gregarious Online Participants	In order to capture the two-wheeler potential consumers, marketers must be aware of the varying behaviour of customers with respect to their online activities based on the segment they belong to.
25 specifics that customers look for in two-wheelers were identified by analysing content on customer and expert reviews	It is important to be aware of the numerous variables that customers look for and make sure that information with respect to that is available online
Most mentioned variables about each of the 9 companies analysed shows that companies do not concentrate on the majority of variables but get feedback only on a few.	Companies must concentrate on enhancing their specifics and bringing them to the notice of customers.

The other implications from the findings are listed below:

- Each of the companies involved could monitor what customers have to say about them through the digital anthropological method of Social Listening.
- It is crucial for companies to realize that targeting customers through various touchpoints need not always be an effective form of marketing. Even one moment of delight for a customer through any one touchpoint may make him a loyal customer forever. Thus, the impact of touchpoints is more crucial as compared to a number of touchpoints.
- Marketers must shift from customer-centric marketing to human-centric marketing.

The recent surge of studies on the changing consumer behaviour post the advent of digital platforms outlines a pressing need for companies to pay attention at drafting more online marketing strategies and delivering commendable services throughout the consumer decision journey. Thus, the increased use of internet could result in a huge gain for companies, provided they dedicate more amount of time and resources to understanding the impact, digitisation has caused, on the behaviour of consumers.

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