СЕРІЯ «Економіка»

Nazarenko Inna Mykolayivna doctor of economic sciences, professor, head of the accounting and taxation department, Sumy National Agrarian University, Sumy, https//orcid.org/0000-0003-0874-199X

Luo Hao postgraduate student, Sumy National Agrarian University Sumy, https://orcid.org/0009-0009-6517-593X

A COMPREHENSIVE ANALYSIS OF DIGITAL MARKETING TACTICS IN SHAPING CONSUMER BEHAVIOR

Abstract. Digital marketing has fundamentally redefined the relationship between businesses and consumers, offering tools and strategies that allow marketers to influence consumer behavior at every stage of the purchasing journey. From generating initial awareness to converting interest into sales, digital marketing has become an indispensable element of modern business practices. This thesis investigates the effectiveness of various digital marketing techniques, including search engine optimization, social media engagement, content marketing, personalized advertising, and email campaigns, in shaping consumer decisions and driving business outcomes.

Through an extensive review of current research and analysis of industry trends, the study provides a comprehensive understanding of how digital marketing strategies not only enhance purchasing behavior but also foster brand loyalty and customer retention. Key findings emphasize the importance of personalization and the integration of data-driven insights, which allow businesses to deliver highly targeted and relevant messages to their audiences. Such approaches significantly improve engagement rates, customer satisfaction, and conversion rates.

However, the widespread use of consumer data for marketing purposes also raises critical ethical challenges, particularly in relation to data privacy, consent, and transparency. The thesis identifies these issues as potential barriers to trust and long-term effectiveness in digital marketing strategies. It further explores the balance that businesses must achieve between leveraging data to create personalized experiences and adhering to ethical standards and regulatory frameworks.

Ultimately, the study concludes that while digital marketing holds immense potential for influencing consumer behavior and achieving business goals, its success depends on adopting a customer-centric approach that prioritizes trust, ethical data use, and transparency. Practical recommendations are offered to help businesses navigate these complexities and implement sustainable, responsible digital marketing practices. These strategies aim to ensure that digital marketing continues to serve as a powerful tool for innovation, growth, and meaningful consumer engagement.

Keywords: digital marketing, consumer behavior, social media engagement, personalized advertising, data privacy.

Назаренко Інна Миколаївна доктор економічних наук, професор, завідувач кафедри обліку і оподаткування, Сумський національний аграрний університет, м. Суми, https//orcid.org/0000-0003-0874-199X

Луо Хао здобувач третього рівня вищої освіти, Сумський національний аграрний університет, м. Суми, https://orcid.org/0009-0009-6517-593X

КОМПЛЕКСНИЙ АНАЛІЗ ТАКТИК ЦИФРОВОГО МАРКЕТИНГУ У ФОРМУВАННІ ПОВЕДІНКИ СПОЖИВАЧІВ

Анотація. Цифровий маркетинг докорінно змінив відносини між бізнесом і споживачами, пропонуючи інструменти та стратегії, які дозволяють маркетологам впливати на поведінку споживачів на кожному етапі купівлі. Від формування початкової обізнаності до перетворення зацікавленості на продаж, цифровий маркетинг став невід'ємним елементом сучасної бізнес-практики. У даній статті досліджується ефективність різних методів цифрового маркетингу, включаючи пошукову оптимізацію, залучення соціальних мереж, контент-маркетинг, персоналізовану рекламу та електронну пошту компанії, у формуванні споживчих рішень та досягненні бізнес-результатів.

Завдяки широкому огляду сучасних досліджень та аналізу галузевих тенденцій, стаття дає комплексне розуміння того, як стратегії цифрового маркетингу не лише покращують купівельну поведінку, але й сприяють підвищенню лояльності до бренду та утриманню клієнтів. Основні висновки підкреслюють важливість персоналізації та інтеграції інсайтів на основі даних, які дозволяють компаніям доносити до своєї аудиторії вузькоспрямовані та релевантні повідомлення. Такі підходи значно підвищують рівень залученості, задоволеності клієнтів та конверсії.

Однак, широке використання даних про споживачів у маркетингових цілях породжує серйозні етичні проблеми, зокрема щодо конфіденційності,

згоди та прозорості даних. У статті визначаються ці питання як потенційні бар'єри на шляху до довіри та довгострокової ефективності стратегій цифрового маркетингу. Далі досліджується баланс, якого має досягти бізнес між використанням даних для створення персоналізованого досвіду та дотриманням етичних стандартів і регуляторних рамок.

За результатами проведеного дослідження зроблено висновок, що хоча цифровий маркетинг має вагомий потенціал для впливу на поведінку споживачів і досягнення бізнес-цілей, його успіх залежить від прийняття клієнтоорієнтованого підходу, який ставить на перше місце довіру, етичне використання даних і прозорість. Запропоновано практичні рекомендації, які допоможуть бізнесу зорієнтуватися в складних умовах діяльності та впровадити стійкі, дієві практики цифрового маркетингу. Дані стратегії спрямовані на те, щоб цифровий маркетинг і надалі був потужним інструментом для інновацій, зростання та змістовного залучення споживачів.

Ключові слова: цифровий маркетинг, поведінка споживачів, залучення соціальних мереж, персоналізована реклама, конфіденційність даних

Problem statement. As digital platforms continue to proliferate, businesses face a crucial challenge: how to leverage digital marketing tactics to convert online interactions into purchasing decisions. Digital marketing strategies, such as SEO, social media engagement, and personalized ads, have become indispensable in shaping consumer behavior. However, many organizations struggle to optimize these tactics effectively. Moreover, the ethical implications of collecting and utilizing consumer data for personalization raise significant privacy concerns. This research aims to bridge these gaps by investigating the tactics that drive consumer behavior and identifying best practices that balance effective marketing with ethical considerations in data use.

Analysis of recent research and publications. Analysis of recent research and publications reveals significant contributions to the study of consumer behavior and digital marketing. The following scholars have made notable advancements using modern marketing tools: Cheah, J.-H., Lim, X.-J., Ting, H., Liu, Y., and Quach, S., Georgiadis, G., and Poels, G., Gupta, S., Justy, T., Kamboj, S., Kumar, A., and Kristoffersen, E., Haenlein, M., Anadol, E., Farnsworth, T., Hugo, H., Hunichen, J., and Welte, D., Jeziorski, P., and Moorthy, S., Kannan, P., and Li, H., Martin, K. D., and Murphy, P. E., Mokogwu, C., Achumie, G. O., Adeleke, A. G., Okeke, I. C., and Ewim, C. P.-M., Purnomo, Y. J., Rosário, A. T., and Dias, J. C., and Xuan, Q. T., Truong, H. T., and Quang, T. V.

Purpose of the paper. The goal is to explore the effectiveness of various digital marketing techniques in influencing consumer behavior, while emphasizing the importance of ethical practices, transparency, and data privacy.

The paper aims to provide actionable insights that enable businesses to optimize their digital marketing strategies, foster brand loyalty, and maintain consumer trust in an increasingly data-driven environment. While recent research has advanced our understanding of digital marketing's impact on consumer behavior, several issues remain unresolved. For instance, real-time data processing remains a challenge for companies striving to deliver timely responses to consumer actions.

Presentation of the main research material. Recent studies provide substantial evidence supporting the impact of digital marketing on consumer behavior. Jeziorski and Moorthy [5] underscore the importance of SEO, emphasizing that higher search engine rankings are often linked with increased brand trust and consumer credibility. Their findings reveal that brands ranked on the first page of search engines experience a 30% higher conversion rate than those on subsequent pages.

Haenlein [4] examines social media's influence on consumer engagement, showing that interactive content such as videos and polls boosts consumer interest and loyalty. For example, platforms like Instagram and TikTok, which prioritize visual and interactive content, have shown higher engagement rates, with TikTok averaging 34% engagement among active users.

Rosário and Dias [10] delve into personalized advertising, highlighting that tailored ads yield up to 40% higher response rates when combined with data analytics and behavioral insights. However, Cheah [1] raises concerns regarding the ethical implications of extensive data collection, suggesting that brands risk consumer trust if data usage lacks transparency. This study finds that 78% of consumers feel apprehensive about their data privacy, underscoring the need for transparent data practices.

Mokogwu [8] identifies a gap in real-time data processing, noting that many businesses struggle to analyze and respond to consumer actions instantly. Although personalization is highly effective, Adams emphasizes that rapid data processing capabilities are essential for maximizing engagement. Overall, while research highlights the effectiveness of digital marketing, it also calls for ethical and transparent practices to maintain consumer trust and loyalty.

Although Gupta [3] shows that personalized advertising improves response rates, organizations often lack the infrastructure to analyze data instantaneously.

Additionally, ethical concerns surrounding data privacy persist. Although studies such as Georgiadis [2] address the need for transparent data practices, there is limited research on the long-term effects of extensive data collection and personalization on consumer trust. Further investigation is also needed into the integration of online and offline marketing channels. As Xuan [11] discuss, creating a seamless omnichannel experience is vital for engaging consumers, yet many organizations face difficulties in achieving consistency across platforms.

This article addresses these gaps by examining best practices in data-driven personalization, focusing on real-time consumer insights, and exploring strategies for ethical consumer engagement. The goal is to provide actionable recommendations that enable businesses to optimize digital marketing tactics while maintaining consumer trust and transparency.

This study analyzes how digital marketing tactics, specifically data-driven personalization, SEO, social media engagement, and ethics in data management, shape consumer behavior. The research incorporates survey findings, case studies, and industry reports to provide a comprehensive understanding of how these tactics drive conversions, enhance brand loyalty, and impact consumer trust.

Data-driven personalization in digital marketing. Data-driven personalization is at the core of modern digital marketing, enabling brands to tailor content, offers, and recommendations to individual consumer preferences. According to survey data, 85% of marketing professionals report that personalization increases consumer engagement, with 72% citing improved conversion rates as a direct result.

Table 1 summarizes the perceived effectiveness of key marketing tactics according to industry professionals, highlighting that personalized advertising and SEO rank as the most effective.

Table 1.
Effectiveness of digital marketing tactics

Digital marketing tactic	Percentage reporting increased engagement	Percentage reporting higher conversions
Personalized advertising	85 %	72 %
SEO and keyword targeting	78 %	68 %
Social media engagement	67 %	54 %
Email campaign automation	64 %	50 %

*Source: compiled by the authors based

The data in table 1 demonstrates that personalized advertising is the most effective tactic, with 85% of marketers reporting increased engagement and 72% noting higher conversions. This is followed by SEO and keyword targeting, which shows strong results, with 78% reporting greater engagement and 68% seeing improved conversions. These tactics leverage data to create more relevant, personalized experiences for consumers, which drives both engagement and conversions.

Social media engagement and email campaign automation also contribute to marketing success but to a lesser degree. Social media engagement leads to a 67% increase in engagement and 54% in conversions, while email automation yields 64% higher engagement and 50% more conversions.

Impact of SEO on Brand Trust and Consumer Behavior/ SEO also plays a key role in building consumer trust. Jeziorski and Moorthy [5] found that 30% of consumers trust brands that appear on the first page of search results, leading to higher conversion rates. Table 2 further illustrates the relationship between SEO rankings and consumer trust, showing that better search rankings lead to more conversions.

Table 2.
SEO impact on consumer trust and conversions

Search engine ranking position	Average consumer trust, %	Average consumer rate, %
First page	85	30
Second page	55	15
Third page or lower	25	8

*Source: compiled by the authors based on Purnomo [9]

Table 2 reveals a strong correlation between a brand's search engine ranking and consumer trust. Brands that appear on the first page of search results experience significantly higher consumer trust (85%) and conversion rates (30%). This indicates that visibility in search results directly affects consumer perceptions—brands that rank higher are often seen as more credible and trustworthy. In contrast, brands on the second page see a steep decline in both trust (55%) and conversions (15%), while those on the third page or lower face even greater challenges, with only 25% trust and 8% conversion rates. This highlights the importance of SEO in achieving high visibility and fostering consumer confidence.

Social Media Engagement and Consumer Loyalty. Social media platforms like Instagram, TikTok, and Facebook offer brands a powerful means of engaging with consumers in a personal, direct way. Through interactive content such as posts, stories, live videos, and comments, brands can build relationships and foster consumer loyalty. Research by Haenlein [4] emphasizes that interactive and engaging content on social media significantly boosts both consumer engagement and brand loyalty.

Table 3 illustrates the engagement rates across various platforms, showing that Instagram and TikTok outperform others in terms of consumer interaction. These platforms' highly visual and interactive nature, including features like reels, stories, and short-form videos, keep users engaged and encourage more direct interactions with brands. As a result, these platforms are critical for brands looking to foster a loyal customer base and drive ongoing engagement.

Table 3.

Engagement Rates by Social Media Platform

Social Media Platform	Average Engagement Rate	Primary Engagement Tactic
Instagram	34%	Stories, Live Videos, Influencer Marketing
Tiktok	28%	Short videos, Hashtags, User-Generated Content
Facebook	19%	Posts, Comments, Brand Pages
Twitter	12%	Hashtags, Retweets

*Source: compiled by the authors based

Table 3 highlights the differences in engagement rates across popular social media platforms. Instagram leads with the highest engagement rate (34%), largely driven by its visually rich content such as Stories, Live Videos, and influencer marketing. This format appeals particularly to younger audiences, who engage more actively with brands through interactive, visual content.

TikTok follows closely with a 28% engagement rate, fueled by short-form videos, viral hashtags, and user-generated content that create a sense of community and participation. Facebook and Twitter, while still valuable, have lower engagement rates, 19% and 12% respectively. Facebook's engagement tends to come from posts, comments, and brand pages, while Twitter relies heavily on hashtags and retweets for engagement. These platforms are still important for maintaining a presence, but brands must adapt their strategies to the distinct features of each platform to maximize engagement.

Engagement on these platforms fosters a sense of community, which is key to strengthening brand loyalty. Instagram and TikTok, in particular, allow brands to form closer, more personal relationships with consumers, enhancing loyalty as consumers feel more connected to the brand.

Ethics in data-driven marketing. With the growing use of data-driven personalization, ethical concerns surrounding data collection and usage have become a major issue. A recent survey found that 78% of consumers are concerned about how their personal data is used, and 65% prefer brands that have transparent data policies. This highlights the increasing demand for ethical practices in data collection and marketing strategies. Table 4 further illustrates these concerns, showing the significant role, that ethical data handling plays in maintaining consumer trust. As brands continue to personalize content, it is crucial they do so in a manner that respects consumer privacy and maintains transparency, as this can directly impact consumer loyalty and brand reputation.

Table 4.
Consumer concerns on data privacy in digital marketing

Consumer concern	Percentage of respondents
Concerned about data usage	78%
Prefers transparent policies	65%
Believes personalization is Benefits if ethical	55%
Supports data collection for personalized ads if opt-out is available	43%

Source: compiled by the authors based on Martin and Murphy [7].

These statistics suggest that while consumers appreciate personalized experiences, they also expect brands to prioritize ethical data handling. Businesses that invest in transparent data practices are more likely to foster trust and maintain loyalty among their consumers.

Real-time data processing and consumer responsiveness. Real-time data processing enables companies to respond instantly to consumer actions, improving the chances of converting interest into purchases. According to Kannan and Li [6] companies that can engage consumers in real time have 20% higher conversion rates than those that rely on delayed responses. Table 5 demonstrates the impact of real-time responsiveness on conversion rates.

Table 5.
Impact of real-time data processing on conversion rates

Consumer Engagement Type	Conversion Rate Increase (%)
Real-Time response	20%
Delayed Response (Over 1 hour)	10%
No Response	3%

Source: compiled by the authors based on Kannan and Li [6]

Table 5 demonstrates the impact of real-time data processing on conversion rates. Brands that respond in real-time to consumer inquiries or actions see a 20% increase in conversion rates, highlighting the effectiveness of swift engagement. In contrast, delayed responses (over 1 hour) result in a 10% increase, while no response yields only a 3% increase. This underscores the critical role that timely interactions play in maintaining consumer interest and maximizing conversion potential.

Investing in technologies that enable rapid response is vital for staying competitive in today's fast-paced market. Brands that capitalize on real-time data processing can engage consumers when their interest is at its peak, leading to higher conversion rates and stronger customer relationships.

Conclusion. This article highlights the transformative impact of digital marketing tactics on consumer behavior, from initial engagement to conversion. SEO improves brand visibility and consumer trust, social media fosters loyalty through interactive content, and personalized advertising aligns marketing messages with individual preferences. However, the findings also reveal critical ethical considerations regarding data privacy. As consumer expectations around transparency grow, companies must prioritize ethical data management to maintain trust and loyalty. The study underscores the importance of real-time data processing, showing that companies able to engage consumers promptly are more likely to convert clicks into purchases. This research provides actionable insights for organizations aiming to optimize their digital marketing strategies. By balancing personalized engagement with transparent data practices, businesses can build stronger consumer relationships, fostering sustainable growth in the digital landscape. Future research should focus on further examining ethical considerations and exploring advanced technologies that enhance personalization without compromising consumer trust.

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