
Digital Economic Transformation on People's Consumption Patterns

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ABSTRACT

The digital economic transformation has transformed various aspects of people's lives, including consumption patterns. Developments in information technology, the internet, and digital platforms have driven changes in the way people search for, compare, and purchase goods and services. This study aims to analyze the impact of the digital economic transformation on changes in people's consumption patterns. The study used a qualitative approach with descriptive methods. Data were obtained through literature studies, observations of digital economic activities, and secondary data analysis from official reports and related publications. The results show that the digital economic transformation has driven a shift in consumption patterns from conventional to digital, characterized by increased use of e-commerce, non-cash payments, and a preference for ease and speed of transactions. Furthermore, the digital economy also influences impulsive consumption behavior and increases purchasing power based on technology access. This study concludes that the digital economy plays a significant role in shaping the consumption patterns of modern society and requires adaptive policies to support consumer protection and economic sustainability.

INTRODUCTION

Digital economic transformation is a global phenomenon that is rapidly evolving alongside advances in information and communication technology. Digitalization has transformed the way individuals, organizations, and countries conduct economic activities, from production and distribution to consumption of goods and services (DHL, 2021; Megananda & Afrizal, 2025). The use of the internet, mobile devices, and digital platforms has created a new, more dynamic, efficient, and data-driven economic ecosystem.

Globally, the digital economy is a key driver of modern economic growth. The Organisation for Economic Co-operation and Development (OECD) states that the digital economy contributes significantly to increased productivity, innovation, and economic inclusion in various countries (OECD, 2020). This development is driving structural changes in people's economic behavior, particularly in consumption patterns that are increasingly dependent on digital technology (Sima et al., 2020).

In Indonesia, the digital economic transformation is experiencing rapid growth along with the increasing number of internet and smartphone users (Fashola & Kusuma, 2024; Tayibnapi et al., 2018; Yuning et al., 2023). Data from the Central Statistics Agency (BPS) shows that e-commerce activity and the use of digital financial services continue to increase year after year (BPS, 2023) (Pramesthy et al., 2024). This indicates a significant shift from conventional consumption patterns to digital-based ones.

Consumer behavior is a crucial indicator in economic analysis, reflecting behavior, preferences, and levels of well-being. In the digital economy, consumer behavior is influenced not only by income and prices, but also by ease of access to technology, speed of service, and aggressive digital marketing strategies (Kotler & Keller, 2016). This has led to changes in how consumers make consumption decisions (Willman-Iivarinen, 2017).

The digital economic transformation has had various positive impacts on consumer consumption patterns, such as increased transaction efficiency, transparency of pricing information, and ease of comparing products and services. However, the digital economy has also given rise to

new challenges, such as increased impulsive consumption, dependence on digital platforms, and risks to data security and consumer protection (OECD, 2020).

Several previous studies have primarily discussed the digital economy from the perspective of economic growth and business performance, while studies specifically addressing changes in consumer consumption patterns are relatively limited, particularly in the context of developing countries like Indonesia. Therefore, this study offers a novel element by positioning digital economic transformation as a primary factor in changing consumer behavior.

Based on this description, this research is crucial to analyze how digital economic transformation influences consumer consumption patterns and its implications for modern economic behavior. The results are expected to contribute academically to the development of digital economic literature and serve as a reference for the government and stakeholders in formulating adaptive and sustainable economic policies.

RESEARCH METHOD

This research employs a qualitative approach with descriptive methods (Creswell & Creswell, 2023; Furidha, 2024). This approach was chosen to gain a deeper understanding of changes in consumer consumption patterns due to the digital economic transformation. Data were obtained through literature review of scientific journals, official government reports, and publications from institutions related to the digital economy. Secondary data, such as data on e-commerce growth, digital payment usage, and consumer consumption trends, were used to strengthen the analysis. Data analysis was conducted by reviewing, categorizing, and interpreting findings relevant to the research objectives.

RESULT AND DISCUSSION

The research results show that the digital economic transformation has impacted various aspects of people's consumption patterns. These changes can be observed through the intensity of digital platform use, the types of products consumed, and preferred payment methods. To clarify the research findings, the analysis results are presented in the following tables.

Level of Utilization of Digital Economy Platforms

Based on secondary data collection and literature analysis, the level of public utilization of digital economy platforms has increased significantly. This can be seen in **Table 1**, which illustrates the types of digital platforms most commonly used in consumption activities.

Table 1. Types of Digital Platforms Used by the Public

No	Types of Digital Platforms	Form of Utilization	Usage Level
1	E-commerce	Purchase of goods	Tall
2	Delivery service application	Food & service consumption	Tall
3	Fintech / Digital Wallet	Non-cash payments	Very high
4	Social media	Product information & promotion	Currently

Source: Data Processed

Table 1 shows that e-commerce and digital wallets are the most dominant platforms used by the public. This indicates a significant shift from conventional transactions to more practical and efficient digital-based transactions.

Changes in Community Consumption Patterns

The digital economic transformation has also influenced changes in people's consumption patterns, both in terms of how they shop and the types of goods and services they consume. These changes are presented in **Table 2**.

Table 2. Comparison of Consumption Patterns Before and After Digital Economic Transformation

Consumption Aspect	Before the Digital Economy	After the Digital Economy
How to shop	Physical store	Online marketplace
Payment methods	Cash	Non-cash / digital
Access product information	Limited	Very wide & fast
Frequency of consumption	Planned	More impulsive

Source: Data Processed

Table 2 shows that the digital economy is driving changes in consumer behavior, making it faster and more flexible. However, this convenience also increases the potential for impulsive consumption due to intensive digital promotions.

The Impact of Digital Economic Transformation on Consumption

In addition to changing consumption patterns, the digital economic transformation also has positive and negative impacts on society. These impacts are summarized in **Table 3**.

Table 3. Impact of Digital Economic Transformation on Consumption Patterns

No	Positive impact	Negative impact
1	Time and cost efficiency	Excessive consumption
2	Wider product access	Dependence on technology
3	Price transparency	Data security risks
4	Ease of transactions	Decreased financial control

Source: Data Processed

Table 3 shows that while the digital economy offers many benefits to consumers, there are risks that need to be anticipated. Therefore, improving digital and financial literacy is a crucial factor in enabling people to utilize the digital economy wisely and sustainably.

Discussion

The digital economic transformation has been shown to bring structural changes to consumer consumption patterns, as shown in the research results in Tables 1, 2, and 3. The dominant use of e-commerce platforms and digital financial services indicates that technology has become a primary factor in consumer decision-making. This finding confirms that the digital economy is no longer a supplementary system, but rather a primary system in modern consumer activities.

The high level of e-commerce and digital wallet usage, as shown in Table 1, indicates a shift in consumer preferences toward practicality and efficiency. This aligns with consumer behavior theory, which states that consumers tend to choose distribution channels that minimize transaction costs, both in terms of time and effort (Kotler & Keller, 2016). In this context, the digital economy acts as a catalyst accelerating these changes in consumption preferences.

The changes in consumption patterns seen in Table 2 demonstrate a significant shift from planned consumption to more flexible and impulsive consumption. Ease of access to information, discounts, and algorithm-based promotions encourage consumers to make spontaneous purchases. This situation reinforces the view that digitalization has transformed consumer economic rationality, where purchasing decisions are based not only on needs but also on the ongoing digital stimuli they

receive.

From a macroeconomic perspective, changes in consumption patterns resulting from the digital economic transformation can positively impact economic growth by increasing aggregate demand. However, in the long term, impulsive consumption unbalanced by financial literacy has the potential to create household economic problems, such as low savings rates and increasing consumer debt. Therefore, the digital economy has two sides that need to be managed in a balanced manner.

The positive and negative impacts of digital economic transformation, as presented in Table 3, indicate that ease of transactions and price transparency are key factors in improving consumer well-being. However, data security risks and dependence on technology pose serious challenges. The OECD (2020) emphasizes that without adequate regulation and consumer protection, the digital economy could actually widen the digital divide and increase people's economic vulnerability.

Furthermore, changes in consumption patterns due to the digital economy are also impacting market structures and business behavior. Businesses are required to adapt to digital marketing strategies, utilize consumer data, and improve the quality of technology-based services. This demonstrates that the digital economic transformation is not only impacting consumers but also changing the dynamics of business competition as a whole.

Compared with previous research that focused more on the digital economy's contribution to economic growth and business efficiency, this study offers a novel approach by highlighting consumer behavior in a more comprehensive manner. Focusing on changing consumption patterns offers a new perspective, emphasizing that the success of the digital economy is measured not only by transaction value but also by the quality of the resulting consumer behavior.

In addition to the changes in consumption patterns described above, the digital economic transformation is also driving changes in how people obtain information before making purchases. Consumers now tend to search for information through various digital platforms such as search engines, social media, and customer reviews on marketplaces. This process is known as the digital consumer journey, where consumers no longer rely on direct recommendations from sellers or their surroundings, but rather on information available online. This demonstrates that digital technology has expanded the sources of information that influence people's consumption decisions.

Ease of access to product information also enhances consumers' ability to compare prices and product quality. With search and filter features on e-commerce platforms, consumers can quickly find products that match their preferences. This creates a more competitive market, requiring businesses to offer more transparent pricing and better service quality. From an economic perspective, this fosters more efficient market mechanisms because consumers have more complete information before making a transaction.

The transformation of the digital economy has also led to an increase in the frequency of consumer transactions. While in conventional systems, consumers must visit a physical store to make a purchase, in the digital economy, transactions can be conducted anytime and anywhere through digital devices. This flexibility makes consumption activities easier and faster, indirectly increasing transaction volume in the digital economy (Xia et al., 2024).

On the other hand, the increased frequency of consumption facilitated by digital technology has also given rise to the phenomenon of impulsive consumption. Consumers often make purchases without prior planning, influenced by digital promotions such as discounts, flash sales, or algorithmic recommendations on e-commerce platforms. Digital marketing strategies that utilize consumer behavior data can target products more personally, increasing the likelihood of impulsive purchases.

This impulsive consumption phenomenon demonstrates that the digital economy is not only influencing how people shop but also influencing economic decision-making patterns. Consumers often make quick decisions without carefully considering their needs and financial capabilities. In the long term, this situation has the potential to cause problems in household financial management

if not balanced with adequate financial literacy.

Furthermore, the digital economic transformation has also driven the emergence of various new payment methods that further simplify transactions. The use of digital wallets, mobile banking, and QR code-based payment systems has largely replaced cash transactions. Digital payment methods not only provide convenience for consumers but also increase the efficiency of the national payment system. Transactions that previously required lengthy processes can now be completed in just seconds through digital applications.

The development of digital payment systems has also impacted financial inclusion. Many people who previously lacked access to banking services can now access digital financial services through their smartphones. This opens up opportunities for people to participate more broadly in the digital economy. Thus, the digital economy can serve as a means to increase financial access and broaden economic participation.

However, technological advances in digital payment systems also pose new challenges related to transaction security and personal data protection. The risks of data breaches, digital fraud, and misuse of personal information are key issues in the development of the digital economy. Therefore, robust digital security systems and regulations capable of protecting consumers from these potential risks are essential.

The transformation of the digital economy has also influenced consumer consumption patterns, particularly in terms of product and service preferences. Modern consumers tend to choose products that are easily accessible through digital platforms and offer fast delivery (Nguyen et al., 2019). This has encouraged businesses to improve the efficiency of their logistics and distribution systems to meet increasing consumer expectations for speed of service.

Furthermore, the emergence of app-based delivery services has also changed consumer habits, particularly in the food and beverage sector. Consumers now order food online more often than visiting restaurants in person. This phenomenon demonstrates that digitalization has transformed the interaction patterns between consumers and service providers, with digital services becoming the primary intermediary in consumption activities.

From a social perspective, the digital economic transformation also impacts people's lifestyles. Easy access to various digital products and services has made people increasingly accustomed to an instant and fast-paced lifestyle. Consumers tend to prioritize convenience and efficiency in all their economic activities. This demonstrates that digital technology is not only changing economic behavior but also shaping a new culture of consumption within society.

These changes in consumption patterns have also impacted the marketing strategies employed by businesses. In the digital economy, marketing no longer relies solely on traditional media like television or newspapers, but also utilizes various digital platforms such as social media, influencer marketing, and algorithm-based advertising. Digital marketing strategies enable companies to reach a wider audience at a relatively more cost-effective rate.

Utilizing consumer data in digital marketing also provides businesses with the opportunity to more accurately understand market preferences. Consumer behavior data collected through digital platforms can be used to develop more effective and personalized marketing strategies. This allows companies to tailor their products and services to meet consumer needs.

However, the use of consumer data in the digital economy also raises ethical and privacy issues. Consumers are often unaware that their digital activities are being recorded and analyzed by digital platforms for marketing purposes. Therefore, transparency in data management and privacy protection are crucial in the digital economy ecosystem.

The transformation of the digital economy has also impacted the competitive structure of the business world (Kurnianingsih, 2025; Liu, 2024; Xie & Huang, 2023; Yang & Jin, 2024). Small and medium-sized businesses now have greater opportunities to market their products through digital platforms without the need for a physical store (Matt & Rauch, 2020). This opens up opportunities for the creation of a more inclusive and competitive market. By leveraging digital technology,

businesses can reach consumers from various regions and even internationally.

On the other hand, the dominance of a few large digital platforms also raises concerns about the concentration of market power. Digital platforms with large user bases can influence prices, product distribution, and market access for small businesses. Therefore, a competition policy that maintains a balance between technological innovation and market fairness is needed.

Overall, the results of this study indicate that the digital economic transformation has brought significant changes to people's consumption patterns. Digitalization has created a faster, more flexible, and technology-driven consumption system. However, these changes have also created new challenges that require attention from various parties, including the government, businesses, and the public.

Thus, digital economic transformation must be balanced with increased digital and financial literacy among the public to ensure that changes in consumption patterns can provide optimal benefits (Koskelainen et al., 2023). Education on the wise use of technology and sound financial management are crucial factors in ensuring that digital economic development can positively contribute to sustainable public welfare (Aniqoh, 2020; Mohamed Abdel Razek Youssef, 2022; Song et al., 2022).

The policy implications of these findings underscore the crucial role of the government and stakeholders in promoting digital and financial literacy in the community. Education on wise consumption, personal data protection, and digital platform regulation are strategic steps to ensure that digital economic transformation can contribute sustainably to public well-being.

CONCLUSION

This study aims to analyze the transformation of the digital economy and its impact on changes in consumer consumption patterns. Based on the results and discussion, it can be concluded that the digital economic transformation has brought about significant changes in consumer behavior, particularly in shopping methods, payment methods, and consumer decision-making. People tend to shift from conventional transactions to digital transactions through the use of e-commerce, application-based services, and cashless payment systems. The research findings indicate that the digital economy has positive impacts in terms of time and cost efficiency, ease of access to goods and services, and increased information transparency. However, this transformation also has negative impacts, such as increased impulsive consumption, dependence on digital technology, and potential risks to data security and consumer protection. These conditions indicate that changes in consumer patterns are not only technical but also affect the social and economic aspects of society. Therefore, the digital economic transformation needs to be balanced with increased digital and financial literacy so that people can utilize technological advances wisely and sustainably. This research is expected to contribute to the development of digital economic studies and serve as a consideration for the government and stakeholders in formulating policies that support healthy consumption patterns and inclusive economic growth. The limitations of this research lie in the use of qualitative and secondary data, so further research is recommended to use a quantitative approach or broader empirical studies to strengthen the research findings.

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