Consumer Perception: A Study on E-Marketing

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Abstract: The new way of marketing and distribution of the goods and services is been provided by the growth of Internet usage. With few clicks the consumer can purchase the product of their choice therefore Internet has been helpful in saving time and it has become a convenience medium. The objective of this study is to find out the factors which influence the Internet consumers' perception towards e-shopping. This is done with the help of primary data which were collected for the study. The findings of the study show that Internet is one of the ways which is changing the consumers shopping and buying behaviour. Mostly consumers are using the internet to buy the product and to compare prices and features of product therefore, e-companies should understand the internet users' perception towards the online shopping. The prospect of online marketing is increasing in India with the increasing internet literacy. Flipkart, Snap deal, Amazon.com, and eBay are few of the online retail corporations.

Keywords: E-Marketing, Consumer Perception

I. INTRODUCTION

Michael Aldrich's invention of online shopping or e-shopping in 1979 allowed the consumers to buy goods or services directly from a seller by using a web browser over the Internet. The prospect of online marketing is increasing in India with the increasing internet literacy. Flipkart, Snap deal, Amazon.com, and eBay are few of the online retail corporations. Wang and Emuian (2004) defined online shopping as buying stuff through the internet. The items are usually sent to the buyer's door step that you have purchased online. Turban et al. (2002) explains that it is an emerging concept us through cargo or courier. The entire Process of buying and selling or exchanging products, services and information is via the Internet. In a country like India uses of electronic (digital) marketing services are increasing drastically and therefore, it is necessary to understand the consumer's online as well as offline buying patterns. The dominant factors that influence consumer perceptions of online shopping are Information, Ease of Use, Convenience, Satisfaction, Security/Privacy, and Proper Utilization of the channels.

The Internet can be a powerful tool for the manufacturers for advertising and marketing goods and services and through this they can also attract new customers or market the business. But sometimes the online transactions are not safe; therefore, people hesitate to do any online transactions. Internet helps in changing the way customers shop and buy goods and services. To purchase the products or services they are no longer bound to the opening times or specific location.

Through instant messaging, internet forums, and social networking, the internet boom has enabled new forms of human interactions. Through online shopping etc internet has also revolutionized the world of business and it has come as a boon for both retail outlets and small artisans and traders. Consumers, especially youth, are spending longer hours on the internet due to the increasing penetration of internet and activities such as social media networking and to attract them it makes an efficient tool for companies to generate advertisements.

Through the online medium that helps them to target their specific group of consumers, companies are now spending huge amounts on advertising. Companies are experimenting with various forms of online advertisements with rapid changes and advances in technology, like floating ads, click ads, pop up ads, flash ads, pop under ads and video ads. Towards the use of technology for promotions the consumers are also responding in terms of their varying attitudes.

II. LITERATURE REVIEW

Sharma and Mittal (2009) said that India is showing tremendous growth in the Ecommerce, in their study "Prospects of e-commerce in India". Online shopping shows unlimited potential in India with the population of millions of people. E-commerce has become an integral part of our daily life and it is a common word in Indian society with websites providing a number of goods and services. Some of these portals provide specific product along with its allied services.

Donald Rogan (2007) explains that the strategy of his study is about increasing the probability and frequency of buyer behavior. For succeeding in this the

requirements are to know the customer and to understand their needs and wants. Bhattacherjee (2001) pointed that through several mediating and moderating factors such as trust and satisfaction adoption and continuance are connected to each other.

Venkatesh (2000) said that there is a positive impact on consumers' attitude towards online shopping because of the perceived convenience offered by Internet Vendors. They perceive that Internet enhances the outcome of their shopping experience in an easy way and it has great potential for youth marketers. Benedict et al (2001) said that there are two aspects which affect the perceptions toward online shopping and intention to shop online. They are internal factors like ease of use, enjoyment and, usefulness, and also the external factors like situational factors, product characteristics, consumer traits, previous online shopping experiences, and trust in online shopping.

Vesterby and Chabert (2001) explained that to provide the information about their products or services Internet is the easier way for companies for their existing and potential customers, since it has brought a new way of marketing and selling. E-commerce helps the companies to show the product pictures, price comparison and users' reviews to customers and therefore with such kind of offerings without even going to the stores customers can shop easily and smartly. They can just browse for the product they want on the website and they can buy it. Simplicity makes online shopping appealing. The main benefits of selling online are around the clock availability of the online shop and the significantly lower cost per transaction.

Kim and Park (1991) stated that the consumers spend more time online for information search and they also found that the Internet is easily accessible. The attitude of consumers' toward internet shopping depends on the effects of relevant online shopping features (Davis, 1993). Li and Zhang (2002) found that consumer's attitude is going to affect the intention to shop online and whether an online transaction is made or not. Consumers shop on the internet because it is more convenient than to shop in-store and they can compare the perceived benefits of products and shopping channels. Kotler and Armstrong (2000) said that consumer's buying choices are influenced by four psychological factors which are: motivation, perception, learning, belief, and attitude. Since different customers have different personalities they have their own their perception towards online shopping (Wolfinbarger and Gilly, 2001).

Research Objectives
- To understand the attitude of the customers towards online shopping.
- To find out the reasons/ factors attracting the consumer to online shopping.

- To find out the various issues, if any, faced by the consumer going in for online shopping.

III. SCOPE OF THE RESEARCH

- To find out the factor that influences the consumer for online shopping.
- To determine the feature of the website that attracts the consumer to purchase online.
- To find out the issues related with online shopping.

IV. LIMITATIONS

- The limitation was to find out the respondents who shops online.
- The limitation was that the research only studied the consumer perception towards online shopping and not the dealers, wholesalers or retailers' perception towards online shopping.

V. RESEARCH DESIGN AND METHODOLOGY

The sources of data used in this project report are both primary and secondary data.
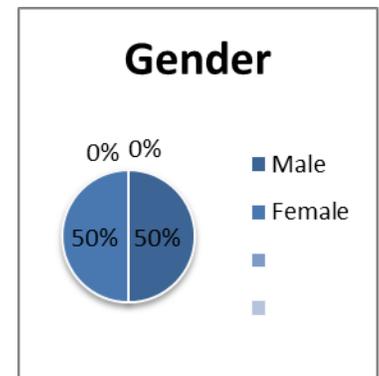
- **Primary data:**
  Primary data consists of information gathered from sample size of 50 respondents residing in Mumbai, India.
- **Secondary data:**
  Secondary data consists of information that already exists and that was collected in the past for some other purposes.

VI. DATA ANALYSIS

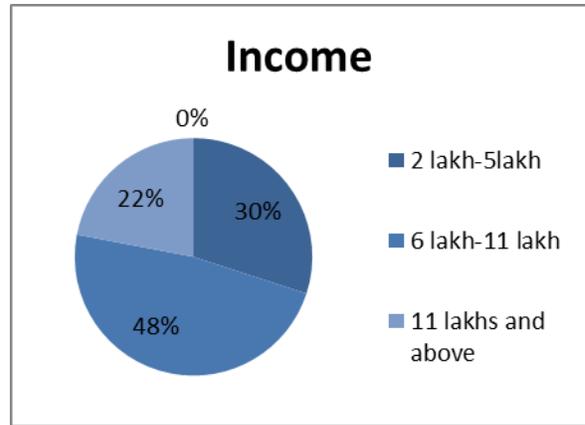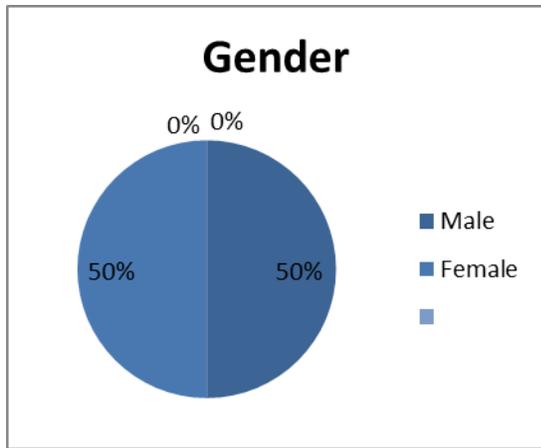**Personal Information**
  a. **Gender:**

Gender		
Male	Female	Total
25	25	50

Gender

  b. **Illustration:**

The above diagram shows that out of the total 50 respondent 50% of the respondent were female and 50% male as the objective was to study the consumer behaviour with respect to online shopping.

  c. **Age Group:**

Illustration:

➢ The 48% of the respondent were among 32 & above age group as these respondents are well educated and web savvy.

➢ Another 32% of the respondent were from 26-31 age group and the remaining 20% were ranging from 20-25 age group.

d. Occupation:

Illustration:

Most of the respondent are either in service or doing business and they are educated and web savvy.

e. Income Level:

Income Level		
2 lakh - 5 lakhs	6 lakhs - 11 lakhs	11 lakhs and above
15	24	11

Age			
20-25	**26-31**	**32 and above**	**Total**
10	16	24	50

Illustration:

From the chart we can determine that 48% of the respondent have around 6-11 lakhs of annual income which means majority of them have spending power to purchase online.
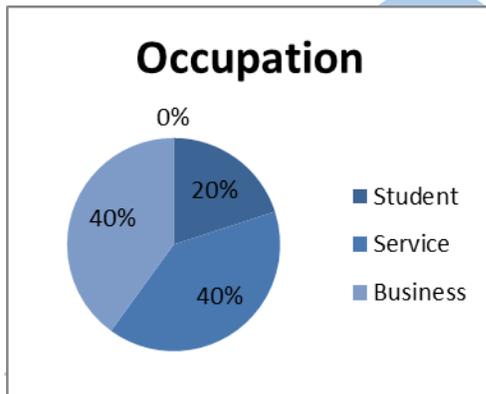
Occupation			
Student	**Service**	**Business**	**Total**
10	20	20	50

Q1. Which item do you shop online?

Home Decor	Apparels	Books	Electronic Items	Grocery	Toys and Games	Movies and Music	Any other
4	10	15	7	4	4	4	2
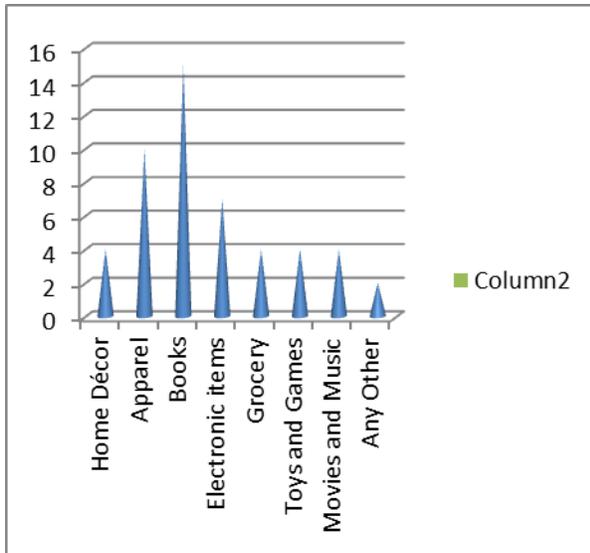
Illustration:
The money spend in online shopping ranges from Rs 200-2500, which indicates the users are willing to pay more price when there is premium quality products such as books, electronics, branded apparels, original music etc.

Q3. When do you feel that it is necessary to shop online?

Whenever I want home delivery	Whenever I need something unique	Whenever I want to compare prices	Whenever I don't have time	Any other
8	11	12	16	3

Illustration:
- The above diagram shows that book has the highest number transaction in online shopping.
- Apparel is the second most item sold in the online shopping, along with electronics items.
- The other items that are sold in the online shopping are the home décor, grocery, toys and games, movies and music etc.

Q2. What is the amount of money you spend in online shopping?

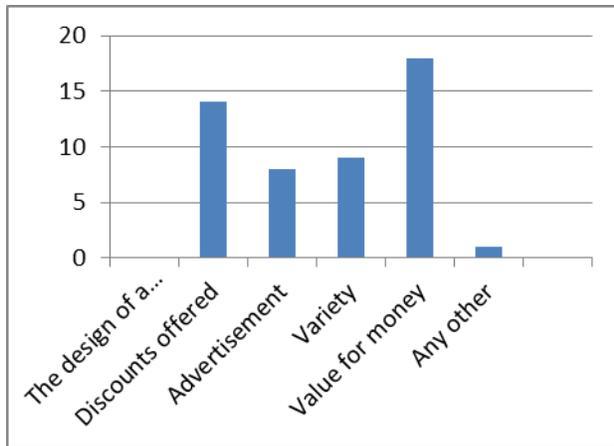| 200 - 500	500 - 1000	1000 - 2500	2500 & above
10	17	15	8

Illustration:
- From the chart we can see that the factor which motivates the respondent to shop online is when they don't have time.
- The other factor which motivates to shop online is when they want to compare prices of different products at a same place.
- Also respondent shop online when they want some unique & and they want home delivery.

Q4. What are the features that attract you in online shopping website?

The design of a website	Discounts offered	Advertisement	Variety	Value for money	Any other
0	14	8	9	18	1

Illustration:

➢ From the chart we can determine that people prefer online shopping when they get value for money.
➢ Also the discount on product offering to the customer also forms an important factor that motivates them to shop online.
➢ The other factor that motivates the user to shop online is the variety of product.

**Q5. Do you have any issues regarding online shopping?**

Without guarantee	Forgery	Highly priced product	Clutter	Security problem	Physical examination	Any other
8	7	9	8	8	10	0

Illustration:

➢ The above data determines that physical examination which is the tangibility of the product is the important issue when it comes to online shopping.
➢ The other factor which demotivates the user to shop online is the highly priced product, security issue, without guarantee etc.

Q6. Where do you shop generally for grocery items?

Kirana stores	Ration Shop	Sabzi Mandi	Supermarkets	Online
10	8	2	20	10

Illustration:
The above diagram shows that most of the respondents shop from supermarket.

Q7. If you have been given an option to buy grocery online will you buy it?

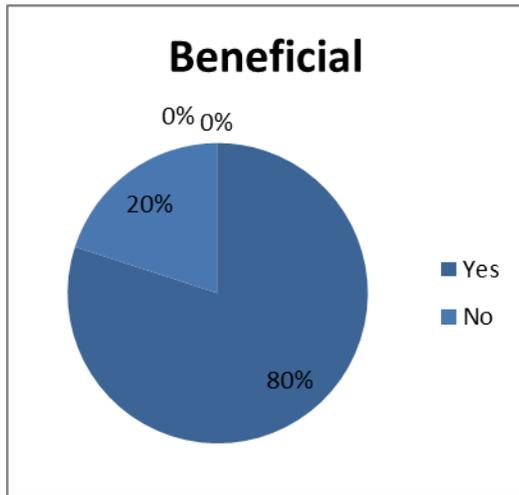| Yes	No	May be
30	5	15
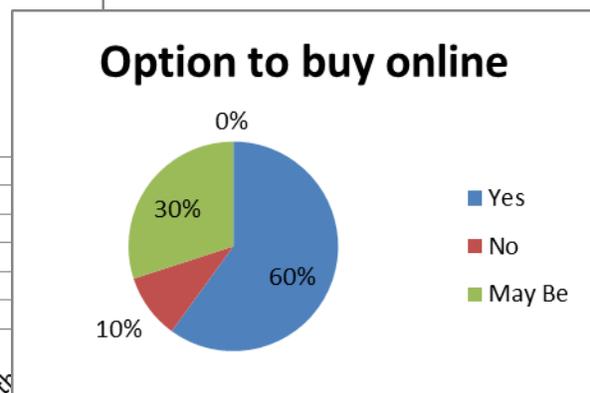
Illustration:
➢ The above graph shows that around 60% of respondent are willing to buy online if the option is given.

Illustration:

➢ The remaining percentage of the respondent may or may not buy online due the factors like physical examination and security issues.

Q8. Is buying online beneficial?

Yes	No
40	10

Beneficial

Illustration:
➢ The above chart shows that most of the respondent think that buying online is beneficial.
➢ The remaining respondent thinks that online shopping is not beneficial due the factors like forgery products, highly priced products and no guarantee of the product.

Q9. If yes, why?

Easy to order	Variety	Discounts & offers	Less time consuming	Any other
10	10	10	20	0

Beneficial Factor

Illustration:

➢ The above graph shows that user respondent think that online shopping will be beneficial as it will save their time to shop for grocery items.
➢ The next relating aspect why consumer shop online as it will allow the user to avoid long queues.
➢ The other factors why online shopping will be beneficial as it will allow the user to shop at a particular place with discounts and offers.

VII. OBSERVATIONS

➢ We can observe from the data that as there is awareness in the market there is an increase in the number of respondent in online shopping.
➢ There are certain parameters that motivates the user to shop online:
  ▪ Website user friendliness.
  ▪ Discounts and offers.
  ▪ Cash on delivery.
  ▪ Free shipping.
➢ In online shopping Physical examination is the important issue.
➢ Since it offers all the basic aspect of the online shopping supermarket are the preferred shopping destination.

VIII. CONCLUSION

Utilized mostly by the "Net- Generation", online shopping is extremely convenient and has become extremely popular. Consumers have shown different buying behaviors when shopping online as compared to when they are shopping in a physical store. Online shopping is very convenient and beneficial but there are some potential problems that can arise. In order to remain profitable and successful retailers study the behaviors' of consumers and make changes. People who come from villages and are living in cities are prone to use online options. To indicate progressiveness of online purchasing chronicles most of people who belong to middle class & upper middle class are more liable. Service class is making online system tangible with respect to nature of earnings. Customer's age affects e-Marketing transaction in deciding usage rate of online facilities. To retain customers marketers should respond quickly in providing digital services like providing e-catalog, online purchase ordering, online grievance handlings, online payment, and online status services. To decide the digital market growth online transaction security, personal privacy, convenience, price transparency, accessibility, time saving, trust etc are several factors which doesn't remain same all the time but they cannot be ignored. The prime deciders in judging online shopping can be selected demographic variables. To improvise online purchase behavior of customers, marketers need to know about how to convert consumer's requirements into digital services.

Internet is one of the ways which is changing the consumers shopping and buying behaviour. Mostly consumers are using the internet to buy the product and to compare prices and features of product therefore, e-companies should understand the internet users' perception towards the online shopping.

The online promotion tools are very effective in reaching out to the target audience, in the era of internet technology, wi-fi services and smart-phone gadgets as they are perceived to be effective, informative and credible. To engage the audience in an impulsive behaviour online promotions have the potential. Through the usage of visuals and information the beauty of technology can be seen so the companies should use this feature of internet through the usage of coloured pictures and images of the entire product. In description of the entire product and service, online promotions can serve an excellent purpose. Since all types of products and services have the potential to be promoted and to be sold over the internet, companies must ensure that they promote their products on the internet effectively.

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