

Impact of E-marketing on Consumers – An Analytical Study

DR.S.JAYASHREE

Mail id: jayashreemuralisankar@gmail.com

Abstract - The objective of the study has been to analyze the impact of E-marketing on the consumers buying behaviour in Coimbatore District of Tamil Nadu State. To accomplish this purpose a field survey has been conducted with 200 respondents at Coimbatore with the help of a self-addressed questionnaire. The results have brought in certain revelations about their, human capital component, their perception and opinion about online marketing. The results have revealed that the respondents' personal factors such as occupational status and monthly income have significant influence on the respondents' level of satisfaction towards the purchase of products through online.

I. INTRODUCTION

The world has witnessed an information and communication revolution. Technological changes have brought fundamental change in the way people live, work, play and consume. The internet has drastically changed the rules of sales and marketing. E-business has come to play an important role in the world trade scenario and it provides opportunity to open its portal in the global market and become a part of the global business community. E-commerce consists of buying and selling of products or services over electronic systems such as the internet and other computer networks. The number of trade transactions conducted electronically has grown extraordinarily since the spread of the internet. Some common applications related to electronic commerce are; e-mail, enterprise content management, instant messaging, newsgroups, online shopping and order tracking, online banking, domestic and international payment systems, shopping cart software and teleconferencing.

The advent of e-marketing has improved the efficiency and minimized the cost of the organisations marketing, sales and customer service efforts. It has also helped in increasing the revenues and optimization of customer spending. E-marketing has achieved unprecedented levels of success as business models which have not been enjoyed by any other business models. In this context, a study has been felt necessary to find out the customers opinion on online marketing and their level of satisfaction towards the purchase of products and services through online.

II. STATEMENT OF THE PROBLEM

E-commerce has emerged as the boundary less trade medium in the era of globalization. But the adoption and

usage of e-commerce is dependent on the internet users in the country. There are large number of people using internet and it is expected that the number of users might grow beyond 25 million by 2017, which will be of great boon for e-marketing. In this background, e-commerce is expected to grow further and may dominate the business scenario. Hence, an attempt has been made to study the customers' opinion and impact on e-marketing.

Objectives of the study:

The study has been conducted keeping in mind these objectives:

- To analyze the customers opinion and preference towards online marketing.
- To study the customers satisfaction on online purchase.

Research Methodology:

The research study has been based on the primary data collected from 200 respondents in Coimbatore city who have purchased the goods and services through online mode. The data has been collected with the help of a per-tested questionnaire and the statistical tools such as percentage analysis t-test and ANOVA have been applied to analyse the data.

III. REVIEW OF LITERATURE

A few of the reviews relating to online marketing have been recorded here under:

Schmid and Walter (2000)¹ their paper on "The online store: the new dimension" have given that the technological advancement in the telephone, television and computer have given the users to access various means of information. The study has suggested that the technological advancement should allow the marketing personnel to make interaction with the customers before the order is being placed. The new communication technologies can become more effective in the mass market, where the consumer buys with little emotions and the technique will eliminate the barrier separating those customers who favour mail orders from customers who are different or dislike of mail orders.

Miles and Boza (2010)² have conducted a study on the "Trust and concerns on the consumers' perception towards

market information practices”. It was observed that the consumers were hesitant to make purchases through internet largely because of the perceived high risks of the financial information being published in the internet. It was further observed that the information provided by these internet sources might be misused.

Kim (2016)³ has conducted a study on the “Risks faced by the customers during internet shopping”. It was found that the probability of purchasing through online could decrease with the increase in product risk. The customers have also opined that, the major risk they face during online shopping was the misuse of their credit cards. The consumers were unlikely to patronize the internet site as it fails to meet their expectations and create a sense of trust.

IV. ANALYSIS AND FINDINGS

Percentage Analysis:

- 65.7% of the respondents were male, coming under the age group of 20-30 years, employed in a private concern, having a family size of 4 members consisting of 2 earning members in their family and their family monthly income were between Rs. 10,000 – Rs. 50, 000. 71.5% of the respondents were married.
- 96.5% of the respondents were aware of the availability of durable goods through online, 83.5% of the respondents were aware of the payment of

expenses such as income tax, house tax, telephone bills through online and 81.5% of the respondents were aware about online purchase through advertisement in news papers and magazines.

- 84.8% of the respondents have 1-2 years of experience in purchasing the goods through online and they own a computer at home through which they make the online purchase by way of credit card payment.
- 56.4% of the respondents feel that online purchase system is good and 23.7% of the respondents have neutral opinion towards online purchase system as compared with traditional purchase system.
- 47.6% of the respondents have not preferred online for buying their products and services as they find it difficult to know about the quality of the products to be purchased as physical verification is not possible.

Chi-square test:

The chi-square test shows the significant relationship between the personal factors and the respondents’ frequency of purchase through online.

Hypothesis:

There is no significant relationship between the demographic variables of the respondents and their existing practices towards purchase of products through online.

Table No. 1
Personal factors and frequency of purchase

S.No.	Demographic variables	Chi-square value	Table value	Significant/Not significant	Accepted/Rejected
1	Gender	0.794	7.815	Not significant	Accepted
2	Age	14.796	21.026	Not significant	Accepted
3	Marital status	7.496	7.815	Not significant	Accepted
4	Educational qualification	21.383	21.026	Significant(*)	Rejected
5	Occupational status	12.857	21.026	Not significant	Accepted
6	Family size	15.188	12.592	Significant(*)	Rejected
7	Earning members	17.588	16.919	Significant(**)	Rejected
8	Monthly income	19.430	16.919	Significant(**)	Rejected

Source: Computed primary data

*-At 5% level of significance

** -At 10% level of significance

The demographic variables such as age, gender, marital status and occupational status have no significant

influence on the respondents’ frequency of purchase through online system and the personal factors such as

educational qualification, respondents’ family size, number of earning members in their family and their family monthly income are significantly influencing the respondents’ frequency of purchase through online system.

compare with the traditional way of purchasing the goods and services. Thus it felt necessary to study about the level of satisfaction of the respondents on the online purchase system and t-test and ANOVA have been applied and their results are shown in the following tables.

Respondents’ level of satisfaction towards online purchase

Customers’ satisfaction is an ambiguous and abstract concept and the actual manifestation of the state of satisfaction will vary from person to person, product to product and service to service. As in case of online purchase the level of satisfaction varies depending on the convenience of the customers, their extent of knowledge in online purchase, security of the transactions and other factors against which the customers

Results of t-test

Hypothesis

There is no significant difference between the gender, marital status of the respondents and their level of satisfaction towards the purchase of products through online.

Table No. 2

Personal factors and level of satisfaction

S.No.	Demographic variables	t-test value	Table value	Significant/Not significant	Accepted/Rejected
1	Gender	0.553	1.972	Not significant	Accepted
2	Marital status	0.717	1.972	Not significant	Accepted

Source: Computed, primary data; Level of significance: 5%

The t-test result shows that, the t-test value is less than the table value and thus there is no significant difference between the gender, marital status of the respondents and their level of satisfaction towards the purchase of products through online. Hence, the hypothesis is accepted.

Results of ANOVA:

Hypothesis: There is no significant difference among the demographic variables such as age, educational qualification, occupational status, family size, number of earning members in the family and family monthly income of the respondents and their level of satisfaction towards the purchase of products through online.

Table No.3

Socio economic variables and level of satisfaction

S.No.	Demographic variables	F-ratio value	Table value	Significant/Not significant	Accepted/Rejected
1	Age	1.944	2.418	Not significant	Accepted
2	Educational qualification	0.271	2.418	Not significant	Accepted
3	Occupational status	3.603	3.416	Significant(**)	Rejected
4	Family size	0.545	3.042	Not significant	Accepted
5	Earning members	1.922	3.651	Not significant	Accepted
6	Monthly income	2.728	2.651	Significant(*)	Rejected

Source: Computed, primary data

*- At 5% Level of significance

** - At 1% Level of significance

The ANOVA result has shown that the demographic variables such as age, educational qualification, family size and the number of earning members in the family have no significant influence on the respondents’ level of satisfaction

towards the purchase of products through online. And the personal factors such as occupational status and monthly income have significant influence on the respondents’ level of satisfaction towards the purchase of products through online.

Suggestions:

- Online players need to attract and retain their customers in this competitive environment. The cost involved in acquiring new customers is higher than that of retaining the existing customer base. And hence, the online companies can improve their customer retention rate by adopting advanced technology and leveraging it to improve the integration of sales and quality customer service.
- In their busy life, the customers have no time to visit stores, select products and purchase them. Hence, they prefer companies that allow them to place orders from home and get the products delivered at home. Hence, the online shopping companies should be flexible in order fulfilment and service delivery.
- The success of e-marketing lies in educating the consumers regarding the benefits and the risks involved in online shopping. And thus, the companies and other organisations should come forward to create awareness among the consumers regarding e-marketing.

V. CONCLUSION

The present era of information explosion has taken a new shape by surpassing the actual face to face communication with the customers. It has made possible for the producers to interact with their customers on an individual basis and add personal touch for their products. The future generation is highly aware of the use of internet, so online shopping will certainly prove to be fruitful in the hands of the future customers. Overall, the study concludes by saying that, there is a tremendous scope for online marketing in all the sectors, which can be used properly by the Indian companies to achieve their goals.

VI. REFERENCE

- [1]. Schmid; Walter, "The online store: the new dimension," Direct marketing, September 1980, vol.43 Issue 5, pp. (22-30).
- [2]. Miles.G; Boza.M, "Trust and concerns on the consumers' perception towards market information practices," Journal of interactive marketing, 1999, vol.1 Issue 13, pp. (5-9).
- [3]. Kim, Dissertation on, "Risks faced by the customers during internet shopping", 2006.
- [4]. www.allbusiness.com
- [5]. www.icfaipress.org
- [6]. www.umi.com