

Growth in Online Shopping with the help of Digital Marketing – An Empirical Study

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Abstract

Online is a word that we are hearing every day. Each business is changing to online mode. Technological advancement is the key in internet-based business. In early 2000's, India started online based business. At that time online, based retailing was flourishing in developed countries. New form of retailing was recognized as a big scale business in India after the emergence of e commerce companies. These online based retailers achieved billions of profits within few years.

Definitions & Concepts

According to CAM Foundation –“Digital Marketing is a broad discipline, bringing together all forms of marketing that operates through electronic devices online, on mobile, on-screen. Over the years, digital marketing has developed enormously, and it continues to do so”.

“The use of the Internet and other digital media and technology to support ‘modern marketing’ has given rise to a bewildering range of labels and jargon created by both academics and professionals. It has been called digital marketing, Internet marketing, e-marketing and web

marketing and these alternative terms have varied through time”

Digital Marketing is defined as buying and selling of information, products, and services via computer networks or internet. Internet and electronic commerce technologies are transforming the entire economy and changing business models, revenue streams, customer bases, and supply chains. New business models are emerging in every industry of the New Economy.

Growth in India

Reasons for rise in Onlineshopping in India is due to the increase in internet

penetration in the country has led to a substantial growth of other digital industries such as e-commerce, digital advertising and so on. Latest trends in digital buying in India in web usage, mobile and search, social networking, shopping and online video are shaping the Indian digital marketplace and what it holds for the years to come.

As far as the numbers are concerned, it was found that the Indian E-Commerce industry is a booming sector.

- In 2012, Mobile Internet in India grew to 111% world's third largest internet population leaving behind China.
- 17.6 million users in 2013 and exhibiting a year-over-year increase of 31%, India becomes one of the countries to beat Japan.
- By December 2013, digital commerce in India grew to a whopping Rs. 62,967 crores, 60% of web users in India visit online retail sites. The total online market products, consumer durables account for 34 per cent, apparel and accessories 30 per cent, books 15 per cent, beauty and personal care 10 per cent, and home and furnishing 6 per cent. Over 50 per cent of sales in these product categories take place in non-metro cities.

- 86% Indian web users visit social networking site.
- 214 minutes are spent in Facebook by an average user
- There is 28% increase in Facebook visitors in the last 12 months
- 59,642,000 users visited Facebook on their PC's

Due to technologies advancement at an exponential rate, the marketing paradigm has shifted to newer more customer and content centric approaches being delivered on the digital platform.

Traditional marketing like advertising, public relations, branding and corporate communications, lead generation etc. broadly relies on television, radio, telephone, and print media and telephone as a delivery medium. Contrary to that modern marketing techniques leverage the power of Internet and social media to reach to a more targeted set of audience.

Need for the study

In today's world, technology has taken the centre stage and takes care of many things man has done normally. The millennial world is full of digitalisation. Every individual is having an instrument

of the latest technology. This promotes the corporates to think twice before going in for any advertisement and sales promotion activity. The digital advertising is the new form of advertising and the fast and best form which gives the desired results in no time. The Onlinemarket influences not only the gen Z but also Gen Y & X. The level of its influence, nature and its scope has to be studied. Hence the need for this arises due to the above reasons.

Scope of the Study

This specific research focuses on the consumer shift from traditional shopping to online shopping with the help of digital marketing. It examines the key influential factors that are affected by the online digital advertisements and ultimately influence the Purchase Decision making of the consumers. In this study we will help the readers to understand the influence of digital advertisement while purchasing goods through E-Commerce portals rather than choosing traditional shopping so that companies can formulate new strategies for advertising and allocating Advertising budget in pre-eminent way.

The Conclusion and findings drawn from the study are based on the responses given by the consumers in Tamil Nadu. This study will be helpful in getting an insight

into the influence of online digital advertisements on purchase decision making of consumers.

1.6 Literature Review

An extensive literature review is done on the concepts and theories related to Digital Marketing. A review of Research papers, articles have been undertaken to take note of and acknowledge work that has been done in the field of Digital Marketing.

Kumar, Bezwada, Rishika, Janakiraman and Kannan (2016) found that social media marketing is important, and that organisations use these channels to communicate and manage consumer relationships.

Rai(2013) according to her advertisement have a major place in developing or creating customer perception along with culture, behaviour and attitude. Sometimes advertisement can shape the lifestyle of people. It leads to cultural change too. advertisements are widely influencing social groups.

Batinić, (2015) Digital Marketing today has become the one of the key focus areas for businesses all over the world. It started as a mode of communication and has evolved not just into another source of additional revenue but most importantly, to develop and maintain long-term

relationships with the various parties in the market.

Ashley & Tuten, (2015) With the rise of social media, marketing departments now have various options available to them for branding their products, such as advertising, publishing of brand content, participation in social networks and developing engagement opportunities for consumers to participate with the brand

1.6 Objectives of the Study

- To understand the Influence of online marketing on purchase decision making process.
- To identify the consumer perception about the online advertisement.
- To analyze the consumers' attitude towards online advertisements

1.7 Hypothesis of the Study

1. There is association between buying unknown products just because of seeing the advertisements and annual income of the consumers.
2. There is significant difference between the age and perception

towards Digital marketing dimension.

3. There is significant difference between the means of the various attitude factors influencing purchase decisions

RESEARCH METHODOLOGY

Research Design

The aim of this study is to analyse and describe the nature and concept of digital marketing. Hence the research design applied for this study is descriptive in nature.

Sampling Methodology

A sampling method is a procedure for selecting sample members from a population.

Sampling Technique

The sampling technique or method adopted for the study is purposive or judgement sampling.

Sampling Unit



I buy unknown products just because of seeing the advertisements * Annual Income

Crosstabulation

			Annual Income			Total
			Below 2,50,000	2,50,000 - 10,00,000	10,00,000 & Above	
I buy unknown products just because of seeing the advertisements	Never	Count	4	7	3	14
		Expected Count	6.0	4.1	3.9	14.0
	Sometimes	Count	13	4	12	29
		Expected Count	12.4	8.4	8.2	29.0
	Depends on the Ad	Count	15	0	6	21
		Expected Count	9.0	6.1	5.9	21.0
	Often	Count	9	12	3	24
		Expected Count	10.3	7.0	6.8	24.0
	Every time	Count	3	7	5	15
		Expected Count	6.4	4.4	4.2	15.0
	Total	Count	44	30	29	103
		Expected Count	44.0	30.0	29.0	103.0

In this study the sampling unit used is the customers who do online shopping.

DATA ANALYSIS & INTERPRETATION

Sample Size

Sample size determination is the act of choosing the number of observations or replicates to include in a statistical sample.

Descriptive Analysis

Mean and Standard Deviation

Table -Mean & Standard deviation of the demographics of the sample

Descriptive Statistics

	N	Mean	Std. Deviation
Gender	103	1.46	.501
Age	103	2.46	.802
Current Occupation	103	2.50	1.018
Marital Status	103	1.46	.501
Annual Income	103	1.85	.833
Valid N (listwise)	103		

Inferential Analysis

CHI – SQUARE TEST - TEST – 1

HYPOTHESIS:

H₁: There is association between buying unknown products just because of seeing the advertisements and annual income of the consumers.

Table:

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	26.689 ^a	8	.001
Likelihood Ratio	32.308	8	.000
Linear-by-Linear Association	.003	1	.959
N of Valid Cases	103		

a. 4 cells (26.7%) have expected count less than 5. The minimum expected count is 3.94.

OUTCOME

P Value = 0.001

Accept Alternate Hypothesis

INFERENCE

As the p value is less than 0.05 H_1 is accepted at 5%, so there is association between buying unknown products just because of seeing the advertisements and annual income of the consumers.

ONE WAY ANOVA

HYPOTHESIS

H_1 : There is significant difference between the age of the respondents and the various factors of perception towards Digital marketing.

ANOVA

	Sum of Squares	df	Mean Square	F	Sig.
Digital channel changes my opinion towards buying decision					
Between Groups	10.083	4	2.521	1.385	.045
Within Groups	178.344	98	1.820		
Total	188.427	102			
Online advertisement usually attracts me to buy the product					
Between Groups	32.851	4	8.213	8.483	.000
Within Groups	94.877	98	.968		
Total	127.728	102			
Online advertisements helps me to understand the feature of the product better					
Between Groups	11.033	4	2.758	3.376	.012
Within Groups	80.073	98	.817		
Total	91.107	102			
Online advertisement aids me to customize or alter the product					
Between Groups	13.173	4	3.293	2.868	.027
Within Groups	112.536	98	1.148		
Total	125.709	102			
Design of the advertisement needs to be always good looking					
Between Groups	34.189	4	8.547	9.493	.000
Within Groups	88.238	98	.900		
Total	122.427	102			
Doesn't matter which company sells the product, if the advt.					
Between Groups	5.179	4	1.295	1.152	.037
Within Groups	110.161	98	1.124		
Total	115.340	102			

Test Statistics^a

N	103
Chi-Square	16.666
Df	6
Asymp. Sig.	.011

a. Friedman Test

INFERENCE

As all the P values are <0.05, Accept Alternate Hypothesis, this shows that there is significant difference between the age and the various factors of perception towards Digital marketing.

Inference

As the P value is > 0.05. H₀ is accepted at 5%, so there is no significant difference between the means of the various factors of attitude towards purchase decision.

Ranks

	Mean Rank
I click on the ads that appear on the internet / applications / videos	4.03
I check see / check online advertisements / mails when I surf the internet	3.75
I watch the advertisements on social media	4.15
I close the applications / videos when the advertisement appears	4.21
I recommend someone to buy a particular product that I have encountered being advertised through the Internet	4.43
I buy unknown products just because of seeing the advertisements	3.40
I don't choose a good product just because of the website they are listed on	4.03

SUGGESTIONS & CONCLUSION

FRIEDMAN'S TEST

TEST - 1

ALTERNATE HYPOTHESIS

H₁: There is significant difference between the means of the various attitude factors influencing purchase decisions

- The customers often buy unknown products just because of seeing the advertisements so the organization must invest their time in building up the strong database of the

annual income of the customers

and also market products per se.

- As there is significant difference between the age of the respondents and the various factors of perception towards Digital marketing the marketer must try to change the perception towards the online shopping as much as possible.

Marketing managers who fail to utilize the importance of the Internet in their business marketing strategy will be at disadvantage because the Internet is changing the brand, pricing, distribution and promotion strategy.

In conclusion online portals need to create customer awareness as much as possible by various kind of online advertisements. Search advertisements and video advertisement can create more awareness. Try to increase customer perception by using expert reviews, client testimonials, user reviews, hand on experience stores. Both the factors are highly influencing the Purchase decision making.

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