Consumer Perception towards Online Marketing in India

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Abstract—The growing use of Internet in India provides varied opportunities for online shopping from both customer and seller perspective.If Electronic marketers (E-Marketers) know the factors affecting online Indian behavior, the relationships between these factors and the type of online buyers, they can further develop their marketing strategies to convert potential buyers into active buyers whileretaining its original customer base. This study focuses on the factors which online buyers takes into consideration while shopping online. This research will help in finding the impact of e-market on customers' purchasing patterns and how their security and privacy concerns about online marketing influences their online buying behavior. The study will further encompass the various important inputs which will equip the marketers for creating online marketing more lucrative and assured by adding value to the existing services.
Keywords—E-Commerce, Online Consumer Behavior, Consumer Perception,CustomerRelationship.

I.   INTRODUCTION

Internet has changed the traditional way of customers shopping and buying goods and services. With a rapid pace it evolved into a phenomenon which is globally accepted. This literature on customer mindset for online purchasing decisions focused on identifying the factors which affect the willingness of consumers to engage in online shopping [1,7].To counter the dynamic nature of the fast growing markets, companies started using internet as a tool to cut down the various intermediary costs which further helped in reducing the prices of their products and services while standing competitive in the market. These business houses also use internet to communicate with the customers directly by direct selling business to customer (B2C) and collect customer information and feedback which further helps in improving the business strategies directly based on customer's desire, need and feedback. Consumers use the internet not only for online shopping, but also to compare prices, product features and after sales service facilities. Customers move towards the virtual stores for lucrative offers and a better shopping experience and at the same time, there is a visible drop in the sales volume of the physical stores even at the peak festive seasons like Diwali and Eid. In consumer behavior research, there are general models of buying behavior that depict the process which consumers use in making a purchase decision. These models are very important to marketers as they have the ability to explain and predict consumers' purchase behavior [2, 3]. The classic consumer purchasing decision-making theory can be characterized as a continuum extending from routine problem-solving behaviors, to limited problem-solving behaviors and then towards extensive problem-solving behaviors [8]. Todd proposed a model of attitudes and shopping intention towards Internet shopping in general [5]. The model included several indicators, belonging to four major categories; the value of the product, the shopping experience, the quality of service offered by the website and the risk perceptions of Internet retail shopping. In the research conducted by Vellido, nine factors associated with users' perception of online shopping were extracted. Among those factors the risk perception of users was demonstrated to be the main discriminator between people buying online and people not buying online [4]. The key factors of attitude, perceived behavior, perceived usefulness and ease of use are the major dimensions spread by Keen as the determinants of consumer online purchase intention and pattern [6]. The virtual marketing world has many factors in which some are of foremost importance among these factors, trust is one of the most important factors prevailing since its inception [9].

As E-commerce has tremendous potential for the current and the future markets, internet provides a unique platform for companies to more effectively reach existing as well as potential customers. Although the major part of revenue from online transactions comes from business-to-business(B2B) commerce, but E-commerce improves the opportunity of the business-to-consumer (B2C) practitioners. Business-to-consumer (B2C) E-commerce has been evolved and tasted a great response and business volume since its inception in the last decade. Scholars and mainstream practitioners of e-commerce invariably scramble to attain a better insight into consumer behavior

in this virtual business world. With the development of E-retailing, scholars continue to explain E-consumers behavior from different perspectives. Many of their studies have reveals new emergent factors or assumptions that are based on the traditional models of consumer behavior which further helps in examining their validity in the internet context.

Online shopping in India: The evolution and growth of internet has been the biggest happening of this century. E-commerce in India has come a long way from a feeble beginning in the 1999-2000 to a period where one can sell and find all sorts of stuff from a high end product to a small daily use product online. Most companies are using internet to represent their product range and services so that it is accessible to the global market and to reach out to a larger customer base. Computers and the internet have completely changed the way one handles day-to-day transactions; online shopping is one of them. The Internet has brought about sweeping changes in the purchasing pattern of the people. In the comfort of one's home, office or cyber cafe or anywhere across the globe, one can log on and buy just about anything from apparel, books, music and diamond jewelry to digital cameras, mobile phones, MP3 players, video games, movie tickets, rail and air tickets. Ease, convenience, easy return & refund policies and security are the key factors turning the customers to buy online.

India's e-commerce market was worth about $3.8 billion in 2009, it went up to $12.6 billion in 2013. In 2013, According to Google India, there were 35 million online shoppers in India in 2014 Q1 and is expected to cross 100 million marks by end of year 2016.

Advantages
- ➢ Convenience
- ➢ Information and reviews
- ➢ Price and selection
- ➢ Competitive market
- ➢ Time saving

Disadvantages
- ➢ Fraud and security concerns
- ➢ Lack of full cost disclosure
- ➢ Privacy concerns

The main objective of this research study is to explore & investigate consumer perception towards products and services provided virtually, which in turn provides E-marketers with a framework for the better buyer-seller relationship and to improve E-business strategies. Also to investigate the satisfaction level with insights from customer how it reduces the uncertainty in purchasing decision.

II.   SCOPE OF THE STUDY

You can buy any product or service available at any place irrespective of geographical boundaries at any time without your physical presence. You can surf and find products and see the catalogue virtually via internet. It helps you to shop around the world while staying at and with comfort of home. Internet has some special characteristics which no other medium have. Only internet can provide you such special information even no salesman can help and explain as internet. Countless people can see products at a time, as well as they can purchase the product at the same time. One can directly purchase from original producer or merchant in online shopping without any mediator in between buyer and seller this helps in reducing the intermediary costs and making the product/service cheaper and easier to buy from this medium. The two main factors of online shopping are time and quality. Selling on internet has a large potential due to the very large target population. The online selling industry is taking interest in use of internet to reach customers for diversification and increasing sales volume. Hence a better understanding of online shopping is requisite for the effective use of this channel of approach to the customers. It is important to know what the consumer's perception towards online shopping is and benefits perceived by them and what factors attract them towards online shopping. This research study is for all those who are new to e-commerce market and want to understand the various factors of purchasing online as well as for the active users to understand the pros and cons of the e-market. To identify the customer perception it is important to test the virtual market to see if it's a viable opportunity for the customers as well as the e-commerce industry.

III.   FINDINGS

Among the other perceptions of the customer one of the most important factor they think and agree with is the new marketing concept which reduces their time and energy. Online marketing has also emerged with the broader access to internet and user friendly interface through the mobile applications which are easily accessible through smart phones.

Due the lack of awareness about the e-commerce it could not attract larger population in its early days but eventually with promotion and expansion of e-commerce industry and technological advancements blended with modern marketing techniques people are interested enough to participate in online marketing. The user interface of the e-commerce website is designed in such a manner that the customers can easily access their desired products along with all its specifications and polices with product preview. The website also offers the search box and product categories to make the products easily accessible to the customers. When it comes to the delivery of the products e-commerce has numerous ways to deliver

the product within the stipulated time which include the tie-ups with the local courier services, warehouses, regional centres and even the government postal services which helps the customers to get their products delivered safely within turnaround time. The e-commerce players also started to provide an option of reverse logistics in case of customer dissatisfaction towards the product. It was a difficult task for the customers to trust this line of marketing in earlier days but this industry has come a long way in gaining trust of the customers by providing them all the necessary information regarding the products and services especially with the easy return and refund policies. The customer attitude towards the e-marketing depends on the quality of service and product quality delivered to them. It also helps the customers in gaining

trust over the online merchants and the entire process of e-marketing.

The customers are generally been attracted and made aware through various media which include search engine, ads, banners, and email distribution list. Customer reviews and feedback plays a vital role in the success of the company and help them to retain the customers by acting against their suggestions and complaints. A customer generally expects the company to solve their queries at the earliest which has been accomplished by the e-commerce websites through various channels available 24*7 like live chat, quick response box, IVR and e-mail. It helps the company to develop better relationship with the customers.
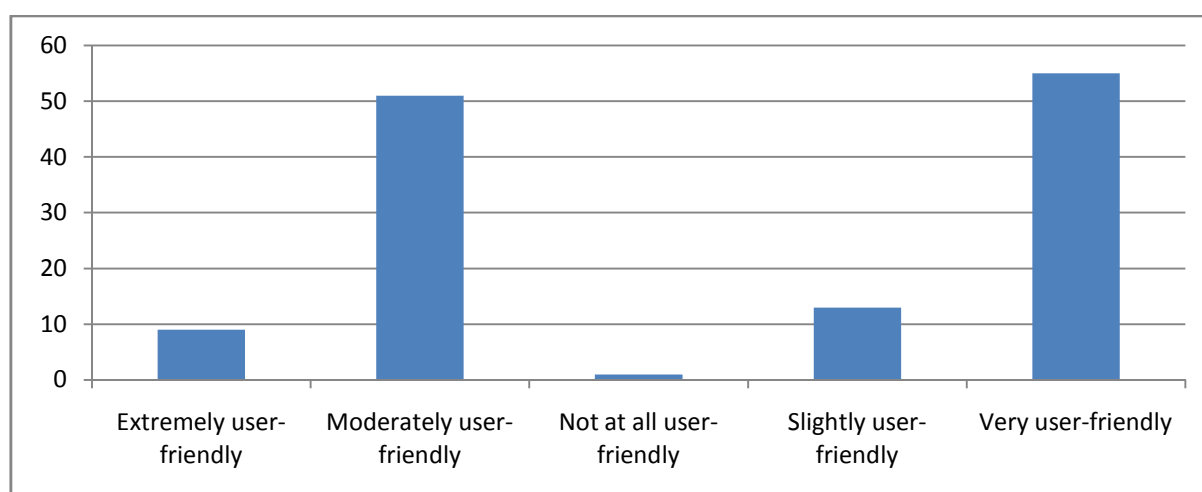

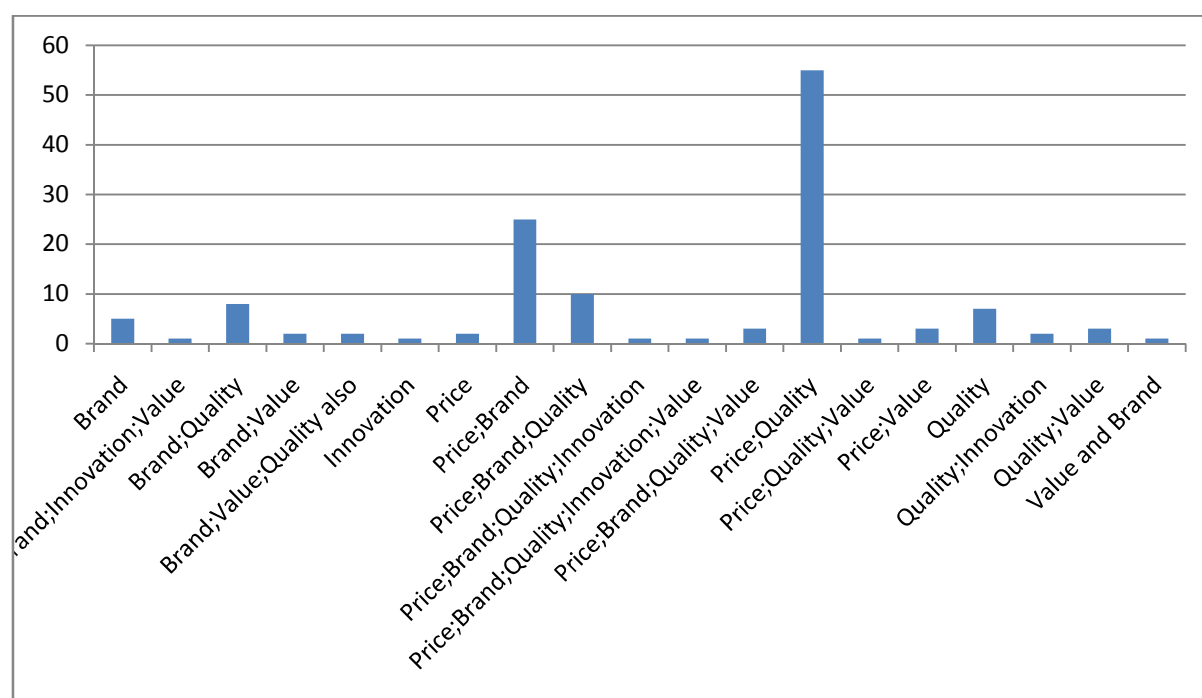*Fig.1: How user-friendly is Online Marketing?*

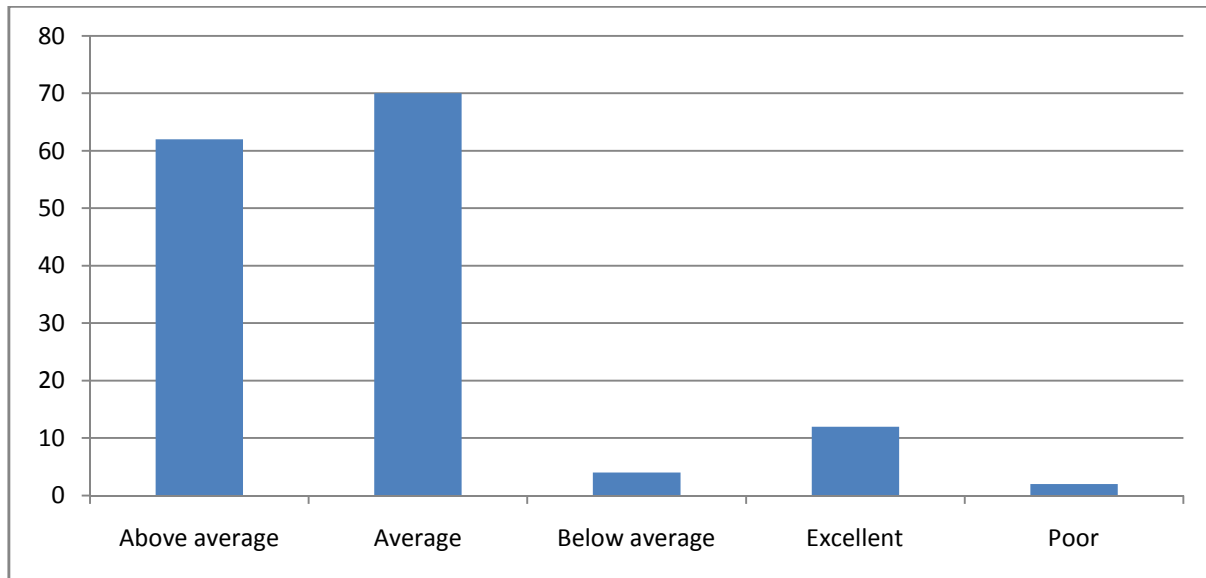*Fig.2: Top two things primarily considered by online consumers*

Fig.3: Value for money- Products & Services purchased online
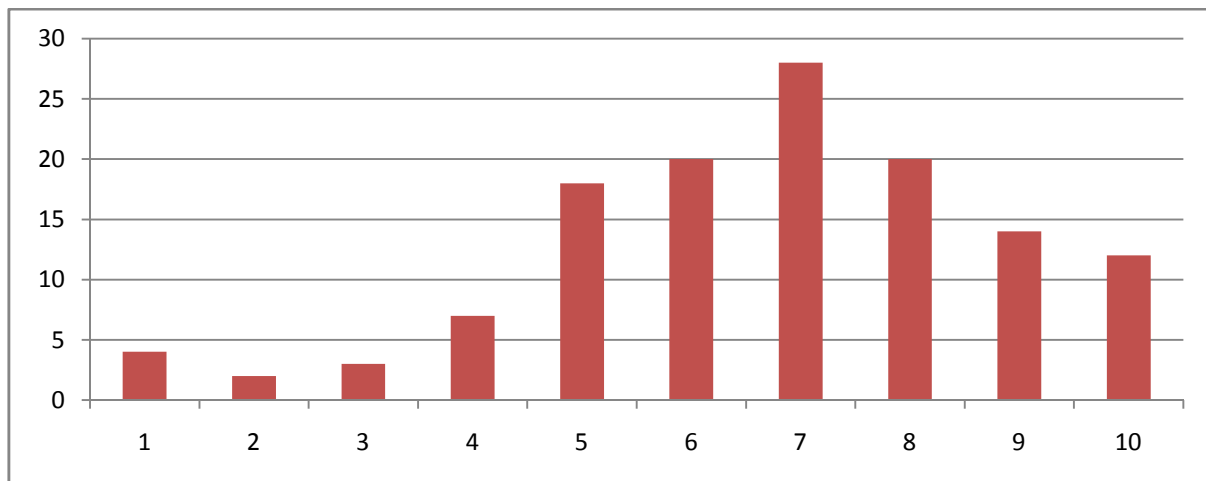

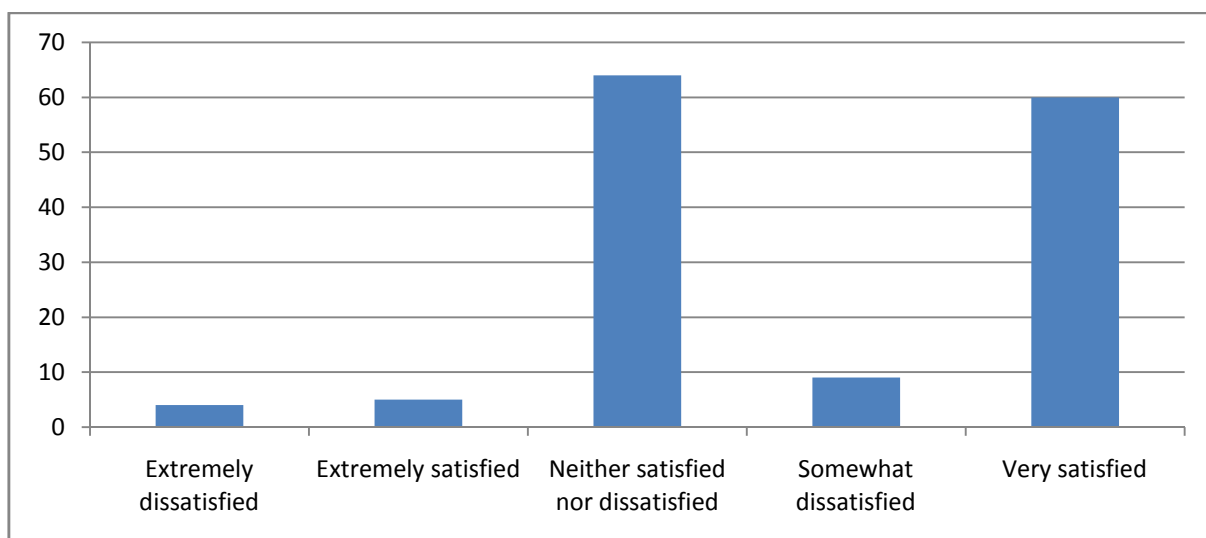*Fig.3: Likelihood of recommendendation of online shopping to family & friends by users*

Fig.4: Customer's level of satisfaction- Online Shopping

IV.   CONCLUSION& SUGGESTIONS

While online shopping customers generally have trust issues which include the fear of losing money and expecting a product of substandard quality. In order to deal with the money and trust concerns of the customers, several regulations have been implemented to satisfy customers 'needs which help in building trust of the customers on the online marketing. Due to improvement in these policies customers feel free and secure to shop online and participate in online purchasing process. Easy refund and return policies, money back guarantee schemes are a few of important factors which help in improving the customers assurance and hence the perception towards online marketing. In order to remove the barriers and reduce the intermediary costs, e-commerce has come up with the direct marketing strategies (B2C) via reducing the intermediary chains. Vendor selection process is another important factor towards promoting a healthy e-market & customer relationship. Vendor ratings based on the customer reviews on e-commerce websites help the customers to select best available vendors. The marketing strategies of the e-commerce websites are planned to attract the customers in such a manner that their first experience should be a positive one, it also helps in making customer loyal. The brand making processing e-commerce is much influenced by the customers experience on the website over a period of time. E-market is also successful in building the confidence of the customers via providing the option of Cash-on-Delivery (CoD) which helps in minimizing the payment risks associated with the purchase order. Also e-market has to take care of the deliverables because it might not be delivered by the courier agencies as it was ordered. And these types of various cases are seen in the current time which pulverizes the customer confidence on the e-market and their services. Also in some cases the victims are less aware about the counter actions to be taken against the fraud, especially for these cases e-market have to make a policy according to which strict actions should be taken against the responsible vendor or courier service provider. After all the e-commerce is functionally based on the relationship with their customers and they must adhere with this basis point to continually build and promote their relationship in a positive direction and a better policy implementation. At last an option for the verification of the product by the customers in front of the delivery personnel should be given which may increase a little cost and time but will help in making a long run relationship.

Disadvantages of E-Commerce:

In spite of having a great customer base and a huge sales volume, it also has some negative impact on the business environment such as:

- Lack of proper consumer protection policies.
- Predatory pricing strategies.
- Some e-commerce agencies are violating the foreign exchange (FOREX) norms and for this they already have received notice from Enforcement Directorate (ED).
- Time taken for refund against failed payment is still 2-3 or even more working days which is also an exploitation of the customers' money stuck somewhere which they do not know and on the other hand the channel, the payment portal agency are being benefited by creating for themselves time and money float.

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