

FACTORS CRITICAL FOR GOVERNING THE CONSUMER BEHAVIOR TOWARDS ONLINE MARKETING

Mohd Azam

Assistant Professor, School Of Management Sciences Lucknow, LKO Sultanpur Road
226501

Mr. Asad Raza

Assistant Professor, School Of Management Sciences Lucknow, LKO Sultanpur Road
226501

Abstract: **Consumer behaviour** is the study of when, why, how, and where people do or do not buy products. It blends elements from psychology, sociology, social anthropology and economics. The internet as we know it took off during the early 1990s, when the World Wide Web (WWW) protocol was invented, and has since then become incorporated as the backbone of advanced economies such as North America and major parts of Europe and Asia. Around 1.3 billion people were estimated to use the Internet at the end of 2007 (Internetworldstats, 2008).

Keywords: Online Marketing, Consumer Behaviour, Psychology, Sociology, Social Anthropology

Introduction

Consumer behaviour is the study of when, why, how, and where people do or do not buy products. It blends elements from psychology, sociology, social anthropology and economics. It attempts to understand the buyer decision making process, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioural variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general.

Online marketing is a set of powerful tools and methodologies used for promoting products and services through the internet. Online marketing includes a wider range of marketing elements than traditional business marketing due to the extra channels and marketing mechanisms available on the internet. Online marketing is also known as internet marketing, web marketing, digital marketing and search engine marketing (SEM).

Important Features of Online Marketing are:

- Growth in potential
- Reduced expenses
- Elegant communications

- Better control
- Improved customer service
- Competitive advantage
- Less Time consuming
- Convenient Payment Options

A. Literature Review

The internet as we know it took off during the early 1990s, when the World Wide Web (WWW) protocol was invented, and has since then become incorporated as the backbone of advanced economies such as North America and major parts of Europe and Asia. Around 1.3 billion people were estimated to use the Internet at the end of 2007 (Internetworldstats, 2008). In relation to the world's population, this gives 20 % as a total amount of the world's Internet users. While the less developed countries show a very low percentage, the developed countries have shown a 120 % annual growth in Internet use during the past seven years .

Ever since the creation of the Internet, the world of business has changed greatly with a redefinition in areas like marketing and customer relations (Taylor quoted in Wright, 2006). This medium opened up the doors for the conditions of

Paper ID: UGC 48846-809

conducting business through electronic methods (Dholakia et al, 2002). The growth of the internet eventually lead to hundreds of thousands of companies setting up shops online, gaining millions of consumers worldwide as their customers. In the early days, the average computer user might not have been able to use the Internet as we use it today. With the arrival of easy-to-use web browsers, this medium went from being an advanced, text-oriented, and specialized application into a massive multimedia tool on a global scale. Some early speculators like Hein and Rich (1997) quoted in Goldsmith and Lafferty (2002) suggested that advertising on this medium would be more effective due to its interactive nature. At that time, the most used marketing channels were banner advertisements. Although the Internet users click through-rate of this marketing method went from 30 % in 1994 to 0.3 % in 2002, marketers still spent many billions of dollars each year on internet advertising with banners (Goldsmith and Lafferty, 2002).

Kotler et al (2005) point out Marketing as a process in understanding and satisfying customer needs. In the pre-industrial era, this process was achieved through Relationship Marketing, during which a close relationship was created between the customer and the company. The customers made their everyday purchases locally and a natural bond was created between the seller and the buyer (Allen et al, 1998). However, with the introduction of the industrial age, the focus on marketing went from individual-to mass marketing. The company's attention turned to reaching out to as many consumers as possible. This method was dominant during the past decades, but with the birth of the commercial Internet, companies have discovered the possibilities of recreating relationship marketing. By keeping the information flow of their products and service available online, companies can create suited offerings to customers while satisfying their needs (Doyle, 2002). This sort of marketing method is considered to be more acceptable, and at the same time more effective (Mandelli, 2005).

However, a web site purely presenting the business will not add any value for the potential consumer (Bradshaw and Brash, 2001). According to Cronin (1994), traditional marketing e.g. sending out raw advertisements through e-mail accounts, is not the online way of reaching out to the customers. Online marketing is just like its regular offline counterpart about sales promotion, public relations and direct marketing to customers, mainly through advertising. Online advertising has the crucial role of persuading and informing consumers of the available selection of products and services (Goldsmith and Lafferty, 2002). During the past decade, companies have learned this procedure to be difficult without information about the consumers. Through the use of various customer databases and the location of surfing habits, firms have been able to evolve their marketing strategy, becoming more customized and personalized for each user. As a result, they are adapting products and messages through the study and analysis of each user's demographics, preferences and purchases (Maclaran and Catterall, 2002). A great knowledge of the clients is of essential use for a firm's success.

Online marketing users in One to one marketing, Fosket, Sally, Direct marketing; Nov 1996, pg no 38

Online services will drive marketing to the opposite end of the spectrum from "mass" marketing to customized "one-to-one" marketing. Online marketers communicate instantly and directly with the prospective customers and can provide instant fulfillment as well. Marketers with carefully designed World Wide Web sites are already interacting computer to computer, with prospective customers or an individual basis, much as ATM does in very primitive fashion. Online one to one approaches while innovative and still glamorous in their pioneering aspects, offer significant new challenges. The significant aspect is the access with the customers..

Therefore, it is better to use the Internet as part of a multi-channel marketing strategy which "defines how different marketing channels should integrate and support

each other in terms of their proposition development and communication based on

their relative merits for the customer and the company.” (Chaffey et al. 2006, 5)

B. Importance Depicting Critical Success Factors Of Online Marketing



Statement Of Problem

- (i) To study how consumers get knowledge about various brands.
- (ii) To determine how online marketing plays important role in companies' marketing strategy?
- (iii) To determine online marketing advantageous over traditional marketing?
- (iv) To study loop holes in online marketing.

Research Objectives

- To determine the knowledge or awareness of consumers towards online marketing.
- To determine the internet usage by consumers for various purposes.
- To determine the reasons of internet popularity among consumers.
- To determine consumer preferences towards online marketing as compared to traditional marketing.

Research Methodology

The research paper comprises of both primary and secondary data.

(i) **Primary Data:** In present study, the required data will be collected through Sample survey using structured questionnaire. Since 'Consumer Behaviour towards Online marketing' is the core focus of the study, a structured & closed ended questionnaire will be prepared for respondents consisting of students, respondents from corporate arena and self employed people. Their demographic profile will also be discussed.

(ii) **Secondary Data:** The data would be collected from Research papers, Books, Magazines, Journals, and

Universities etc which are related to area of research.

Research Design:

Descriptive Research Design is used for the following topic. Descriptive approach is one of the most popular approaches in these days. In this approach, a problem is described by the researcher using questionnaire or schedule.

Research Analysis tools:

To analyze data collected through structured questionnaire researcher used statistical software SPSS 17.0 and Ms-Excel Add-In Data Analysis. Statistical tools used for the analysis are Mean, Median & mode, Standard deviation, Skewness & Kurtosis.

Sampling Technique:

In present study researcher has used stratified probability sampling.

Sample size: 200

Area covered: Lucknow

Sample frame : Educational institutions & corporate offices

D.Interpretation/Results:

Descriptive statistics scores for information and time spend to purchase any commodity
Obtained through SPSS.

Parameter	Do not require much information for buying decisions	Do not prefer to spend much of their time in purchase
Mean	2.6600	3.3300
Median	2.00	4.00
Mode	2.00	4.00
Standard Deviation	1.23	1.303
Skewness	0.552	-0.323
Kurtosis	-0.711	-1.077

References

1. Philip Kotler & Kevin Lane Keller, *Marketing Management, New Delhi, Pearson Education, 2006, pg. no. 537*
2. Warren J. Keeyan, *Global Marketing Management, USA, Prentice-Hall of India Pvt. Ltd., 2002, pg. no. 3*
3. Philip Kotler & Kevin Lane Keller, *Marketing Management, New Delhi, Pearson Education, 2006, pg. no. 52*
4. Belch, G. E. and Belch, M. A., 2004. *Advertising and Promotion – An Integrated Marketing Communications Perspective. 6th ed. New York: Tata McGraw-Hill.*
5. Beard, Fred K., *Conflict in the Integrated Marketing Communications Task Group, in Proceedings of the 1993 Conference of the American Academy of Advertising, E. Thorson, Ed., Omnipress, Madison, WI. 1993, pg.no. 21-31.*
6. Abed Abedniya, Sahar Sabbaghi Mahmoudi, *The Impact of Social Networking Websites to Facilitate the Effectiveness of Viral Marketing, December 2010, International Journal of Advanced Computer Science and Applications, Vol. 1, No.6*