

IMPACT OF ONLINE MARKETING TOOLS ON ONLINE SHOPPING BEHAVIOR IN INDIA

-Sonia Bhatt, Lecturer, Madan Mohan Malaviya University of Technology, Gorakhpur, Uttar Pradesh

ABSTRACT

In this new era of the online world, marketing tactics have transformed to grab the attention of the customers and generate the concept of online marketing. The aim of this study is to determine the impact of online marketing tools on the online shopping behavior of the consumers in the current advanced technological environment of India. Five online marketing tools were considered: E-mail Marketing, Search Engine Marketing, Social Media Marketing, Display Advertising, and Mobile Advertising. The sample size is 542 and data were collected from New Delhi, Gorakhpur and Mumbai. For determining the impact, multiple linear regression is applied. S.P.S.S is used for analyzing the data. All five online marketing tools have a significant impact on the online shopping behavior of consumers. E-mail marketing has a substantial impact on consumer's behavior in online shopping. The marketer has first to choose the right online marketing tool to use and then evaluate that tool in terms of, how much it contributes to the business.

Keywords: : online marketing tools, internet marketing tools, social media marketing, internet

INTRODUCTION

Online marketing is a new way of marketing in a digital world. Marketing is affected by benefits offered by online communication (Krishnamurthy and Singh, 2005; Sheth and Arma, 2005) which makes online marketing communication (OMC) as an essential part of the promotional mix of companies (Adegoke, 2004). There is various literature available about the importance of online marketing communication, which includes various activities for persuading the customers (Kitchen and de Pelsmacker, 2004; Jensen and Fisher, 2004) but, companies or marketers have to be responsible for the holistic utilization of OMC (Morten Bach Jensen, 2008). Online retail portals use the integration of different online marketing tools so that they can maintain their online presence in the world of the online market. There are attempts made for understanding the tools of online marketing and its impact on online shopping behavior. Online retail players are trying hard to maintain their position in the Indian market. Online players are engaged in increasing their visibility in the online market of India. Online marketing tools are playing a crucial role in the maintaining online presence of online retail

players in all over the internet. Web-based advertising characterized as a bunch of useful tools for advancing products and services over the web. The range of marketing elements in online marketing is wider than traditional business marketing. With the help of web analytics tools, online players or marketer can track meaningful metrics, and one can make informed decisions. It is essential to understand the impact of these tools on online shopping behavior of consumer in India. Important facts related to online marketing tool should be taken from previous research just to frame the base for this study.

LITERATURE REVIEW

Internet is one of the reasons for evolving E-integrated marketing communication (E-IMC) which become a vital part of the promotional mix (Boutin, 2011) and it is a low cost, instantaneous communication, which makes companies adopt E-IMC positively (Valos et al., 2010). Consumers have a clear attitude for media, and they have their preferences towards media (Stephens, 1981). This improvement in marketing communication amazingly impacted shopper's conduct particularly purchaser's attitude in this interactive markets (Ozuem et al., 2007), E-IMC has a significant relationship with consumer's attitude (Al Khattab, S.A et al, 2015), which have positive significant impact on online shopping behavior (Mohd. Shoki Md Ariff et al, 2014). There are different types of online marketing tools available such as:

Display Advertising: Organizations are utilizing online banner advertising to make mindfulness and stand out for customers (Salem et al, 2016).

Consumers have a positive effect on advertising recall (Dreze and Hussherr, 2003). Banner ads, pop-up ads and interstitial ads are giving a tough competition to traditional advertising (Swinfen-Green, 2002) and these ads are annoying to some customers (Chatterjee, 2008; Jakob Nielsen, 2004).

Social Media Marketing: There are various social media websites available over the internet. Social media are utilized by those internet users who are helpful and interdependent (Chris et al., 2008). These sites also encourage people to help others by giving desired content of their requirement and a good option for promoting the brand (M. Nick Hajli, 2013; Shankar et al., 2011), compared to other advertising avenues because it contains information for all its users (Curran et al., 2011).

Mobile Advertising: Organizations comprehended the significance of mobile ads, in the coming years, this innovation will diffuse quickly (Reynolds, 2003). Mobile users have built up abhorrence for the portable promoting messages. They are being oppressed, so users are searching for customization of mobile ads messages according to their prerequisites and tastes (Gunjan Malhotra et al, 2014).

E-mail Advertising: Through e-mails, consumers can have active, interactive and personalized communication with the company (Mari Hartemo, 2016). With the help online direct marketing, companies can be customized and personalized the message in an adaptable and less expensive manner (Kitchen and de Pelsmacker, 2004).

Search Engine Marketing (SEM): Search Engine Marketing is a good tool to enhance

websites' visibility in search engine results pages (SERPs). Search Engine Optimization (SEO) is a technique to improve a website's organic search ranking in SERP by increasing its relevance to search terms. More the page is listed above; more it will draw in many clients (Optimizare Plus, 2016). Paid search is considered as the

most predominant online advertising format (Smith, 2005).

As per the above discussion, research framework was prepared, and a hypothesis was proposed:

H_{A1}: There is a significant impact of online marketing tools on online shopping behavior in India.

RESEARCH FRAMEWORK

As per the above discussion, research framework is developed.

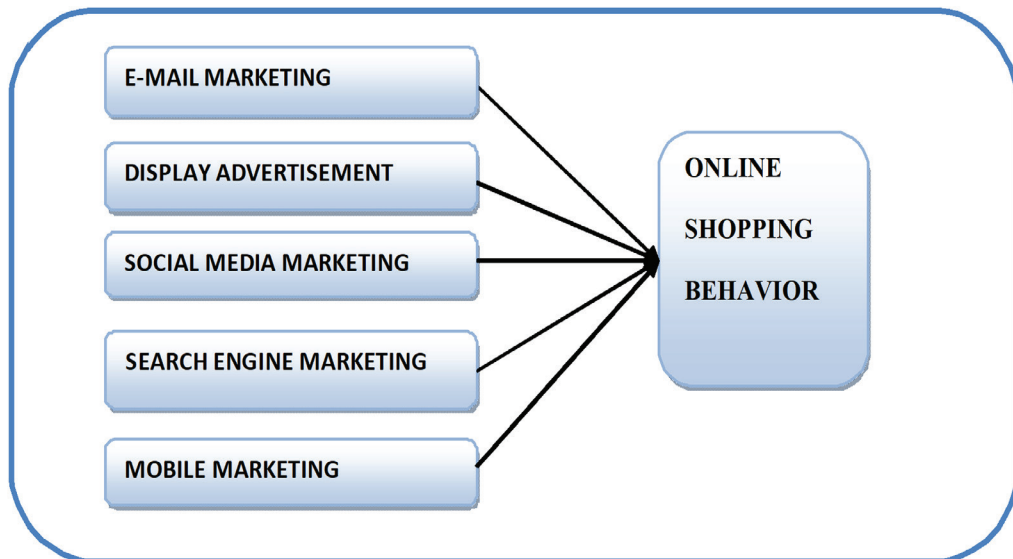


Figure 1: Impact of Tools of Online Marketing on Online Shopping Behavior

METHODOLOGY

Survey method and descriptive research design are used for this study. Questionnaires distributed to consumers for getting responses. Both online and offline mode is used for collecting data. Data was collected from three different locations New Delhi, Gorakhpur and Mumbai. Total 586 filled questionnaires were collected, and out of that, 542 questionnaires were filled completely. Five factors independent

in nature and one factor is dependent in nature are extracted from 24 variables by using exploratory factor analysis (EFA). The analysis of the data was done with the help of IBM SPSS statistics software, version 21.

ANALYSIS AND INTERPRETATION

The information regarding demographic variables of the respondents are given below (table 1).

Table 1: Distribution of Respondents on the basis of Demographic Variables

Demographic variables	
Location	New Delhi: 189 (34.9%)
	Gorakhpur: 174 (32.1%)
	Mumbai: 179 (33%)
Gender	Female: 240 (44.3%)
	Male: 302 (55.7%)
Age	Below 18: 40 (7.4%)
	18-30: 197 (36.3%)
	30-45: 224 (41.3%)
	Above 45: 81 (14.9%)
Qualification	Higher Secondary: 73 (13.5%)
	Graduation: 244 (45%)
	Post Graduation: 193 (35.6%)
	Others: 32 (5.9%)
Income	Less than 20,000: 182 (33.6%)
	20,000 – 50,000: 292 (53.9%)
	50,000 – 80,000: 59 (10.9%)
	Above 80,000: 9 (1.7%)
Occupation	Service: 298 (55%)
	Business: 132 (24.4%)
	Students: 88 (16.2%)
	Others: 8 (1.5%)
	Housewife: 16 (3%)
Marital status	Single: 184 (33.9%)
	Married: 358(66.1%)

Source: Author calculation

Kaiser – Meyer –Olkin (KMO) was performed to estimate the sample adequacy and appropriates of factor analysis. The KMO value of this sample is exceeding the recommended level of .60 (Tabachnick & Fidell, 2001).

Table 2: Test for Sample Adequacy

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.922
Bartlett's Test of Sphericity	Approx. Chi-Square	11936.638
	Df	276
	Sig.	.000

Exploratory factor analysis is used for extracting factors from these statements. The reliability of the factors was tested by Cronbach's Alpha (α) measurements (table 3).

Table 3: Online Marketing Tools and Online Shopping Behavior: Factor Loading

Factor Name	Factor Loading	Cronbach's alpha	Variance Explained
Display advertisement		0.940	14.52%
Banner ads are more interesting.	0.911		
I always click on banner ads which are present in a website.	0.893		
When I requested content over the internet then in between ads of online websites started which is informative.	0.871		
I always click on pop-up ads to find out what's new in an online shopping website.	0.840		
E-mail marketing		0.940	14.2%
I got mails from online websites which attract me for online shopping.			
I subscribed online websites so that I can get mail for the fresh arrival of the product.			
I got mail from e-retailers in which they are giving me special discount which motivate me to shop further.			
I always subscribed in an online shopping website so that I am able to receive latest information regarding sales season through mail.			
Social Media Marketing		0.918	13.90%
Product reviews affect my online purchase decision.	0.865		
Reviews of the product are important for me.	0.862		

Internet product review experts will play an important role in convincing online shoppers.	0.833		
Before buying anything online, I prefer to see reviews of that product.	0.829		
Search Engine Marketing		0.933	13.83%
I always click on ads on of first page of search engine.	.863		
I directly searched product through search engines.	.852		
I like to search the availability of products directly through search engine only.	.825		
I directly searched about products through search engine instead of going directly to the online portals.	.818		
Mobile Marketing		0.906	13.37%
I always provide my contact number to the online retailers firm so that I can get information through SMS	.885		
If I want any information regarding my purchase, I click on click to call option which directly connects me to the customer service on my phone.	.880		
For downloading the mobile app, I prefer, click to download option of website.	.860		
When I am surfing on mobile, in between of that, ads of e-websites are start: I always click on those ads.	.839		
Online Shopping Behavior		0.906	12.40%
Online marketing has a positive influence on my online shopping behavior.	.760		
Online markets always motivate me for repeat purchase.	.774		
Online marketing influence my online shopping behavior.	.760		
I preferred to see online ads before buying anything online.	.840		

Independent variables are positively correlated with the dependent variable. To decide the relative significance of the effect of the five tools of online marketing (independent variable), they were exposed to multiple regressions. The overall regression model is significant ($F=113.513$, $p<0.00$),

with 51.4 percent of the overall online shopping behavior variance explained by the independent variables. All the factors were significant so remained in the equation. All five online marketing tools positively impact online shopping behavior. ANOVA comes out significant ($p=0.00$) so, the null hypothesis is rejected; it means that there is a significant impact of online marketing tools on online shopping behavior.

Table 4: Summarized Result of Multiple Regression

Independent variables	R ² /sig	Beta	Sig. t	Order of importance
Display Advertising	51.4%/0.00	0.308	0.00	4
E-mail Marketing		0.416	0.00	1
Social media marketing		0.316	0.00	2
Search engine marketing		0.314	0.00	3
Mobile Marketing		0.22	0.00	5

Source: Primary data

CONCLUSION

This study investigated the impact of online marketing tools on the online shopping behavior of consumers in India. All five online marketing tools have a significant impact on consumer's online shopping behavior that consistent with the study of S. A. Al Khattab et al., 2015. Email marketing is the most important tool of online marketing. Online marketers can effectively utilize the interstitial advertisement if they correlated interstitial advertisement with the

internet users' search query. Effective search engine optimization (SEO) strategies should be adopted and important keywords should be used on the websites and links, resulting in a website getting high rank than others. Each online marketing tool is significantly impact the online shopping behavior of the consumers but the degree of importance in terms of consumer perception is different for all.

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