A Study on Customer Perception of Online Marketing in Pondicherry

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Abstract
The Internet has changed the traditional way of customers shopping and buying goods and services. Selling products and services directly to the consumer through the internet is online retailing. The usage of the internet in Pondicherry is growing high and usage of online purchasing is also high. This study focuses on the factors that online buyers take into consideration while shopping online. This study is to determine whether internet marketing will be beneficial and to examine the parameters for choosing the particular seller for the purchase of any product. Due to online shopping, it identifies the issues faced by the users while marketing through the internet and to analyses the attitude of customer towards internet marketing. This takes a look to know the customer's interest in online purchasing and to know the opportunities for online shopping. This research will help in finding the impact of online marketing on customers' purchasing patterns and how their security and privacy concerns about online marketing influence their online buying behavior.
Keywords: Internet marketing, Online Consumer Behavior, Consumer Perception, Customer Relationship, Online retailing and Usage of the Internet

Introduction

The Internet has changed the traditional way of customers shopping and buying goods and services. At a rapid pace, it evolved into a phenomenon that 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 to counter the dynamic nature of the fast-growing markets; companies started using the 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. Marketing is brought out with the intent of reaching out to a maximum number of people in change for minimum cost. When the Internet was still in its formative years, marketing people used to depend on traditional media such as television, radio, handbills, billboards, newspapers, and magazines.

Consumer perception is impression, awareness and consciousness about the concept. To make a successful business strategy, knowledge of customer perception is much important. Today, the Internet is a premium source for promoting your company. There should be a rapid rise in the number of internet users for the last few years. Thus the Internet is a lucrative place to promote the business. As defined by the American Marketing Association, "marketing is the activity, set of businesses and processes for planning, delivering, communicating, and exchanging offers that have value for customers, partners, clients and society at large."
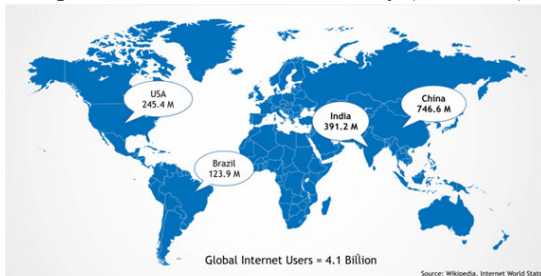
Internet Users

Internet usage in the country has exceeded half a billion people for the first time, pegged at 566 million, driven by rural internet growth and usageIt projected double-digit growth for 2019 and estimates that the number of internet users will reach 627 million by the end of this year
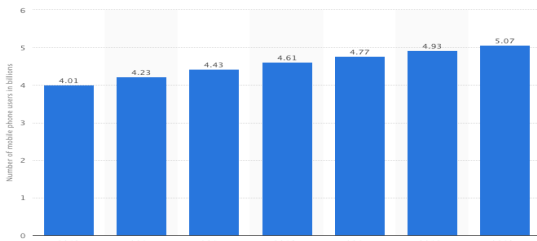
Read the latest Google Report: India's $100B opportunity: A peek into digital consumer spending by 2020

Top 4 Internet Users on Country (Feb 2019)

As we can learn from the above stats that in the next few years, more users will be connected to the internet, which gives more scope for digital marketers to reach a target audience globally. India has surpassed the USA as the 2nd largest country in terms of the number of internet users.

Mobile Phones

Most of the users globally today use mobile phones for communication. As per a report, 4.77 billion mobile phone users globally, which will increase to 5.07 billion by 2019. Today's majority of mobile phones are smart phones with internet access, which allows customers to connect with businesses anywhere & anytime.

Marketing changes the perspective of a person. There are two approaches to marketing
- Traditional marketing
- Online marketing

Online Marketing

Online shopping is advertising and marketing the products or services of a business over the Internet.

Online marketing relies upon websites or emails to reach the users and it is combined with e-commerce to facilitate business transactions. In online marketing, you can promote products and services via blogs, websites, email, forums, social media, and mobile Apps.

Online marketing is also termed as Internet marketing, Web marketing, or simply OLM.

Scope of Digital Marketing in Online Business

1. **Become a Professional Blogger:** Many digital marketing professionals choose full time blogging as their career choice. Hard work and With dedication, many professionals are not successful bloggers in their chosen niche. Bloggers can generate income with affiliate marketing & advertising strategies.
2. **Earn with Affiliate Marketing & AdSense:** You can start your website/app in a specific niche of your interest and initially work hard to build traffic & viewers. After generating good traffic, you can make a good income with AdSense & affiliate marketing techniques.
3. **Start Freelancing Services:** Freelancing is the concept of offering your services to clients on a part-time basis from your home. Sitting at your home, you can build your clients globally. Thanks to online websites same freelancer.com, fiverr.com, etc. You can start offering your freelancing services.
4. **Start your agency:** If you have experience in managing a have resources & business, contacts. You can start your own full-time digital marketing agency. With your agency, you can able to build marketing strategies for clients and implement them with digital marketing.

Objectives of the study
- To determine whether internet marketing will be beneficial and on what factors.
- To determine the parameters for choosing the particular seller for the purchase of any product
- To identify the issues faced by the users while marketing through the internet.

- To study the attitude of customers towards internet marketing.
- To know the customer's interest in online purchasing.
- To know the opportunities for online shopping.
- To identify the types of online customers.
- Scope of the research:
- To determine the factor that influences the consumer to go for online shopping.
- To analyses, the factors influence the user to buy online groceries.
- To find out the websites that customer mostly uses with their special features.

Review of Literature

Rajeev Kamineni (2004), in his study, finds that the World Wide Web can change human behavior and human interactions to a very large extent. Web-based shopping behavior is one major example to point out the trends in this area. This study is of a very exploratory nature and it intends to establish the differences between several web-based customers from different parts of the world. Several critical factors associated with online shopping behavior have been explored. A cross-cultural dataset has been collected and illustrative description of the shoppers has been provided. As a final step, the cross-cultural differences between several shoppers explored.

ArchanaShrivastava, UjwalLanjewar (2011), in online buying, the rate of diffusion and adoption of online buying amongst consumers is still relatively low in India.

Given the above problem, an empirical study of online buying behavior was undertaken. Based on the literature review, four predominant psychographic parameters, namely attitude, motivation, personality and trust, were studied concerning online buying. The online buying decision process models based on all the four parameters were designed after statistical analysis. These models were integrated with business intelligence, knowledge management and data mining to design the Behavioral Business Intelligence framework with a cohesive view of online buyer behavior.

J. Sinha (2010), The number of people engaged in various online activities is increasing every day. While the number of online shoppers is developing,

it is not proportional to that of brick-and-mortar shoppers. Research has tried to explain the dismal performance of online shopping as compared to the physical shopping format. Reasons for the lower level of Internet sales have been cited as being perceived risk in carrying out an online transaction, socio-psychological factors (Like - the influence of friends and relatives) and infrastructural limitations (Availability of Internet, computers, credit-cards, cyber laws, etc.). Under the purview of a fore mentioned factors, this study tried to understand the online shopping behavior of Indian consumers.

Burke, R.R. (2002), Trust is a key factor that determines the success of Business to Consumer (B2C) e-commerce transactions. Previous researchers have identified several critical factors that influence trust in the context of online shopping. This research focuses on available security measures that assure online shoppers safety and great sales promotions and online deals, which stimulate customers to shop online.

Abel Stephen (2003), in his paper, represents the findings of research studies that address e-commerce design and associated consumer behavior. The innovation of e-commerce has affected not only the market place through the facilitation of the exchange of goods and services but also human behavior in response to the mechanisms of online services. Researchers have identified and hypothesized on relevant subject matters ranging from Web usability, marketing channels and other factors influencing online buying behavior. Though researchers have focused on what appears different aspects of online buying behavior, their studies may be shown to be interrelated and interdependent, even to the extent of revealing constructs upon which e-commerce, in terms of future design and research, could be built.

Balasubramanian, S., Konana, P. and Menon, N.M. (2003), In this environment, some traditional service quality dimensions that determine customer satisfaction, such as the Physical appearance of facilities, employees, and equipment, and employee's responsiveness and empathy are unobservable. In contrast, the trust may play a central role here in enhancing customer satisfaction. Model trust as an endogenously formed entity that ultimately impacts customer satisfaction and we

elucidate the linkages between trust and other factors related to the performance of the online service provider and the service environment.

Research methodology

The sources of data used in this report are both primary and secondary.

Primary Data: Primary data consist of original information gathered from a sample size of 200 respondents residing in Puducherry.

Secondary Data: Secondary data consists of information that already exists and that was collected in the past for some other purpose.

Sample Design

Size of sample: The sample size selected for the research is 50 in the area of Puducherry.

Parameters of Interests: The major parameter of interest is the subgroup of people who are working professionally as well as students savvy having experience in online shopping. The respondents should also have experience shopping.

Description of statistical tools used: Chi-square test

Data Analysis and Interpretation

Table 1: The Source of Medium Other than the Internet made you Aware of the Product

| S. No.	Opinion	No. of Respondents	Percentage
1	Newspaper	40	20
2	T.V	128	64
3	Radio	8	4
4	Banners	12	6
5	Others	12	6
	Total	200	100
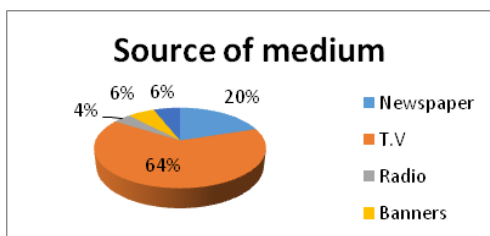
Inference: From the above table, the source of medium awareness about the product is 20% of the respondents by Newspaper, 64% of the respondents

are by T.V, 4% of the respondents are by the Radio, 6% of the respondents know by Banners.

Table 2: Usage of the Internet by the Customer

S. No.	Opinion	No. of Respondents	Percentage
1	Regularly	132	66
2	Once in a week	28	14
3	Once in a month	16	8
4	Occasionally	24	12
	Total	200	100
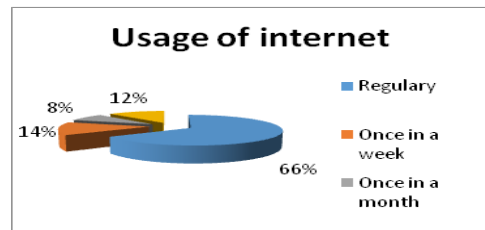
Inference: From the above table, 66% of the respondents are using the internet are regularly, 14% of the area once in a week, 8% of the respondents are once in a month and 12% of the are using occasionally.

**Table 3: Does the Information Provided over the Internet that made Aware of the Products**

S.No.	Opinion	No. of Respondents	Percentage
1	Yes	76	38
2	No	48	24
3	Can't say	76	38
	Total	200	100
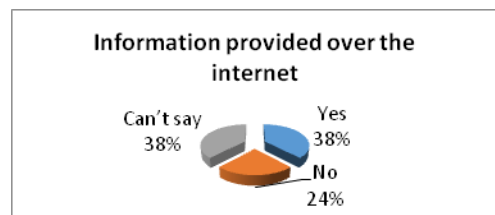
Inference: From the above table, 38% of the respondents are saying yes about the awareness of product information provided over the internet and 24% of the respondents are saying no and 38% of the respondents are not aware of it.

Table 4: Features which Attract Customer over Online Customer over the Online Advertisement

S.No.	Opinion	No. of Respondents	Percentage
1	Design	36	18
2	Colour	36	18
3	Offers	64	32
4	Variety	48	24
5	Details	16	8
	Total	**200**	**100**
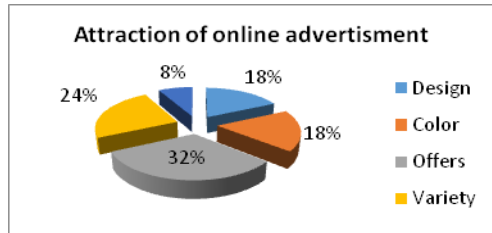
Inference: From the above table, customer attraction over online advertisement are 18% of the respondents by design, 18% by color, 32% by offers, 24% variety and 8% of the respondents are by details.

Table 5: Internet Marketing is more Effective than the Traditional way of Marketing
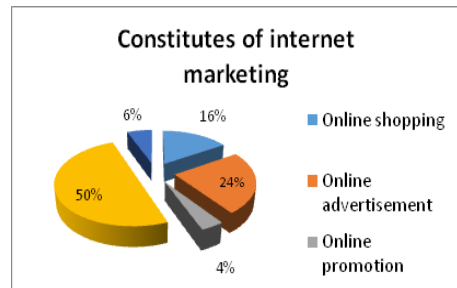
S.No.	Opinion	No. of Respondents	Percentage
1	Yes	96	48
2	No	56	28
3	Can't say	28	24
	Total	**200**	**100**
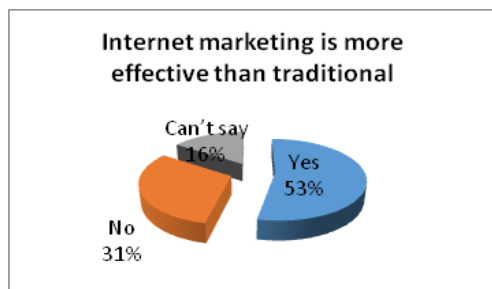
Inference: From the above table, 48% of the respondents are saying internet marketing is more effective than the traditional way of marketing; 28 % of the respondents are not satisfied.

**Table 6: Constitutes of Internet Marketing**

S. No.	Opinion	No. of Respondents	Percentage
1	Online shopping	32	16
2	Online advertise	48	24
3	Online promotion	8	4
4	All the above	100	50
5	None of above	12	6
	Total	**200**	**100**

Inference: From the above table 16% of the respondents are by online shopping, 24% of the respondents are by online advertisement, 4% of the respondents are online promotion, 50% of the respondents are agree with all the above of Constitutes of internet marketing

Table 7: Types of Products Searched Over the Internet

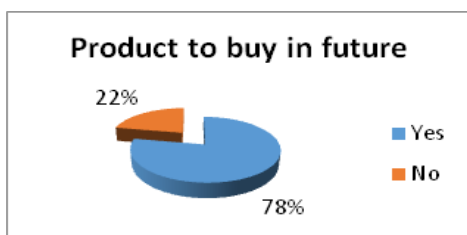| S. No.	Opinion	No. of Respondents	Percentage
1	Apparels	36	18
2	Books	40	20
3	Electronics	52	26
4	Food	4	2
5	Games	16	8
6	Music	28	14
7	Others	24	12
	Total	**200**	**100**
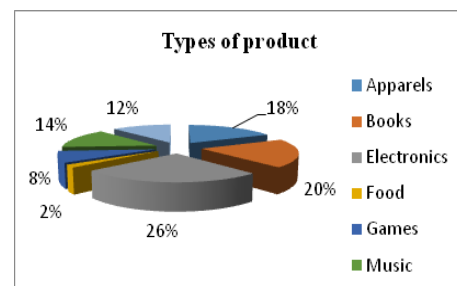
Inference: From the above, the products searched over Internet 18% of the customer are searched for apparels, 20 % of the customer for books, 2% of the customer are for food, 8% of the customer for games, 14% of the customer are for music and 12% of the respondents are searching other items.

**Table 8: Do you Plan to Purchase any Product in the Future**

S.No.	Opinion	No. of Respondents	Percentage
1	Yes	156	78
2	No	44	22
	Total	**200**	**100**

Product to buy in future

Inference: From above, 78% of the respondents are plan to purchase any product in the future and 22% of the are don't have a plan.

Table 9: The Quality of Products available over the Internet

S. No.	Opinion	No. of Respondents	Percentage
1	Very good	16	8
2	Good	128	64
3	Average	52	26
4	Poor	4	2
5	Very poor	0	0
	Total	**200**	**100**
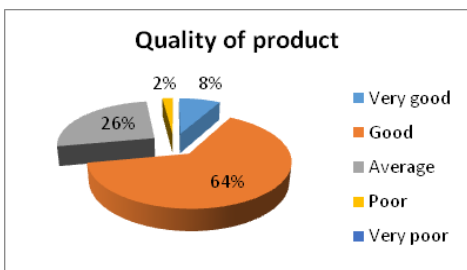
Quality of product

Inference: From the above table, 64% of the respondents are saying the good quality of products is available over the internet.

Table 10: The Success Factors of Internet Marketing

S. No.	Opinion	No. of Respondents	Percentage
1	Strong branding	52	26
2	Unique merchandise	32	16
3	Good customer service	44	22
4	CRM	20	10
5	Distribution efficiency	40	20
6	Others	12	6
	Total	**200**	**100**

Inference: From the above, the success factors of internet marketing are strong branding.

Analysis Using Chi-Square Test

Internet marketing is a more effective tool than the traditional way of marketing Vs. The information provided over the Internet to aware of the products.

Null Hypothesis: There is no significant difference between Freedom to convey problems and Considerations for employee creativity factors.

Table 11: Observed Count

S. No.	Internet marketing is more effective tool than traditional marketing / Information provided over the internet about the products	Yes	No	Total
1	Yes	78	61	139
2	No	39	22	61
	Total	117	83	200

Table 12 Expected Count

S. No.	Internet marketing / Information of product	Yes	No	Total
1	Yes	81.3	57.6	139.0
2	No	35.6	25.3	61.0
	Total	117.0	83.0	100.0

Source: Primary Data

Computation of Chi-Square

Table 13

S. No	O	E	(O-E)	(O-E)²	(O-E)²/E
1	78	81.3	3.4	11.56	0.14
2	61	57.6	3.4	11.56	0.20
3	39	35.6	3.4	11.56	0.32
4	22	25.3	3.4	11.56	0.45
Total					1.11

Source: Primary Data

The calculated value is 1.11

Degree of freedom = (R-1) (C-1) = (2-1) (2-1) = 1

Level of significance = 5%

Table value 1 of DGF and 5% level of significance = 3.854

1.11 < 3.854 - Calculated Value is lesser than tabulated Value

Hence, the Null hypothesis is accepted.

Inference: Thus Chi-Square test infers that Internet marketing is a more effective tool than traditional marketing Information provided over the internet about the products this shows that the customer is very much satisfied with the online marketing by getting information about the products.

Conclusion

Online shopping is becoming common in today's life. Focus on the impact of online marketing on consumer behaviors to find out a comprehensive analytical framework that was showing the essential ingredient of marketing and business to satisfying the consumer's needs and a deeper understanding of online consumer behavior as a reference for any e-commerce company to make marketing strategies. This study indicates that most of the customer having experience of online shopping. The customer believed that online shopping is a better option than manual shopping; still, they have the belief that online shopping is expensive, delayed in the delivery of products and services. Customers are facing a barrier for online shopping are unable to verify product personally, online payment security. Some of the customers are attracting by the offers. Most of the customers are facing problems like a return of bad/wrong product, confusing sites and ineffective customer service.

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