IMPACT ON CONSUMER DECISION MAKING IN BUYING PROCESS OF E-MARKETING

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ABSTRACT

This research study explores the dimensions of E-Marketing, Consumer Behavior, the Internet, and Website Contribution to Brand enhancement and Traditional Consumer Decision Making Process. The research thesis aims to address noteworthy aspects with respect to the role of the internet in decision making, impact of the internet on Consumer Behavior, Post Purchase Behavior and the Consumer Decision Making Process and formulates Research Instruments to address the proposed issues. Subsequent data collection and analysis, helps draw relevant conclusions in the domain of E-Marketing. The theoretical framework lays on literature of consumer decision making process, social networking, and additionally previous studies regarding online and social media marketing. Quantitative examination technique is adapted for the purpose of this research. This research gives clarification on how people are attending, processing, and selecting the data on tha internet before a buy. The findings demonstrate that people pursue an active role in information search online as compared to traditional media, yet information exposure is specific and subjective over the span of information search. Additionally, the empirical part of the research endeavors to give bits of knowledge to any organizations that are attempting to move to or are as of now taking part in the new marketing trend. Findings and conclusions exhibited in the study are just substantial inside of the population selected and can't be summed up somewhere else because of the distinctions in environmental factors. Identifying the Web experience components and understanding their role as inputs in the online customer's decision-making process are the first step in developing and delivering an attractive online presence likely to have the maximum impact on Internet users. The appearance of online networking has made a new landscape which lays out another framework of personal connections.

Keywords: Social Media, consumer behavior, marketing, decision making process.

1. INTRODUCTION
1.1.Need

India will likely see the golden period of the Internet sector between 2013 to 2018 with incredible growth opportunities and secular growth adoption for E-Commerce, Internet Advertising, Social Media, Search, Online Content, and Services relating to E-Commerce and Internet Advertising3. As we all know, India has a long way to go in the world of Digital Marketing as more and more Indians are spending time on the internet as compared to China and US.

1.2.Aim of the Research

Today"s world is based on the Internet. It"s tough for the consumers to envisage their life without the Internet because E-Marketing has revolutionized the market and the minds of the consumers, as they can browse through the Internet to source information for whatever they want, whenever they want.

1.3.Significance

The emergent use of E-Marketing in India provides a developing vision for online consumers. This thesis aims to address noteworthy aspects with respect to the role of the Internet in decision

making, effect of the Internet on Consumer Behavior, Post Purchase Behavior, the Consumer Decision Making Process and

Websites contribution to the Brand, because if E-Marketers want to grow in the Online Domain, they should be concerned about the factors affecting the Indian online buyer, their intent to venturing online, types of behavior when they venture online and the
relationship between these buyers, then they further build up their E-Marketing strategies to convert prospective customers into active ones.

1.4. Work towards satisfaction

But the physical world offers only ―Point Solutions‖ which is basically a solution of his needs in terms of functional benefits. A credit card, for instance, allows consumers to satisfy the immediate necessity of setting a transaction. But today's consumers are also looking for process and relationship benefit -book referrals at no extra cost or e-mail reminders. The physical world is not able to deliver these benefits because of gaps in time, space and memory. The web, on the other hand provides all of these and more (―reverse marketing, for example, where consumers seek out vendors rather than the other way around‖) by giving the company the ownership and control over all interactions with the consumer.The on-line customer is not a fickle customer, but he is a risky proposition nevertheless. This is because all his online experience will influence consumer perceptions about the brand. If a consumer buys a product from a retailer and is involved in an unhappy purchase experience at the store, he will punish the store. But if the same experience were to occur to him at the company's web site, the consequences would be disastrous for the company if he were to share his experience though different user communities using a combination of chat rooms and electronic mails. The transformation being brought about the Web revolution is not limited to just the consumer.

2. LITERATURE REVIEW
2.1. E-Marketing

The terms "Electronic Commerce", "Internet Marketing" and "Online Shopping" are now commonly used by Business Executives and consumers throughout the world as businesses are recognizing the potential opportunities for commerce in the online business environment [1]. A well implemented online system can track an online user from a click on a search engine keyword ad, to specific web pages viewed and onto purchase or exit. Successful online companies such as eBay carefully evaluate their customer acquisition methods, identify the best performing methods and reallocate spending appropriately. E-Marketing is described by the Institute of Direct Marketing as „the use of the Internet and related digital Information and Communications Technologies to achieve marketing objectives‟.

Internet Marketing is „the process of building and maintaining customer relationships through online activities to facilitate the exchange of ideas, products and services that satisfy the goals of both parties‟ [2].

The foundation of every online business is the E-Commerce website that it creates. Once the website captures the attention of the visitors, they should feel the need to explore further. This feeling comes with good design, speedy navigation on the site and easy to understand instructions. The very first website was posted in August 1991 by Sir Tim Berners-Lee [3]. There were 130 websites on the Internet in 1993 and 47 million websites were added to the Internet in 2009, bringing the total number of websites on the Internet to 234 million [4].

The Consumer Decision Process (CDP) Model is a roadmap of consumers‟ minds that marketers and managers can use to help manage product mix, communication, and sales decisions. The model captures the activities that occur when decisions are made by the consumer [5].

3. RESEARCH METHODOLOGY

This research is *Exploratory and Descriptive* in nature. Three Research Instruments - RI-1, RI-2 and RI-3 were developed during various phases of the research work.

3.1. Website Attribute Index (WAI) RI-1

RI-1 was used for the formulation of the Website Attribute Index (WAI). The objective of this study is to narrow down the research in a specific industry vertical. Five industry verticals were chosen: Automobile, Banking, IT, Education and FMCG4 and The 10 companies across all 5 verticals (Automobile, Banking, IT, Education and FMCG), i.e. 50 companies were used for the study. A set of organizational websites were used to create an exhaustive list of Website Attributes to formulate a Research Instrument RI-1 - a Scoring Grid for each vertical. A Scoring Grid was created to ascertain the presence and absence of the Website Attributes for each vertical to calculate The Website Attribute Index. A value of 1 was assigned when the

attribute was present and 0 was assigned when the attribute was not present for the respective website. The Website Attribute Index was calculated by summing up the attribute for each website and dividing it by the maximum number of possible attributes.

3.2. Website Brand Contribution Model (WBCM) RI-2

RI-2 was used for the formulation of the Website Brand Contribution Model (WBCM). Eight specific Website Dimensions were identified viz.
 (i)   Relative Importance (RIi) [6]
 (ii)   Popularity (Pi) [7]
(iii) Search Engine Optimization (SEOi) [8]
(iv) Domain Age (DAi) [9]
(v) Site Compatibility with Social Networks (SCSNi) [10]
(vi) Keyword Research (KRi) [11]
(vii) Site Quality (SQi) [12]
(viii) Site Accessibility (SAi) [13]
This study is based on Secondary Data Analysis; data was collected across the 32 websites of Automobile, Banking, FMCG and E-Commerce verticals using Website Analysis Tool. Subsequently, The Website Brand Contribution Index (WBCI*i)* was calculated for each website using *Numeric Weighting Technique* (data collected for weighting using focus groups) and further used for classification of websites into groups using *Hierarchical Cluster Analysis*.

4. RESULTS AND FINDINGS
4.1.Website Attribute Index (WAI) RI-1
The results of Website Attribute Index (WAI) show that Automobile, Banking and FMCG are the verticals demonstrating a high Website Attribute Index (WAI) and further research can be conducted in these verticals.

4.2. Website Brand Contribution Model (WBCM) RI-2
Secondary Data (RI-2) was collected across the 32 websites of Automobile, Banking, FMCG and E-Commerce verticals using Website Analysis Tool. Subsequently, the Website Brand Contribution Index (WBCI*i*) was calculated with the help of *Numeric Weighting Technique* for each website using the formula depicted in Equation A.

Equation: A
Website Brand Contribution Index (WBCIi) =
0.124* RIi + 0.159* Pi + 0.113* DAi + 0.100* KRi + 0.157* SQi + 0.115* SEOi + 0.087* SAi + 0.141* SCSNi

The Index was used for classification of websites into groups using *Hierarchical Cluster Analysis*. Hierarchical Cluster Analysis was most suitable in my study because the data set was small.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.321	27.678	27.678	3.321	27.678	27.678	2.080	17.330	17.330
2	1.554	12.95`1	40.629	1.554	12.951	40.629	1.934	16.115	33.445
3	1.240	10.336	50.965	1.240	10.336	50.965	1.804	15.033	48.478
4	1.197	9.976	60.941	1.197	9.976	60.941	1.496	12.463	60.941
5	.901	7.506	68.447						
6	.814	6.781	75.228						
7	.657	5.474	80.703						
8	.611	5.092	85.795						
9	.556	4.632	90.427						
10	.457	3.806	94.232						
11	.403	3.359	97.591						
12	.289	2.409	100.000						

Extraction Method: Principal Component Analysis.

E-Marketing and The Consumer Decision Making Process RI-3
Research Instrument RI-3 comprises of 5 sections: Demographics, Consumer Internet Usage, Consumer Pre purchase Process, E-commerce and Consumer Post Purchase Process.

The results of *Demographics* show that majority of the respondents were Male (57.5%) and the rest were Female and the majority of the respondents belonged to the age group of below 30 (54.5%). *Consumer Internet Usage* comprises of *Consumer Internet Saviness* and *Intent to*

Venture Online. Consumer Internet Saviness is discussed using Descriptive Statistics and Factor Analysis was applied on Consumer Intent for Venturing Online. Consumer Saviness is measured by Consumer Internet Usage Experience, Internet Usage Frequency and the Time Spent Online. The Internet Usage Experience of the consumer shows that majority of the consumers have been using the Internet for more than 5 years (47.9%), their usage frequency is daily (95.9%) for 2-4 hrs a day. So, majority of the consumers browse internet on a daily basis. Factor Analysis was applied on intent of the Consumer to Venture Online, subsequently 5 factors were identified. The 5 factors are: *Intent to Shop, Entertainment, Task directed Behavior, other than Task Directed Behavior and Intent to Explore.*
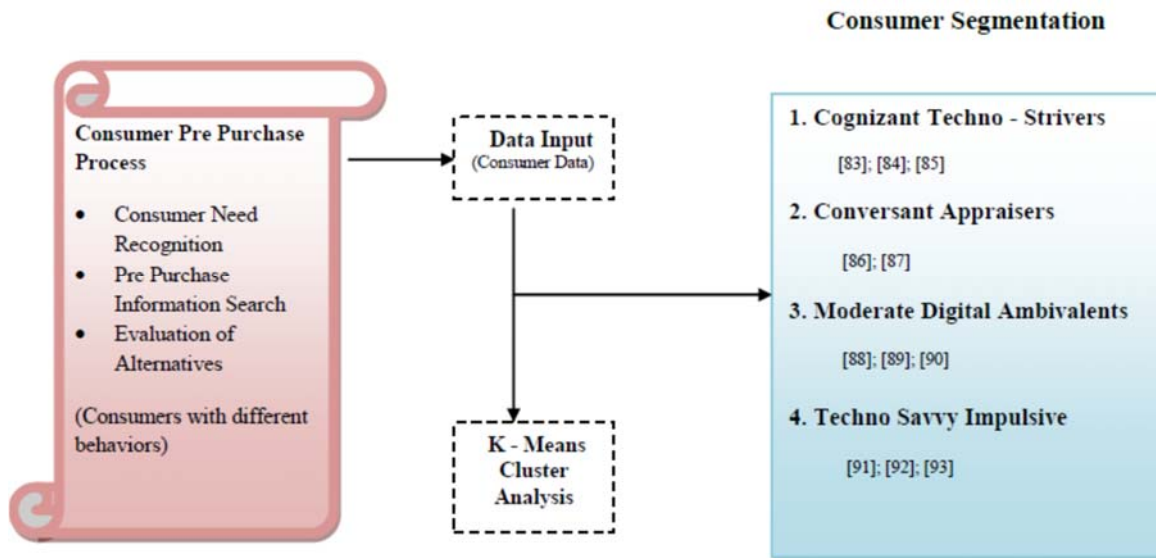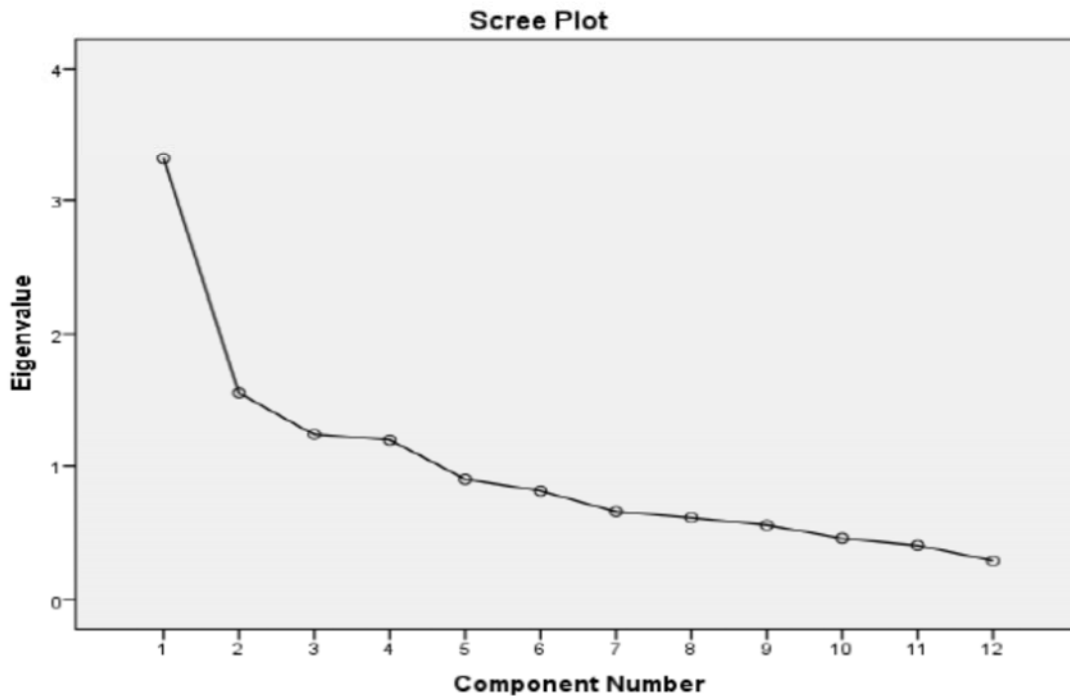

Fig 1: Consumer Segmentation on the basis of the role played by the Internet in the Consumer Pre Purchase Process (I-CPPM)

5. CONCLUSIONS

1. The entire research study was focused on developing a series of models to link two vital domains for organizations.

(i) The opportunity offered by the virtual medium &

(ii) The consumer decision process and characteristics; an understanding of which will make organizations leverage the opportunities offered by the web to their advantage.

2. It is important for organizations to recognize the value of the relevance of website attributes in the context of their ability to cater to appropriate Consumer Intent for venturing online.

3. It is important for organizations to understand the Website Attributes, Navigability and Search ability in impacting consumer sensitivity for a brand visible online and also increase the value of the brand in the online sphere by engaging the consumers to spend more time on the website.

4. Classifying consumers into well defined segments on the basis of their Pre-purchase Behavior can aid marketing in developing more streamlined and focused Consumer Targeting Process.

5. An analysis of Consumer Characteristics and Specific Traits can enable organizations to segment Consumers and design Targeting Strategies appropriately.

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