



## A Study on E-Marketing – It's Impact on Consumers in Ajmer, Rajasthan

### KEYWORDS

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**ABSTRACT** *In the past years, the Internet and its e-business related activities have become one of the fastest growing areas in the world. Electronic marketing is a way to commercialize the commodities to consumers through email. It is the latest trends to familiarize or launch a product to large masses by notifying them through emails and also helps in promoting the commodity on large scale. The purpose of this study is to analyze consumer behavior and response towards E-Marketing, To find out the problems related to e-marketing which hamper its growth keeping in mind the exposure to people comprising of different ages, genders and income groups.*

### Introduction :

E-marketing refers to the use of the Internet and digital media capabilities to help sell your products or services. These digital technologies are a valuable addition to traditional marketing approaches regardless of the size and type of your business. E-marketing is also referred to as Internet marketing (i-marketing), online marketing or web-marketing. As with conventional marketing, e-marketing is creating a strategy that helps businesses deliver the right messages and product/services to the right audience. It consists of all activities and processes with the purpose of finding, attracting, winning and retaining customers. What has changed is its wider scope and options compared to conventional marketing methods. E-marketing is deemed to be broad in scope, because it not only refers to marketing and promotions over the Internet, but also includes marketing done via e-mail and wireless media. E-marketing also embraces the management of digital customer data and electronic customer relationship management (ECRM) and several other business management functions. E-marketing joins creative and technical aspects of the Internet, including: design, development, advertising and sales. It includes the use of a website in combination with online promotional techniques such as search engine marketing (SEM), social medial marketing, interactive online ads, online directories, e-mail marketing, affiliate marketing, viral marketing and so on. The digital technologies used as delivery and communication mediums within the scope of e-marketing include:

- Internet media such as websites and e-mail
- Digital media such as wireless, mobile, cable and satellite.

### Objectives

- 1) To study awareness of e-marketing amongst the people in Ajmer city.
- 2) To study the impact of e-marketing on purchase decision of consumers.
- 3) To study the acceptance of e-marketing among consumers.
- 4) To find out the problems related to E-marketing.

### Literature Review

Behavior and intentions of Internet users to buy online is within the theoretical constructs of the Theory of Reasoned Actions. The Theory of Reasoned Action (Fishbein, 1980) examines the relationship between attitudes and future intention to participate in these buying behaviors.

According to **Cheung et al** (Online Consumer Behavior: A Review and Agenda for Future Research, 2003), a base mod-

el called Model of Intention, Adoption, and Continuance (MIAC) for the development of an online consumer behavior framework.

The Internet is no longer a niche technology as far as Socio Economic Class A and perhaps even B is concerned—it is more powerful than mass media as it is interactive and it is an utterly integral part of modern life. Almost no aspect of life remains untouched by online media. As our lives become busier and cluttered, it isn't surprising that consumers turn to the unrivalled convenience of the Internet when it comes to researching and buying products," (N.S.Muthukumar, Director, Online Research, The Nielsen Company, India).

The e-commerce market in India has already touched Rs.9,210crore by the end of FY2007-08. This segment had market size of Rs.7,080crore at the end of 2006-07 and growth at an average rate of 30 per cent in 2007-08, according to a survey conducted by the Internet and Mobile Association of India (IAMAI) and Indian Market Research Bureau (IMRB).

According to the study, the three major triggers of e-Commerce in India were saving of time, convenience associated with shopping at home and the availability of a range of products. However, the report also highlighted hurdles to growth such as product quality, the ability to bargain and security issues with regard to e-transactions.

Dr Subho Ray, President, IAMAI, said, "Consumer e-commerce is a major driver of the economy and we are happy that it has achieved a very decent size in India. It is perhaps the only sector which has operated under, sometimes, hostile and at all other times indifferent policy environment."

According to survey conducted by **Neilson India** (February 2008) on internet shopping habits of Indian consumers, it was found that out of 78% respondents accessing internet, 55% percentage of them have used internet at least once for online purchase in past one month. Internet has made it very convenient to book tickets. 73 percent Indians have purchased airline tickets/reservations in the past three months, this percentage being the highest for any country in Asia Pacific. While more than 60% of Irish and UAE Internet users bought airline tickets/reservations on the Internet in the last three months, making travel the fourth most popular shopping category on the web globally. Also Books (46%), Electronic Equipments (29%), Tours & Hotel Reservations (24%), Videos/DVDs/Games (23%), Event Tickets (23%), Clothing/Accessories/Shoes (21%), and Music (20%) are some other popular purchases made online by Indians. Globally the

number of Internet consumers buying books over the Internet has increased seven percent in the past two years but the biggest increase has been in Clothing/Accessories/Shoes, which increased from 20 percent to 36 percent.

The "Online shoppers tend to stick to the shopping sites they are familiar with. Capturing the online shoppers early and creating a positive shopping experience for them would prove beneficial in the long run for marketers," said Muthukumaran.

A study conducted in JORDAN about "consumer attitude towards online shopping" using a sample size 500 respondents over age of 18 years in Irbid city. It was found that there were no significant differences in consumer attitudes due to these demographic variables (Age, Education, Gender) with the exception of income. The study concluded that the higher the income brackets of consumers, the more favorable the attitude towards online shopping.

**Methodology**

In this research on e-marketing, the method used is descriptive research. This research is confined to Ajmer city. Target population selected here comprises of students, business professionals & other educated people of urban area only. Since target respondents are literate hence it is assumed that they surf internet.

Study undertaken using stratified sampling i.e. population is divided into a 3 strata according to income, age and occupation. For each stratum, 25 respondents were picked by random means from different areas. These units constitute a stratified sample.

For the convenience of the research the researcher is going to study sample size of 75 respondent only.

For the collection of data, questionnaire was designed keeping in mind the objectives & hypothesis of the research.

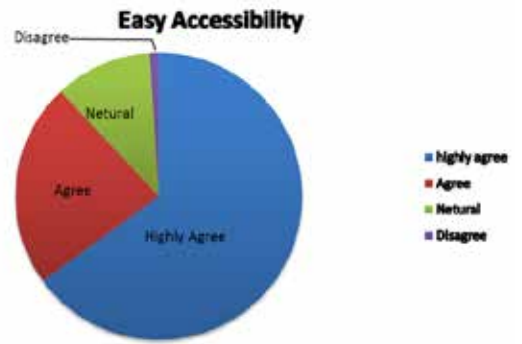
Since scale used in the questionnaire was non- parametric in nature therefore data was coded in order to analyze data. SPSS (Statistics Packages of Social Software) 17.0 was used as analysis tool. To determine the causal-effect relationship between different variables, CHI Square test was used.

**Data Analysis and Interpretation**

**Demographic Analysis**

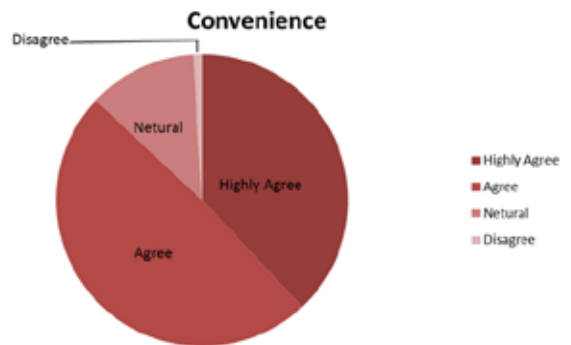
**Distribution of study samples according to three strata of the research:**

VARIABLE		PERCENTAGE
GENDER	MALE	52
	FEMALE	48
AGE	less than 18 years	05
	18-30 years	58
	30-45 years	28
	45-60 years	05
	More than 60 years	04
MONTHLY INCOME	Rs. less than 10,000	07
	Rs. 10,000-20,000	09
	Rs. 20,000-30,000	21
	Rs. 30,000-50,000	11
	Rs. 50,000	12
	More than Rs. 50,000	40
	Not Applicable	



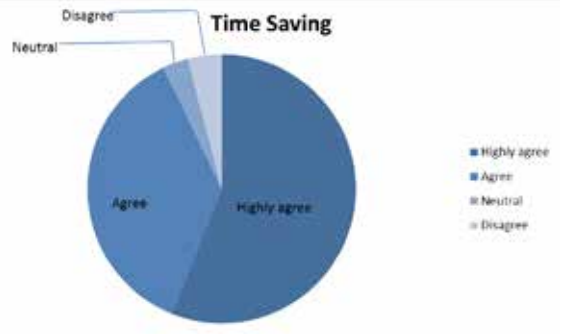
e-shopping more convenient & time saving. It was found that 65% were highly agreed on easy accessibility of online products.

Figure : 1



Since sample size largely consists of respondents of age group between 18-30 years hence it can be inferred that young respondents are more attracted towards seasonal or special offers.

Figure : 2



Respondents' reaction was mixed regarding price & quality of the products/services offered online. 35% of the respondents agreed regarding fair price & 31% on quality of products/services offered, while 28% disagreed on the former & 33% on the later. 37% & 36% of the respondents had a neutral view on the two attributes respectively.

Figure : 3



Figure : 4



Figure : 5

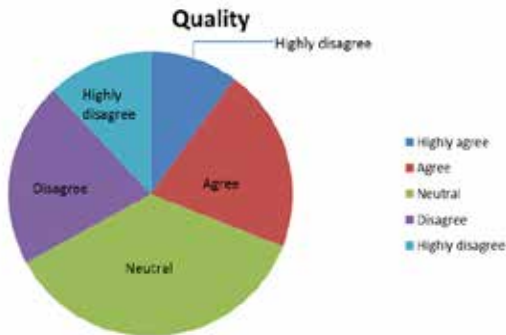


Figure : 6

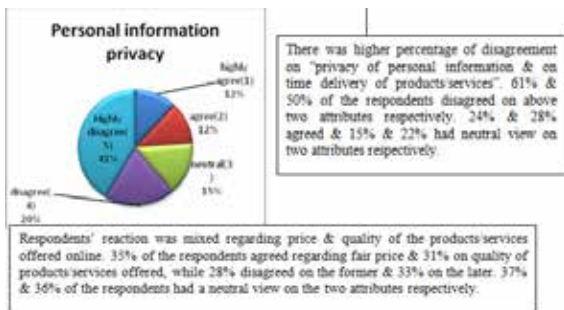
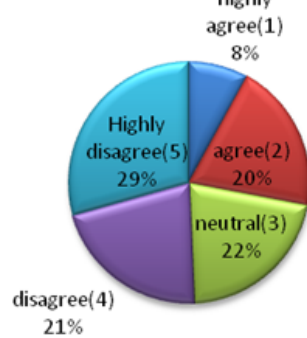


Figure : 7

### On time delivery of products & services



Most of the respondents are disagree that there is on time delivery of products & services of online shopping.

Figure : 8

### Drawbacks of online shopping

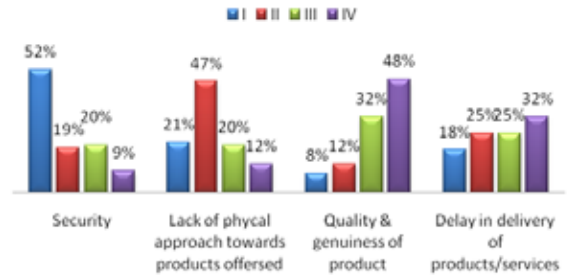


Figure : 9

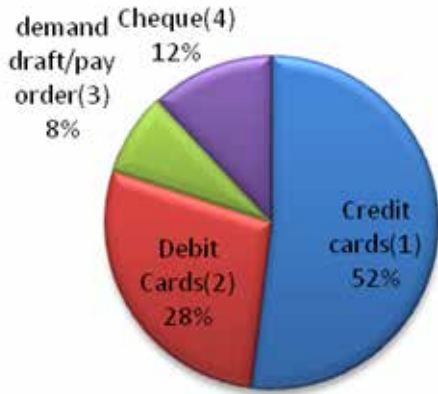
It was revealed that 52% of the respondents claimed security concern regarding disclosure of personal information as first rank. 47% of them rated lack of physical approach on products/services offered, second. While quality & authenticity of products/services offered was rated fourth by 48% of the respondents.



It is revealed from the graph that 62% respondent's purchase from the shop from which they had purchased previously and only 32% purchase it online.

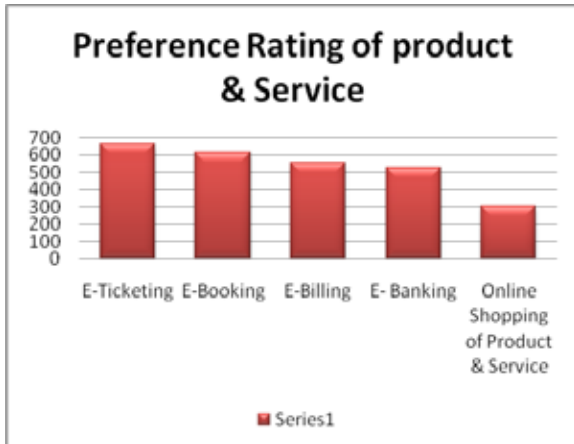
Figure : 10

### Mode of payment



52% preferred credit card payment, while 28% opted for debit card payments, 12% preferred payments through cheques and 8% preferred for demand draft or pay order services.

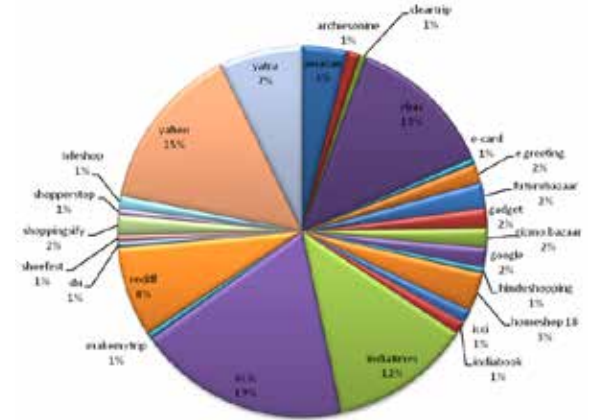
Figure : 11



It is revealed from the graph that most of the respondents use internet for E-Ticketing, E-booking, E-Billing of products rather than online shopping of product & service.

Figure : 12

### Preferred web sites



It was observed that 19% of the respondents preferred IRCTC website (Indian railways online reservation website), 15% preferred Yahoo (comprehensive website for products/services), while 14% opted for eBay (comprehensive website for products/services).

Figure : 13

### Statistical Analysis

Hypothesis 1: Age is positively adopted to internet surfing.

Test statistics showed that (Table-1) there is strong relation between age of the respondents & internet surfing.

Table-1 Test Statistics

	Age	Internet surfing
Chi-Square	80.400	30.973
DOF	4	3
Sig. Level	.000	.000

Hypothesis-2: Gender does not play any role in internet surfing. Test statistics shows (Table-2) there is no relation between gender and internet surfing of the respondents.

Table-2 Test Statistics

	Internet surfing	Gender
Chi-Square	30.973	.120
DOF	3	1
Sig. Level	.000	.729

Hypothesis-3: There is no significant difference between income of the respondents and their purchase decision. Test statistics shows that (Table-3a) there is significant difference between income of the respondents & purchase decision.

Also a significant difference is found between age, occupation of the respondents and their purchase decision (Table-3b, 3c).

Table-3a Test Statistics

	Monthly Income	purchase decision
Chi-Square	35.000	22.653
DOF	5	3
Sig. Level	.000	.000

**Table-3b Test Statistics**

	Age	purchase decision
Chi-Square	80.400	22.653
DOF	4	3
Sig. Level	.000	.000

**Table-3c Test Statistics**

	Occupation	purchase decision
Chi-Square	17.853	22.653
DOF	3	3
Sig. Level	.000	.000

**Hypothesis**

**Hypothesis-4:**

To determine whether there is any relation between gender and security concern, lack of physical approach and quality & authenticity of the products/services offered via online trading. Test statistics showed that (Table-8a) there is no significant difference between drawbacks of online trading & gender of the respondents.

**Hypothesis-5:**

To determine whether there is any relation between age & preference of the respondents in purchasing product/service. Test statistics showed that null hypothesis is rejected at significance level 0.00% (Table-9) and alternate hypothesis is accepted i.e. there is relation between the two variables. Hence people do not prefer online trading as compared to

traditional purchasing.

Hypothesis-4: Gender is positively related to e-ticketing, e-billing, e-banking online shopping of products (Table-4). Test statistics shows that there is no relation between gender & e-ticketing, e-billing, e-banking online shopping of products.

**Table-4 Test Statistics**

	Gender	e-Booking	e-ticketing	e-billing	e-banking	Online shopping of products
Chi-Square	.120	48.200	70.507	43.000	38.733	22.320
DOF	1	7	6	9	9	8
Sig. Level	.729	.000	.000	.000	.000	.004

**INFERENCES**

- 1) It was found that there is no significant difference between internet surfing & gender of the respondents. While age group of 18-30 years surf internet most. Main possible reason behind this may be that younger people are more technology oriented & also they may be working in organizations where they need to work upon computer and internet.
- 2) A strong relation exists between monthly income, occupation and purchase decision of the respondents. People with higher income group usually have little time to go and purchase products/services from tradition shops because of their busy schedule. Hence in order to save time they trade online.
- 3) Most of the respondents (irrespective of gender) are hesitant to trade online because of security reasons. There have been cases in the past where personal information regarding passwords & identification theft has occurred. Those incidences have feared consumers. Besides this lack of physical approach, time required to deliver products & authenticity of the product merchandised are other factors. Consumers do not have faith in most of the online trading sites. Also usage of newer technology has made online trading more complicated & people resist changing, that is why consumers prefer traditional shopping as compared to online trading.
- 4) Most of the respondents irrespective of gender of different age group (especially age group of 18-30 years) find e-shopping more convenient & time saving. A wide

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