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ORIGINAL CONTRIBUTION

PROBLEM AND PROSPECT OF ONLINE MARKETING: A CROSS SECTIONAL STUDY BASED ON WEST BENGAL

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ABSTRACT

Online marketing or e-marketing is the hot topic in the recent era. Through this technology user can buy product directly from the merchandise as well as sell different goods to the different customers or different retailers. Business transaction has moved from manual to electronic mode, as online payment becomes underpin of systems of e-commerce and this has made the issue of e-transactions of immense concern of both individuals, private and corporate bodies. The present study has designed to examine the marketing strategy on internet/online system. For this purpose, by integrating the internet technology into the marketing strategy, business firms will be able to use the internet as a tool to gain competitive advantage; this paper explains online marketing mix, which consists of five P's: product, price, promotion, place and personalization. The concept of traditional market has been changed and a new marketing channel is the internet which offers a lot of opportunity for business. Online marketing goes beyond banner advertising and e-mail marketing. The present study indicates the problems and prospects of online marketing in West Bengal (India). For this study 50 primary data were collected through questionnaire and the result signifies the way of changing the marketing concept from traditional to online.

KEYWORDS— Online marketing, shopping needs, e-security, e-Services, 5 P's of Internet marketing.

1. INTRODUCTION

We are witnessing of a fundamental shift, which is occurring in the world economy. Business are moving progressively further away from a world in which national economies were relatively isolated from each other by barriers to cross border trade and investment; by distance, time zones and language; and by national difference in government regulation, culture and business systems. National economies are merging into an interdependent global economic system. The rapidly emerging global economy raises a multitude of issues for business both large and small. It creates opportunities for business to expand their revenues, drive down their costs and boost their profits. While the emerging

global economy created opportunities such as this for new entrepreneurs and established business around the world, it also give rise to challenges and threats that yesterday's business did not have to deal with.

A powerful force drives the world towards a converging commonalty, and that force is technology. It has proletarian zed communication, transport and travel. The result is a new commercial reality – the emergence of global markets for standardized consumer products on a previously commercial reality – the emergence of global markets for standardized consumer products on a previously unimagined scale of magnitude. The

multinational corporation operates in a number of countries and adjusts its products and practices to each at high relative costs. The global corporation operates with resolute consistency – at low relative cost as if the entire world were a single entity it sells the same thing in the same way every-where. Communication technology i.e. Internet has always been a major driver of economic progress. The Internet, because of its global reach, rapid growth and potential for transmitting huge bundles of information at almost zero cost; will have a particularly dramatic impact in the near future. Internet and WWW promise to develop into the information backbone of tomorrow's global economy.

E-Marketing is highly applicable for design, development, and advertising and sales of products and services. If you are going to make an advertisement as a banner then you should expect to spend a lot in the perspective that you have to produce a number of banners for different areas. But if you produce an advertisement in a video form then it would be less expensive in the perspective that you can tag the ad in your website and some of the popular sites. Other things that consumer visibility would occur in anytime anywhere in the world. So it is the chance to introduce yourself in the global market. One of the major advantages is that if you want to download the ad then it is also very easy for you but it is not applicable for the case of physical banner.

The Internet is an extremely important new technology. It has received so much attention from the business world. It has led many companies, dot-com and incumbents alike, to make bad decisions—decisions that have eroded the attractiveness of their industries and undermined their own competitive advantages. Some companies have used Internet technology to shift the competition away from quality, features and service and toward price, making it harder for anyone in their industries to turn a profit. Business needs to move away from the rhetoric about "internet-industries", "e-business strategy" and a "new-economy".

2. LITARATURE REVIEW

An attempt has been made to put forward a brief review of literature based on few of the related studies undertaken worldwide in the area of e-marketing or online marketing as follows. (Ernst & Young, 2001; Mahajan, Muller & Bass, 1990), Sultan and Henrichs (2000) in his study concluded that the consumer's willingness to and preference for adopting the internet marketing as his or her shopping medium was also positively related to income, household size, and innovativeness. Zhang and von Dran (2000) have found that certain aesthetic elements of a web-site are considered as purchase motivators, while other aesthetic elements serve as hygienic factors (i.e., necessities) in purchase decisions from e-retailers. The colour and background images of web-page are also found to affect consumer choice. Elizabeth Goldsmith and Sue L.T. McGregor (2000) analyzed the impact of e-commerce on consumers, public policy, business and education. A discussion of public policy initiatives, research questions and ideas for future research are given. Andrew D. Mitchell (2001) examined the key issues that electronic commerce poses for Global trade, using as a starting point the General Agreement on Trade in Services (GATS), the World Trade Organization (WTO) agreement most relevant to e-commerce.

Nir B.kshetri(2001) This paper attempts to identify and synthesize the available evidence on predictors of magnitude, global distribution and forms of e-commerce. The analysis indicated that the twin forces of globalization and major revolutions in ICT are fuelling the rapid growth of global e-commerce. Tractinsky and Rao (2001) have argued that computer users, particularly those who seek online substitutes to the physical shopping experience, would value aesthetic designs just like consumers of other commodities. Ratchford et al. (2001) have told that through Internet, consumers can gather information about merchandise and they compare a product across suppliers at a low cost. They also can effectively analyze the offerings and easily locate a low price for a specified product. Delone and Reif (2004) have found that at present customers are more likely to continue shopping online when they have a greater

experience of online shopping. It is also found that young adults have a more positive attitude towards online buying. Lavie and Tractinsky (2004) have expressed the expressive aesthetics of web-sites that convey a sense of creativity and uniqueness. (Bhattacharjee Sarathi Partha, et al., 2012;) investigates the relationship between globalization, ecommerce adoption or acceptance that lead to business performance and effectiveness. From this paper, we will discuss how globalization impact on e-commerce in business with policy implementation, pro and cons of e-commerce enhancement in the increase to business. This type of aesthetics is likely to serve an important role when shopping for specialty goods. The expressive design is relevant to specialty goods because of their unique characteristics that emphasized the shopping experience. Indrajit and Debansu (2014) identified the factors of satisfaction level on online shopping market from customer point of view. Meghdoot ,debansu & indrajit (2015) has identified some factors for acceptance on online shopping from customer's perception.

Objective:

- 1) To find the problem and prospect of online marketing in Bengal.
- 2) To identify the factors which affecting the customer preference on online marketing.
- 3) To investigate the demographic variables (age, gender, education, income etc.) and the customer preferences of online marketing.

3. RESEARCH HYPOTHESIS

The research objectives were to examine the following hypothesis:

Hypothesis 1:

H₀: User of online-marketing people in West Bengal is more aware.

H₁: User of Online-marketing people in West Bengal is less aware.

Hypothesis 2:

H₀: User of Online-marketing people shows a positive attitude and buying habits.

H₁: User of Online-marketing people shows a negative attitude and buying habits.

Hypothesis 3:

H₀: The acceptance of online-marketing among the consumer is less.

H₁: The acceptance of online-marketing among the consumer is more.

4. RESEARCH METHODOLOGY

To conduct a pragmatic investigation, a survey was conducted, using a questionnaire. The pilot survey has done through some questions on the online marketers. The measurement instrument contains items measuring trust antecedents. This study focused on investigating the most prominent set of trust inducing factors derived from the literature along with a few new factors introduced by the authors, and presenting them as an integrated set that can be subjected to empirical evaluation. The questionnaire was pre-tested in a pilot study to fine tune the questionnaire. The pilot study was conducted among a convenience sample of twenty people consisting of neighbors', friends and colleagues, to evaluate how well the questionnaire was framed and understood. Based on the pilot study and feedback from the participants some items were reworded to improve clarity. Next the survey was conducted to collect the data and then the data were analyzed and interpreted. SPSS version 19.0 was used to carry out the analysis of data. The respondents were randomly selected to remove the biasness in samples. The samples consisted of consumers living in one major state in West Bengal. Random people were chosen from households who are a part of the consumer group. The respondents were randomly picked from those who are 18 years of age and above, of both sexes, either earning or with access to expendable income, and who have made online purchase at least once in the last four months. In this study random sampling method using Kish method of sampling is done. The Kish grid (Kish, 1949) is commonly used by those conducting large scale surveys. In total 150 respondents completed the questionnaire. The Kish method (Kish, 1965) involves some

sequential steps in which, a) the interviewer is to record the name, gender, age, income, education of all the eligible persons & their relation to the housewife (because she is the one who is mostly available, b) then the candidates are arranged according to their increasing age, and c) using a random number table the respondent is chosen.

Findings and Analysis The demographic data of the samples are given in *Table 1*, and data related to consumers' internet usage are given in *Table 2*.

4.1.1 Sampling Plan

4.1.1a Population: Customers who use internet across all demographic characteristics.

4.1.1b Sampling Frame: Customers who prefer online marketing.

4.1.1c Sample Unit: Registered customers by local internet users as well as online shoppers.

4.1.1d Sampling Method: Multistage sampling technique (where the different stage units are states/district/divisions/blocks etc) to be used.

4.1.1e Sample Size: 150

1. EMPIRICS

The demographics of the respondent is presented under the 5 attributes i.e. age, gender, qualification, profession, income level. The following table(s) depicts the respondent's profile and the type of company they have selected for patronizing. As far as age is concerned, almost 40% of the respondents were between 22-32 years old (80%) followed by the age group of 33-43 years (40%) . On the other hand, 10 respondents (20%) were 44-54 years of age and 5 respondents (10%) were in the 55-65 years age group. Gender-wise, 100% of the respondents were male and only 50% were female. 60% of the respondents were Graduates followed by 40% H.S, Masters (30%) and PhD(s) only 20%.

Table 1: Parameter: Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	22-32	40	80.0	80.0	80.0
	33-43	20	40.0	40.0	120.0
	44-54	10	20.0	20.0	140.0
	55-65	5	10.0	10.0	150.0
	Total	75	150.0	150.0	

Table 2: Parameter: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	50	100.0	100.0	100.0
	Female	25	50.0	50.0	150.0
	Total	75	150.0	150.0	

Table 3: Parameter: Education Qualification

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid H.S	20	40.0	40.0	40.0
Graduate	30	60.0	60.0	100.0
Masters	15	30.0	30.0	130.0
PhD	10	20.0	20.0	150.0
Total	75	150.0	150.0	

Table 4: Parameter: Income

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid < 1,00,000	20	40.0	40.0	40.0
1,00,000-3,00,000	30	60.0	60.0	100.0
3,00,000-6,00,000	15	30.0	30.0	130.0
>6,00,000	10	20.0	20.0	150.0
Total	75	150.0	150.0	

Factor Analysis Results

A total of 150 respondents were surveyed using the questionnaire. The raw data was analyzed using SPSS 19.0 (Green et al., 2000) and factor analysis in order to summarize the 15 variables (as each question in Part - 2 (Consumer opinion) of survey questionnaire represent one variable) into smaller sets. Then data was subjected to principal component analysis. Hence, these 15 variables were reduced to four principal components through varimax rotation (Table

6). Here, the researcher had considered only those factors whose eigen-values is more than one, as significant. Table 5 indicates that, in the present test the Kaiser-Meyer-Olkin(KMO) measure was 0.671. Bartlett's sphericity test also found highly significant; Chi-Square = 428.383, df = 105 with a significance of 0.000 it provide support for validity of the factor analysis of the data set and indicates that, factor analysis is appropriate.

Table 5: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.671
Bartlett's Test of Sphericity	Approx. Chi-Square	428.383
	df	105
	Sig.	.000

Table 6: Rotated Component Matrix

	Component			
	1	2	3	4
1. Online Shopping is compatible with my shopping needs	.906	.108	.154	.145
2. Easy to use this technology	.736	-.095	-.121	-.177

3. Online Shopping saves time	-.086	-.015	.856	-.147
4. It is a great advantage to be able to shop at any time of the day	-.085	.831	.171	.119
5. Online shopping is risky.	-.062	-.014	.691	.256
6. Online shopping will eventually supersede traditional shopping	.812	.098	-.155	.144
7. A long time is required for the delivery of products and service	.263	-.133	.798	-.123
8. Selection of goods available on the internet is very broad.	.648	-.043	.118	.482
9. The description of products are shown on the websites are very accurate.	.837	-.131	.048	-.180
10. The information is given about the product on the site is sufficient.	.872	.157	.097	.082
11. Online shopping is secure as traditional shopping.	-.195	.731	.139	.274
12. Necessity of having a bank account or credit cards creates difficulty.	.052	.042	-.061	.794
13. I prefer cash on delivery than payment via credit/debit card.	.021	.899	-.173	-.066
14. It is hard to judge the quality of merchandise over Internet	.147	.881	-.209	-.055
15. Getting good after sales service is time taking and difficult for online purchase	.323	.570	-.184	-.202

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

In the Rotated Component Matrix table, each number represents the partial correlation coefficient between variable and rotated component. All the variables having factor loadings of greater than .50 for a given component define the component. The following (Table 7) displays the variables constituting the 4 components.

Table 7: Components

SI	Factors	Eigen Value	Variance	Cumulative Variance
1	Shopping Needs	4.217	27.704	27.704
	Online Shopping is compatible with my shopping needs		.906	
	Online Shopping saves time		.736	
	.It is a great advantage to be able to shop at any time of the day		.812	
	Easy to use this technology		.648	
	Online shopping will eventually supersede traditional shopping		.837	
	The information is given about the product on the site is sufficient.		.872	

2	Trust	3.285	21.538	49.243
	Online shopping is secure as traditional shopping.		.831	
	I prefer cash on delivery than payment via credit/debit card.		.731	
	It is hard to judge the quality of merchandise over Internet		.899	
	Online shopping is secure as traditional shopping.		.881	
3	E-security	2.025	13.959	63.201
	Online shopping is risky		.856	
	Online shopping is secure as traditional shopping.		.691	
	Necessity of having a bank account or credit cards creates difficulty.		.798	
4.	E-services	1.197	8.093	71.295
	Getting good after sales service is time taking and difficult for online purchase		.794	

P's Of Internet Marketing

Internet marketing is not merely transforming traditional activities of commerce from non-electronic world to an electronic platform. But e-commerce demands radical changes in the overall marketing mix such as product, promotion, price, distributor etc. Now let us elaborate P's of Internet marketing, mainly these are:

- ^Price,
- ^Product,
- ^Personalization,
- ^Promotion
- ^ And place.

a. Pricing strategy on the Internet

Price is the most important factor of on-line business. An on-line supplier can't raise prices

indiscriminately. Poorly justified price changes can be cause of long -term damage to a company's price proposition. Internet gives companies greater precision in setting and announcing prices, more flexibility in changing prices, and better information, which can lead to improved customer segmentation.

b. Product

A product is good or service that a business offers to customer. Internet has allowed the creation of new virtual product such as on line news and real time stock quote services. This virtual product has consisted features of both physical goods as well as of services. In the Internet, bundling of information is easy because of hyperlink capability. Bundling is a marketing strategy in which two or more complementary products and / or services are offered as a package at a discounted price. For instance, a

computer video can be linked to compatible or complementary products such as software that runs best on it, hardware that optimizes video performance, and so on.

c. Personalization

It is the process of tailoring pages to individual user characteristics or preference. It is means of meeting the customers, needs more effectively and efficiently, making interaction faster and easiest and consequently, increasing customer satisfaction and the likelihood of repeat visits. It can be classified into two broad categories:

d & e. Promotion & place

Advertising is one of the powerful tools of promotion. The objective of advertising is to increase the awareness about the advertised product, service, eventually and an increase in the sales volume. Success of marketing strategies depends on well- suited advertisement plan. Each effective marketing advertisement plan should be suited for the objective, the message, and the target audience because success of a good market campaign depends on two elements audience and their buying pattern. An audience is a part of the target market and it can be expected to experience the advertisement or series of advertisements .The behavior attributes of the audience such as demographics, psychographics and other factors determine the composition of the “audience”. The number of the “audience” is referred to as the advertisement’s ‘reach’. Experience of audience for an advertisement, known as and ‘impression’. These impressions must be effective. The effectiveness of an advertisement is usually depending on number of impressions.

Problems of E-Marketing in West Bengal:

The major problems are lack of computer, awareness, internet savvy, more internet cost, slow internet connection, unpredictable power supply, lack of credit card holder, language barrier, security problems, lack of trust etc.

Prospects of E-Marketing in West Bengal:

Though there is some problems in e-marketing in West Bengal state but it have some potentiality also that are better price, 24 hour

service, less time consuming, information technology is improving, awareness also increasing among the people.

5. CONCLUSION

From the above factors, we reached at the end of the research and draw a conclusion: the application of Internet in today’s business has resulted in interactive marketing. It refers to buyer-seller communications in which the customer controls the amount and type of information received from a marketer through Internet. Online marketing is a apart of e-commerce where the customer can buy /sales product through internet directly from the merchandise. The interactive marketing offers immediate access to major product information when the consumer needs it. It also frees communications between marketers and their customers from the limits of the traditional, linear, one-way messages to passive audiences using broadcast of print advertisement (Boone and Kurtz, 1999).

With the development of computer technology, the World Wide Web has become the connection medium for the networked world. Computers from locations that are geographically dispersed can talk with each other through the Internet. As with any new technology, there are positives and negatives associated with its use and adoption. Finally, an online-marketplace can serve as an information agent that provides buyers and sellers with information on products and other participants in the market. E-commerce creates new opportunities for business; it also creates new opportunities for education and academics. Online education concept has been generated through internet. It appears that there is tremendous potential for providing e-business education. As discussed earlier about the different media of online marketing such as TV, PC, Tab, Computer, Laptop or Mobile these new media will be a major preoccupation for marketers over the few years that especially how to combine them within an integrated bricks and clicks marketing mix. However, rapidly changing technology is continually bringing new goods and services to the market accompanied by new strategies to sell them. Therefore, it may

also conclude that new ethical issues related to business will emerge. New ethical issues must be identified and immediate steps and actions should be taken.

Initially, new Internet users would be reluctant to conduct any kind of business online, citing security reasons as their main concern. In order to increase consumer adoption of online-services, the sources of consumer confusion, apprehension and risk need to be identified, understood and alleviated. E-commerce provides tremendous opportunities in different areas but it requires careful application for consumer protection issues. Growth of e-commerce would also depend to a great extent on effective IT security systems for which necessary technological and legal provisions need to be put in place and strengthened constantly. While many companies, organizations, and communities in India are beginning to take

advantage of the potential of e-commerce, critical challenges remain to be overcome before e-commerce would become an asset for common people.

6. LIMITATIONS & SCOPE OF FUTURE RESEARCH

The main objective of this research is to problem and prospect of online marketing in West Bengal and found some factors which are affecting on the online shoppers. Researchers only used 150 respondents to draw inference on the population which is a very small number compared to the massive population of the research. Future researchers can use the findings of this paper for further research and can extend their studies to other neighboring states like Bihar, Jharkhand, up, Sikkim etc where the use of the technology is still in the nascent stage.

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