

Impact of Online Marketing Practices on E- Business Models in India: Choice as a Determinant

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Abstract

Till today, Web portal Model is popular e- business model which is selling a wide range of products, with both depth and breadth of range. However, over recent years, consumers have become more discerning due to changing lifestyles, spending priorities and shopping patterns (Fisher, 1998). The focus of this research paper is to draw attention of marketers and shoppers towards the need to develop a hypothetical model named Global Super Store Model, is to change the consumer towards provision of providing a wide range of products with price comparison facility on a single portal along with a huge range of brand name suppliers. This research paper is also an attempt to find out the impact of online marketing practices on both existing Web Portal Model and our Global Super Store Model for choice as a determinant.

Keywords: Choice, Global super store, Online Shopping, Web portal model, Online marketing practices, India.

Introduction

In this research paper we examined the existing e-business model (Web portal model) and understand how it works and also try to find creative ways to improve it thus maximizing its power and proposing a new **hypothetical model** named **Global Super Store**.

Till date, existing Web portal Model is selling a wide range of products, with both depth and breadth of range. However, over recent years, consumers have become more discerning due to changing lifestyles, spending priorities and shopping patterns (Fisher, 1998). The focus of Hypothetical Global Super Store Model is to change the consumer towards provision of providing a wide range of products on a single portal along with a huge range of brand name suppliers. It will also try to provide a 'total solution' to customers. The basic aim of Global Super Store Model is to simplify the shopping process for customers.

Every day, millions of people go online to do research about products and make purchases from thousands of different online merchants. The web allows us to do comparison and shop for the best deals and locate products that might otherwise be difficult to find. Existing Web portal Model is selling a wide range of products, with both depth and breadth of range.

Hypothesis

It is hypothesized that the impact of online marketing practices will be more on Global Super Store model in comparison to Web Portal Model.

Research Methodology

Data collection: The data was collected through self constructive questionnaire which was administered on the selected sample by e-mails, or by posting a link on website and social networks.

Sample size: An online survey was conducted from 400 Respondents for our research. Out of them, 200 were male and 200 were female. Out of this 376 were complete valid responses. The age group of respondents was 18 and above. The respondents included students, housewives, retired people, professionals including teachers, software engineers, chartered accountants etc.

Tool / Technique used for Data analysis

A comparative analysis of the impact of various factors of online marketing on the determinants of Web Portal Model and Global Super Store Model was done.

ANNOVA test was applied to know the impact of the various factors of online marketing on Choice as a determinant of Web Portal Model and Global Super Store model.

Further, the impact of online marketing was subdivided into 9 factors that broadly characterize the online marketing practices, which, as per the questionnaire are as follows:

Factor 1: Trend of online advertising

Factor 2: Online targeted people

Factor 3 : Consumer buying behaviors

Factor 4 : The buying patterns of men and women

- Factor 5 : Attitudes
- Factor 6 : A prior experience
- Factor 7 : Security
- Factor 8 : Brand metrics
- Factor 9 : Search for a product online

Thus, each of the factors of online marketing was studied in relation to its impact on the Choice as a determinant of Web Portal Model and Global Super Store Model separately.

ANNOVA test was applied to know the impact of various online marketing practices on choice as a factor of Web Portal Model.

H1: It was hypothesized that online advertising practices has no significant impact on choice in Web Portal Model.

Table 1
ANOVA (1.1.W)

		Sum of Squares	Df	Mean Square	F	Sig.
I	Between Groups	21.126	4	5.282	4.040	.003
	Within Groups	804.009	615	1.307		
	Total	825.135	619			
II	Between Groups	46.334	4	11.583	11.732	.000
	Within Groups	603.277	611	.987		
	Total	649.610	615			
III	Between Groups	13.561	4	3.390	3.290	.011
	Within Groups	625.498	607	1.030		
	Total	639.059	611			
IV	Between Groups	22.361	4	5.590	5.081	.000
	Within Groups	648.077	589	1.100		
	Total	670.438	593			
V	Between Groups	18.762	4	4.690	5.879	.000
	Within Groups	461.923	579	.798		
	Total	480.685	583			
VI	Between Groups	13.368	4	3.342	4.677	.001
	Within Groups	406.618	569	.715		
	Total	419.986	573			
VII	Between Groups	41.331	4	10.333	10.083	.000
	Within Groups	546.178	533	1.025		
	Total	587.509	537			
VIII	Between Groups	8.444	3	2.815	4.267	.005
	Within Groups	317.943	482	.660		
	Total	326.387	485			
IX	Between Groups	6.701	3	2.234	2.669	.047
	Within Groups	301.255	360	.837		
	Total	307.956	363			

As per the given table, it was found that online marketing practices had a significant impact on choice in Web Portal Model, as the null hypothesis was rejected in all the above factors apart from Factor IX where significance value comes out to be .047, which is almost equal to .05. This factor was the search for a product online. Thus search for a product online has no significant relation to choice by consumers in Web Portal Model.

Thus in case of Web Portal Model, taking choice determinant, it was found out that choice of a customer is affected by various trends of online marketing practices. These practices of online marketing include

trends of online advertising, online targeted people, their buying behaviors, the difference in buying patterns of men and women, their attitudes and prior experience, security concerns, and brand metrics.

Information gathering and search for the desired product is one of the most basic use of the Web and often the first step in consumer decision making. It manifests itself in different ways for each of the products searched. Many of the choices searched are relevant to buyers but at the same time, it is a challenging task to sort through them. In case of Web Portal Model, when a consumer is searching for a product, he has to visit several different sites to explore more choice, since in Web Portal Model there are limited choices available at a single site and the thereby leading him to visit different Websites for discovering his desired product. Hence the choice becomes restricted at a single site. So, search for a product online is not a significant factor in case of Web Portal Model.

H 2: It was hypothesized that various online marketing practices had no impact on choice determinant as per the Global Super Store Model.

Table 2
ANOVA (1.I.G.)

		Sum of Squares	Df	Mean Square	F	Sig.
I	Between Groups	39.204	4	9.801	7.688	.000
	Within Groups	776.405	609	1.275		
	Total	815.609	613			
II	Between Groups	14.704	4	3.676	3.526	.007
	Within Groups	630.804	605	1.043		
	Total	645.508	609			
III	Between Groups	3.866	4	.966	.929	.447
	Within Groups	625.335	601	1.040		
	Total	629.201	605			
IV	Between Groups	30.196	4	7.549	6.935	.000
	Within Groups	634.599	583	1.089		
	Total	664.796	587			
V	Between Groups	23.101	4	5.775	7.352	.000
	Within Groups	450.131	573	.786		
	Total	473.232	577			
VI	Between Groups	7.138	4	1.785	2.447	.045
	Within Groups	410.580	563	.729		
	Total	417.718	567			
VII	Between Groups	19.721	4	4.930	4.653	.001
	Within Groups	558.354	527	1.059		
	Total	578.075	531			
VIII	Between Groups	1.741	4	.435	.645	.631
	Within Groups	320.626	475	.675		
	Total	322.367	479			
IX	Between Groups	20.539	4	5.135	6.464	.000
	Within Groups	280.400	353	.794		
	Total	300.939	357			

As per the given table, it was found that online marketing practices had a significant impact on choice in Web Portal Model, apart from Factor III and Factor VII where significance value comes out to be 0.447 and 0.631 respectively, which is more than .05. These factors relates to consumer buying behavior and security. Thus security in online marketing has no relation to choice determinant in Global Super Store Model. Similarly, consumer buying behavior in online marketing has no relation on choice determinant in Global Super Store Model.

Thus in case of Global Super Store Model, taking choice determinant, it was found out that choice of a customer is affected by various trends of online marketing practices. These practices of online marketing include trends of online advertising, online targeted people, the difference in buying patterns of men and women, their attitudes and prior experience, and brand metrics and search of product online

Security, as an online marketing practice has no impact on choice in the hypothesized Global Super Store Model, because, as stated earlier, the Global Super Store Model was found to deliver greater security assurance to those who buy online. Online trust is the basic and essential element for building a relationship with customers. The trustworthiness of online buying relies on how much privacy and security can be provided in online buying. This is duly looked for in Global Super Store Model. This, in turn was also related to consumer buying behavior as, greater the security, the lesser is the contrast the Global Super Store Model offers a wide palate of choice for different consumers with different consumer buying behavior which can all be assimilated in the Global Super Store Model. So, there is no significant impact of these two factors in case of Global Super Store Model.

Summary

As Web Portal Model is a model that already exists and functions, there were certain prominent limitations that were pointed out in analysis above.

Global Super Store Model, being a proposed model will offer advancement in this area and will be more adaptable in bringing about the changes and fulfilling the lacuna that exist in Web Portal Model.

Hence, it can be well concluded that the hypothesis stands accepted that impact of online marketing practices will be more on Global Super Store Model in comparison to Web Portal Model.

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