

A Study of Effectiveness of Online Marketing Strategies and Customer Satisfaction in Metro Cities

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Abstract: The IT revolution has changed the whole world. Internet has made tremendous contributions for business transformation witnessed nowadays all over the world. This had given birth to e-Commerce which encompasses several pre-purchase and post-purchase activities leading to exchange of products or service or information over electronic systems such as the internet and the other Telecommunication networks. Most of the consumers are using the online marketing not only to buy the product but also to compare prices and features of product. It is essential for the online marketers to understand the customer perception towards the online marketing. Today many organizations provide online marketing for the shopping purpose. This article highlights the customer perception and response towards online marketing by measuring their satisfaction on various parameters important to online shopping. This is an attempt to understand what 'clicks' and what do not impress the customers, so as to design more diverse and fruitful strategies in future. The data collected is from metros, and hence is highly relevant to the target customers.

Keywords: Customer perception, Internet marketing, e-Marketing, Online marketing, customer satisfaction, marketing strategy

1. INTRODUCTION: INTERNET MARKETING

Internet marketing is also referred to as e-Marketing, i-Marketing, online marketing or web-marketing. 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. 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.

Internet markers uses advertising and marketing efforts that use the Web and e-mail to drive direct sales via e-commerce as well as sales leads from Web sites or emails. Internet marketing and online advertising efforts are typically used in conjunction with traditional types of advertising like radio, television, newspapers and magazines. Marketing efforts done solely over the internet. This type of marketing uses various online advertisements to drive traffic to an advertiser's website. Banner advertisements, pay per click (PPC), and targeted email lists are often methods used in Internet marketing to bring the most value to the advertiser. Internet marketing is a growing business mainly because more and more people use the internet every day. Popular search engines such as Google and Yahoo have been able to capitalize on this new wave of advertising.

Online Marketing is the art and science of selling products and/or services over digital networks, such as the Internet and cellular phone networks. The art of online marketing involves finding the right online marketing mix of strategies that appeals to your target market and will actually translate into sales.

The science of online marketing is the research and analysis that goes into both choosing the online marketing strategies to use and measuring the success of those online marketing strategies.

Online marketing is becoming increasingly important to small businesses of all types. In the past, marketing online was something that local bricks-and-mortar businesses could justifiably ignore. It didn't make sense to waste time and money on online marketing when all your business was local. Now with increasing local search and people's new habit of searching on the Internet first, it matters. I would go so far as to say that all businesses should include some online marketing in their marketing mix. Internet Marketing is an all-inclusive term for marketing products and/or services online – and like many all-inclusive terms, Internet marketing means different things to different people.

Essentially, though, Internet marketing refers to the strategies that are used to market a product or service online, marketing strategies that include search engine optimization and search engine submission, copywriting that encourages site visitors to take action, web site design strategies, online promotions, reciprocal linking, and email marketing – and that's just hitting the highlights.

Online marketers are constantly devising new Internet marketing strategies in the hopes of driving more traffic to their Web sites and making more sales; witness the increasing use of blogs as marketing tools for business, for instance.

2. CRITICAL SUCCESS FACTORS IN E-MARKETING

Having observed the evolving paradigms of business in the Internet era, there are five critical success factors that the E-Marketer has to keep in mind.

- **Attracting the Right Customer** is the first crucial step. Rising digital penetration would mean that the number of customer visiting particular sites would inevitably go up. While the number of eyeballs or page views has so far been conveniently used as a satisfactory measure by most web sites, it would be foolish to cater to the whole spectrum of digital visitors. Content has to be very target specific. The digital company has to select its target segment by finding out which section of customers are the most profitable in terms of revenue transactions and who are the customers who generate the maximum number of referrals. Here again it is important to note that the majority of online customers are not seeking the lowest price. Rather they are seeking convenience above everything else. The power of customer referrals has never been so enormous, since word of the mouse spreads faster than word of the mouth. E-Bay attracts more than half of its customers through referrals. Not only do

referred customers cost less to acquire than those brought in by advertising or other marketing tools, they also cost less to support since they use their friends who referred them for advice rather than using the companies' own technical desk.

- **Delivering Content Value to engage the user's interest** is the critical importance in retaining customer participation. This is because content serves as a powerful differentiator. Content would include Product enhancements (Software patches for glitches), personalized interactions (through customized navigation paths as seen on the web sites of GM and Toyota) and Problem Resolution (updates of delivery schedules and e-mail responses). Integral to the concept of delivering proper content value is innovation. The retail financial services industry, for example, is changing rapidly with multiple players jockeying for position. Product innovation serves as a key tool to attract new customers.

Priceline.com, for example, has revolutionized the travel and related services business by letting in a form of "buyer driven commerce"----Customers specify their desired prices and competing companies then bid for customer requirements. Delivering proper content to make existing customers in the traditional "brick" business switch to Web-enabled transactions makes a lot of sense because in every conceivable case, the cost of Web-Based transactions is an order of magnitude less than the traditional ways and is decreasing at a faster rate. The cost of an Internet based banking transaction is less than one-tenth the cost of a human teller transaction. It is keeping this aspect in mind that Indian Banks have started toying with the idea of setting up Internet kiosks to let their low-value customers settle their banking transactions at the kiosk nearest to their place.

- **Ensuring E-Loyalty** is vital to the success of any online venture. This is because acquiring customers on the Internet is enormously expensive and unless those customers stick round and make lots of repeat purchases over the years, profits will remain elusive. Contrary to the general view that Web customers are notoriously fickle, they in fact follow the old rules of customer loyalty. Web customers stick to sites that they trust and with time consolidate their purchases with one primary supplier to the extent that purchasing from the supplier's site becomes part of their daily routine. The issue of trust is integral to the issues of privacy and security. Companies like Amazon.com, which command amazing levels of consumer trust, have used a variety of encryption tools and simple ethical decisions like not accepting money for publishers for independent book reviews to maintain the trust of its customers.
- **E-Learning to facilitate personalized interactions** with customers has been the biggest contribution of the Web to

the marketing strategists. Customers in traditional bricks-and-mortar stores leave no record of their behavior unless they buy something—and even then the date might be sketchy. In the digital marketplace, however, technology has made the entire shopping experience a transparent process. For example, if the customer exits the web-site when the price screen appears, he is a price sensitive consumer. Such minute tracking of customer behavior has major implications for the world of advertising. The Internet may soon be used as a test bed for testing prototypes of marketing and advertising campaigns. By monitoring pages selected, click through, responses generated, and other indicators, the company would be able to discover which parts of a prospective campaign would work, thus reducing the risk of a potential flop. This would make it possible for the company to modify its product offerings much earlier than usual in the product life cycle.

- **Providing Digital value to the evolving consumer through his life cycle** has become possible because of customized interactions and emerging business models. These models have often disturbed the traditional status quo and created new rules of business. The sectors where new business models will emerge or have emerged are the music industry, the financial services industry, the travel industry, the relating segment and the publishing segment. Digital value is delivered to the consumer by promising him convenience, allowing the customer to feel his ownership of the Web experience, and giving the customer a sense of belonging that traverses the physical boundaries.

3. BENEFITS OF INTERNET MARKETING TO CUSTOMERS

Customer perception is a marketing concept that encompasses a customer's impression, awareness and/or consciousness about a company or its offerings. Customer perception is typically affected by advertising, reviews, public relations, social media, personal experiences and other channels.

The reason why internet marketing has become so popular is because it provides many benefits to potential buyers:

1. **Convenience:** Customers can order products 24 hours a day wherever they are. They don't have to sit in traffic, and a parking space, and walk through countless shops to find and examine goods.
2. **Information:** Customers can find reams of comparative information about companies, products, competitors, and prices without leaving their office or home.

3. **Fewer hassles:** Customers don't have to face salespeople or open themselves up to persuasion and emotional factors; they also don't have to wait in line.
4. **Updates:** The internet keeps customers constantly updated through websites, emails, online adverts and social networking sites. Customers can access the internet on the move through smart phones and tablets. Manufacturers and retailers can instantly update their customers through the internet.

4. BENEFITS OF INTERNET MARKETING TO MARKETERS

1. **Quick adjustments to market conditions:** Companies can quickly add products to their offering and change prices and descriptions.
2. **Lower costs:** On-line marketers avoid the expense of maintaining a store and the costs of rent, insurance, and utilities. They can produce digital catalogs for much less than the cost of printing and mailing paper catalogs.
3. **Relationship building:** On-line marketers can exchange the ideas with consumers and learn from them. Internet marketing is considered to have a broader scope because it not only refers to digital media such as the Internet, e-mail, and wireless media but Internet marketing also includes management of digital customer data and electronic customer relationship management (ECRM) systems.
4. **Audience sizing:** Marketers can learn how many people visited their site and how many stopped at particular places on the site. This information can help improve offers and ads. Clearly, marketers are adding on-line channels to reach, communicate, and sell to the customers.
5. **No real limit on advertising space:** In contrast to print and broadcast media where marketers have to pay per inch and per second respectively, internet marketing has no such restriction on the size of the ad so marketers can have flexibility in choosing the content of ad as there is no space limit for internet marketing.

5. REVIEW OF LITERATURE

According to the Internet competencies, Internet marketing strategies can be divided into five categories: Transactional, Profile, Customer-oriented, Relationship, and Knowledge strategies. Choosing and implementing any category of strategies depends on the degree of internet competencies (informational and relational) that a firm has. When both are high, proper internet marketing strategy seems to be knowledge strategies; and when both are low, transactional

internet Keywords: Internet marketing strategies, Relational competency and Informational competency. The Internet and Information Revolution has created fundamental shifts in business and consumer behavior similar to the changes made by Industrial Revolution. The emergence of the Internet seems to be analogous to the advent of the printing press or the railroads, which changed monetary, communication and exchange platforms. Similar evolutions took place with the introduction of automobiles and telephones that reduced the need for channel immediacy.

The use of Internet has become increasingly popular in recent years, where the cost of accessing and building on Internet and web site is relatively low [Ranchhod et.al, 2000]. Companies employ the World Wide Web to gather and disseminate information to and from actual and potential customers and increasingly for end-consumer business transactions through electronic commerce [Romano, 2002]. As McFarlane (1984), Porter and Millar (1985) and Cash and Konsynski (1985) explained; Since the beginnings of the computing era, Information Technology [IT] has suggested that the implementation of computing technologies would have a serious positive effect on the enterprise. These authors assert that Internet technology may serve as a strategic tool, which has a potential effect in any of porter's competitive strategies [Obra, et.al, 2002]. Some of the research results do not entirely support the academic literature which assumes to be a net positive effect of the Internet on the competitive advantage of the enterprise [Obra, et.al, 2002].

According to resource-based Theory, Internet technology could not be as a source of sustainable competitive advantage, because Internet is imitable and it is not rare. Therefore, companies must identify their competitive advantage and then develop an Internet marketing strategy for success in the Internet markets. The authors believe that companies should understand their core competencies in the Internet markets then develop their Internet marketing strategies. Internet is a tool for marketing and creating competencies, and it could not be a competency or source of sustaining competitive advantage itself becoming increasingly critical to the success of business firms. The Internet is becoming such a pervasive tool that every company will be using it in some way or another in a few years. It is a powerful tool that a business can use to obtain a competitive advantage. It offers many opportunities for businesses to grow in sales and reduce costs. According to the American City Business Journal, small businesses that use the Internet have grown 46 percent faster than those that do not (Howard, 2002).

Some of the major changes brought about by the Internet can be seen in the way we purchase products and services, obtain information, and conduct our banking. Customers can quickly find product and price information and obtain advice from a wide variety of sellers. Online visitors can check product availability, place an order, check the status of an order, and

pay electronically. The use of the Internet empowers customers because they can go on the Web and quickly find out where to get the lowest prices for a particular product or service. Consumers benefit from the Internet because it reduces search costs for products and product-related information. E-tailing increases competition by pitting local against national and international competitors (Quelch and Klein, 1996). Business organizations will not survive the Internet era unless they change the ways in which they conduct their business. However, there has been a tremendous amount of hype about ecommerce. The truth is that despite the changes brought about by the Internet, e-commerce is based on the same fundamental principles that have governed businesses for thousands of years (Howard, 2002). Yet a lot of businesspeople view it as something completely new that requires a new way of doing business. Success in the Internet age is about learning the new rules of business while not giving up on the basic business principles. Many Internet-based companies fail because they were built on business models that had no chance of ever making a profit (Howard, 2002). While the Internet has become an indispensable tool in marketing, many marketing managers do not understand how to integrate the Internet in their marketing strategy.

6. RESEARCH METHODOLOGY

This research paper is based on the responses obtained by respondents who shop online. The primary data was collected, using a structured questionnaire with an objective to understand the perception, of the respondents towards online shopping. The questionnaire was served to 400 respondents which serve the primary data conducted during July-September 2017 in metros. The secondary data was gathered through various online sources.

DATA INTERPRETATION AND RESULT ANALYSIS

TABLE 1.1: Analysis of favorite information sources internet marketing available to consumers

Quality	Worst	Not good	Natural	Very good	Best
Direct communication from E-com Websites	3.0	1.5	9.0	31.3	39.0
Ads and Banner marketing	3.8	21.0	23.8	24.0	17.8
Email marketing	4.0	9.0	47.3	19.3	14.8
Social Media Marketing	9.0	6.5	53.0	18.3	10.8
Referred by Friends and family	6.5	3.0	52.3	30.3	5.8



Fig. 1.1: Analysis of Favorite Information Sources Internet Marketing Available to Consumers

As we already know that the internet marketers are using different strategies to attract consumers, through table and figure 1.1 we can clearly identify the favorite or most convenient source of information on different products and services available on internet or digital space. Most of the consumers (70%) preferred going direct to respective website know their offerings, which they felt the most convenient way of knowing all the offers to compare them; Second preference the consumers were giving to Ads and banner marketing (42%) then email marketing (34%) and thenreferenced of friends and family (36%) and Social media marketing (29%); that means consumers were trying to use all the available sources to get information on their preferred product or services.

TABLE 1.2: Respondents Satisfaction Measurement about Online Purchased Product Quality

Satisfaction	Miserable	Somewhat Satisfied	Satisfied	Very Satisfied	Delighted	No response
Overall product quality	12	68	74	69	96	81
Variety of products	26	56	69	86	92	71
Price of the products	112	96	22	77	56	37
Other added costs like shipping or delivery charges etc.	123	96	26	56	63	36
Automated Search and information presentation	23	32	36	82	65	162
Installation or First use experience	10	6	78	12	11	283
Usage Experience	26	12	20	6	12	324
After purchased Services (like: - warranty, repair, return, replace exchange etc.)	68	34	75	12	5	206

Measuring the satisfaction of consumer can give us the clear idea about their perception whether they feel that internet marketing is improving their life and helping them to overcome the challenges of modern life style; so the researcher first asked about overall product quality there was no big variation in answer except miserable status i.e. only 12 people says but rest of 388 people were in category of

somewhere satisfied, satisfied, very satisfied, delightful and not comments. Researcher assumed that if respondents arenot in negative like miserable are consider positive if they do not give any answer like no comment category in minimum variation but if variation increasing a huge range may consider in negative. Moreover in variety of product; Automated Search and information presentation; Installation or First use

experience; Usage Experience; 26, 23 and 10 people said the miserable category about online purchase product quality. When researcher asked about Price of the products; other added costs like shipping or delivery charges etc.; maximum 112 and 123 people said that miserable condition.. Automated Search and information presentation; Installation or First use experience; Usage Experience; after purchased Services (like:

- warranty, repair, return, replace exchange etc.) the maximum 162, 283, 324 and 206 people no commented about after purchase product quality and its services. That showed that 40% minimum and 80% maximum people not responding any comment about online purchase uses experience and after purchase services etc. table 1.2 and figure 1.2 explain same respectively.

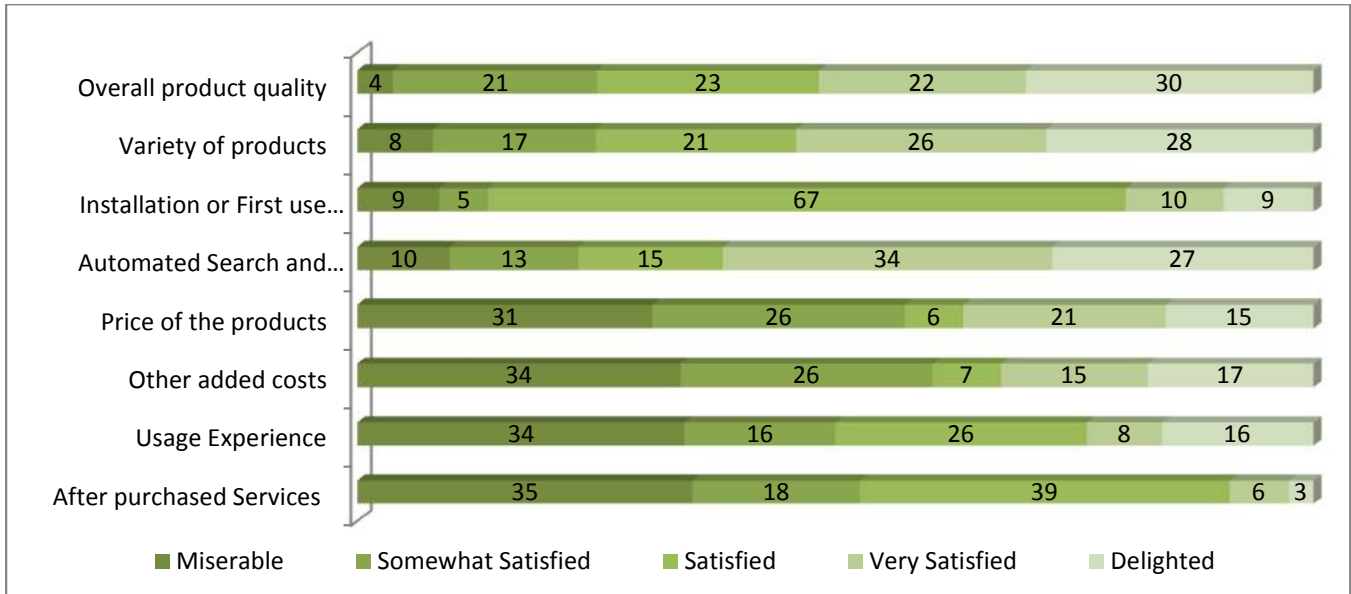


Fig. 1.2: Percentage of Respondent's Satisfaction Measurement about Online Purchased Product Quality

TABLE 1.3: The Measurement of Attributes Linked with Product Performance are important

Importance	Not Imp.	Not so imp.	Somewhat Imp.	Imp.	Most Imp.	Cannot say
Overall product quality	12	17	40	109*	216*	6
Variety of products	36	75	56	112*	114*	7
Price of the products	89	96	113*	56	26	20
other added costs like shipping or delivery charges etc.	189*	102*	35	36	35	3
Automated Search and information presentation	221*	56	39	46	36	2
Installation or First use experience	30	26	49	181*	109*	5
Usage Experience	53	61	85	97	99	5
After purchased Services (like: - warranty, repair, return, replace exchange etc.)	12	26	97	132*	131*	2

The table 1.3 explains the reality check of product performance is important or not. Here researcher had asked various points like not important not so important; somewhat important; important and most important. We had a category like cannot say for those respondents are confused or not need to give any comments. The table explains that Overall product quality; Variety of products; Installation or first uses

experience; after purchased services (like: - warranty, repair, return, replace exchange etc.) are important and most important for the respondents but price of the products; other added costs like shipping or delivery charges etc.; automated search and information presentation are somewhat important; not important; and not so important category respectively.

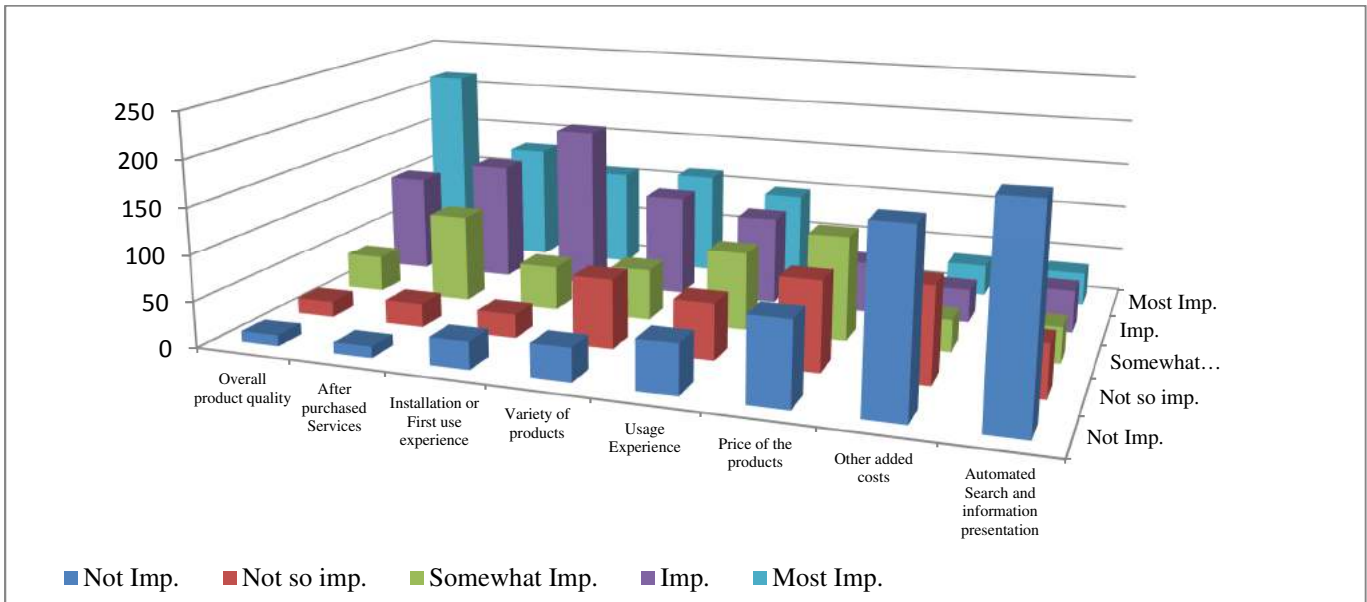


Fig. 1.3: The Measurement of Attributes Linked with Product Performance is Important

To get the very-very clear idea of consumer perception on internet marketing researcher had compared the two tables that were the factors table which explained percentage of the importance in consumer mind and second table that mapped the percentage of satisfaction on those factors. Refer to figure 1.4, it clearly showed that internet marketers had passed the consumer test in all these expectations except three these are “After purchase services” where the importance meter is showed that it is 66% important to consumer but consumer were only 9% satisfied, “Installation or first use experience” where the importance meter is showed that it is 73% important

to consumer but they were only 20% satisfied and “Usage experience” where the importance meter is showed that it is 50% important to consumer but they were only 24% satisfied; where the new age consumers were finding themselves hesitant in using the internet marketing media to satisfy their day to day needs this is the main reason where the consumers were not able to shift themselves over internet completely but researcher was sure that internet marketer will definitely solve these problems by altering their new strategies for marketing their products.

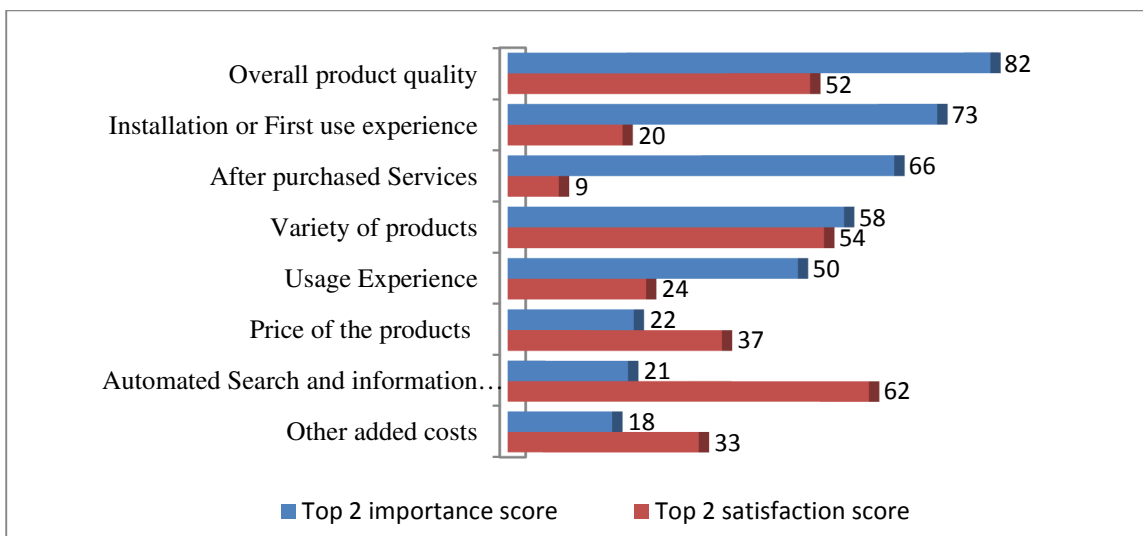


Fig. 1.4: Comparison of Percentages of Satisfaction Factors and Factors of Importance

7. CONCLUSION

The present study concluded that, internet marketing is making its strong way in the consumer's lives and innovating many strategies to attract consumers; Most of the consumers are use the online marketing not only to buy the product but also to compare prices and features of product. It is essential for the online marketers to understand the customer perception towards the online marketing. This study throws light on the customer perception which is very positive and consumer are adopting internet marketing as a daily needs but still there are areas which could be improved in the current scenario of internet marketing.

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