

---

## A STUDY ON E-PROMOTIONAL ACTIVITIES OF ONLINE SHOPPERS IN CHENNAI

**Dr.S.Subramanian<sup>1</sup>,**

Head i/c, School of Management Studies  
Tamil Nadu Open University

**Ms.R.Monisha<sup>2</sup>**

Research Scholar  
Tamil Nadu Open University

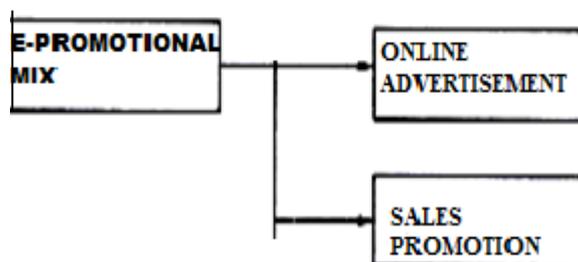
### ABSTRACT

*The major activities of any Marketing Function in any business are promoting the product to their customers. Promotional activities are always drawn up based on the sales strategy combined with the nature and composition of the market. When it comes to the E- promotional strategy, the need for online advertising remains the same as it is for the conventional sales. Internet advertisement can reach every global market and so it influences offline sales too. Sales promotion is any initiative undertaken by an organisation to promote and increase its sales, usage or trial of a product or service. The need for promotion arises from the intensity of competition, both sales promotion-the short term incentives to purchase the product as well as advertisement-need for purchasing the product is needed for growth of the product. The study focuses on which form of promotional activity influences the users, to buy the product.*

*Key words- E- promotional, Internet, online advertising, sales promotion*

### INTRODUCTION

E- Promotional activities are action focused marketing strategy; Internet is one medium that transfers the power of information to the users. Online promotions help to find more potential buyers. Two major ways are possible in online promotional activities I.e. advertising & sales promotional activities. Online advertisement is a tool which uses World Wide Web to convey its intended message to the target audience. Sales promotion is an effective way to communicate to the present & capable buyers by effective blend of various components such as Discounts, Extra, Coupon, and Contest to persuade the customer buying activity.



### E-ADVERTISEMENT & SALES PROMOTION

Online advertisement & sales promotion has become a vital role for marketers by using various factors of it. This form of e-promotion helps to achieve a greater audience level when compared to the traditional media enabling the platform at a wider range for the intended audience. The types of online advertisement are as follows.

1. search ads-advertisement placed on web page by using key words resulting from queries put forth
2. Display ads-various formats & contents are delivered through a rich media.
3. E-mail ads- the copy of the advertisement either send as mail or the portion of it as message.
4. social media ads- using Face book, Twitter, LinkedIn, you tube; text links the intended message is delivered
5. Video ads-any form of online advertisement which comprises video in it. Steam ads, true view ads by Google are trusted commercial ads.

The different types of sales promotional tools are

1. Discounts –a small deduction in the prices are given it can either be cash or credit discounts to the customers
2. Extra –value addition to your product at regular prices which helps to make the product list among the top products
3. Gift –outside the product a big box to boost the sale
4. Coupon-ticket with the coupon code embossed in it for cash discounts made during purchase of product.
5. Contest –a pinch is added to the advertisement & make the audience participate in the contest activity to make the product reach in the hands of the target customers

## **OBJECTIVE OF THE STUDY**

1. To know which form of e-promotion is preferred by internet users.
2. To find out the factors of online promotions that helps in choosing the product.
3. To examine the effect of e-promotion in building up relationship with customers.

## **LITERATURE REVIEW**

George S. Low, et.al <sup>1</sup> investigates the antecedents and outcomes of brand managers' advertising and sales promotion budget allocations by adopting a bounded rationality perspective. Based on survey data collected from 165 higher advertising (vs sales promotion) allocations & revealed that brands with higher budget allocations to advertising, relative to sales promotion, tend to have more favorable consumer attitudes, stronger brand equity, and higher market share increases and profits.

Minjung Park, et.al <sup>2</sup> examines the effect of brand name and promotion on consumers' perceived value, store image, and purchase intention. Factorial design was conducted and completed by 392. Brand name had a positive effect on consumers' perceived store image and promotion positively influenced consumers' perceived value. There were positive relationships among perceived value, store image and behavioral intention.

Jennifer Rowley, <sup>3</sup> explores the role of promotion in the information marketplace. Promotion has a key role in determining profitability and market success and is one of the key "Four Ps" of the marketing mix. The tools that can be employed in the promotional mix include: advertising; direct marketing; sales promotion; public relations and publicity; personal selling and sponsorship. Also reviews the stages in the design of communications strategies and thereby explores concepts such as target audiences, marketing messages, communication channels, and promotional budgets and monitoring promotional performances.

DelVecchio, et.al <sup>4</sup> attempts to provide insight on the effects of sales promotions on brand preference by integrating results from 51 studies on the subject talso suggests that, on average, sales promotions do not affect post-promotion brand preference. However, depending upon characteristic of the sales promotion and the promoted product, promotions can either increase

or decrease preference for a brand. The empirical results provide insights for crafting promotion strategy and for understanding the process by which promotions influence brand preference.

Gupta, et.al <sup>5</sup> proposes a method for such a decomposition whereby brand sales are considered the result of consumer decisions about when, what, and how much to buy. The impact of marketing variables on these three consumer decisions is captured by an Erlang-2 inter purchase time model, a multinomial logic model of brand choice, and a cumulative logic model of purchase quantity. The models are estimated with IRI scanner panel data for regular ground coffee. The results indicate that more than 84% of the sales increase due to promotion comes from brand switching (a very small part of which may be switching between different sizes of the same brand). Purchase acceleration in time accounts for less than 14% of the sales increase, whereas stockpiling due to promotion is a negligible phenomenon accounting for less than 2% of the sales increase.

### **RESEARCH METHODOLOGY**

The research methodology used for this study is Descriptive Research. This type of research deals with both the composition of a group in such terms as income, gender, age and education and the characteristics of group members in regards to both current and future behavior.

#### **Sampling**

In order to analyze the objectives, research samples consisting of 300 internet users in Chennai were taken. Convenience sampling method was used by the researcher and the samples were randomly selected.

#### **Data Gathering**

Primary data was collected using a well structures questionnaire. A pilot survey was conducted and questionnaire was modified based on feedback of the survey.

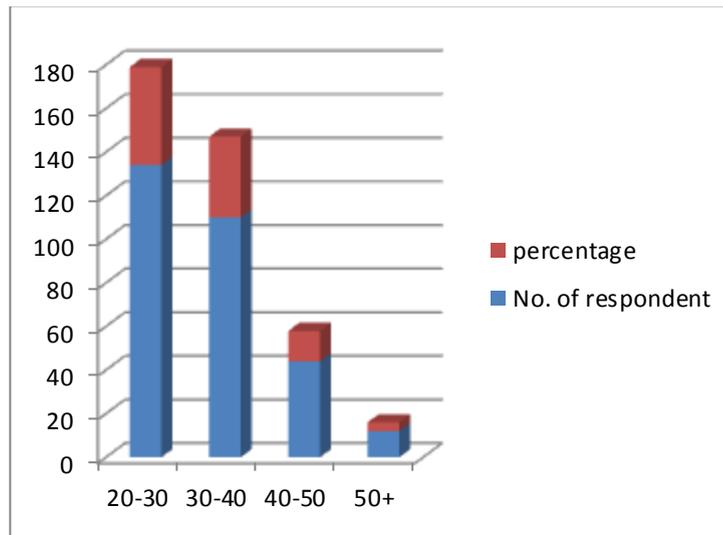
#### **Limitation**

The research and survey were limited due to a specific time period only. The research was intended for the selected internet users in online advertising industry which cannot be generalized for the entire industry.

### **ANALYSIS & INTERPRETATION**

Table 1 Demographic description of the sample

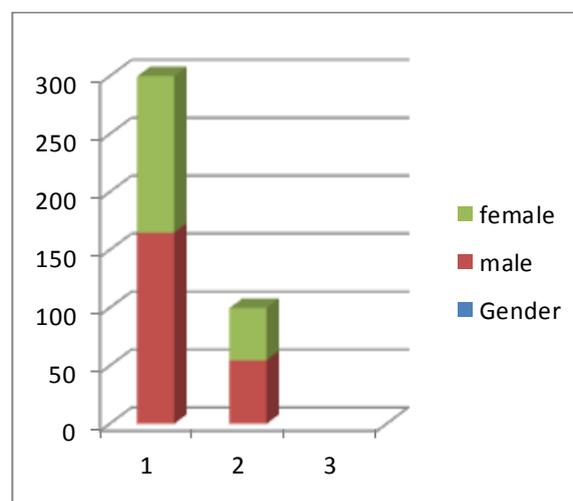
Age	No. of respondent	percentage
20-30	134	45
30-40	110	37
40-50	44	14
50+	12	4
Total	300	100



Inference: It is noted that people of age group 20-30 is been influenced by the sales promotional activity in the buying behavior activity.

Table 2

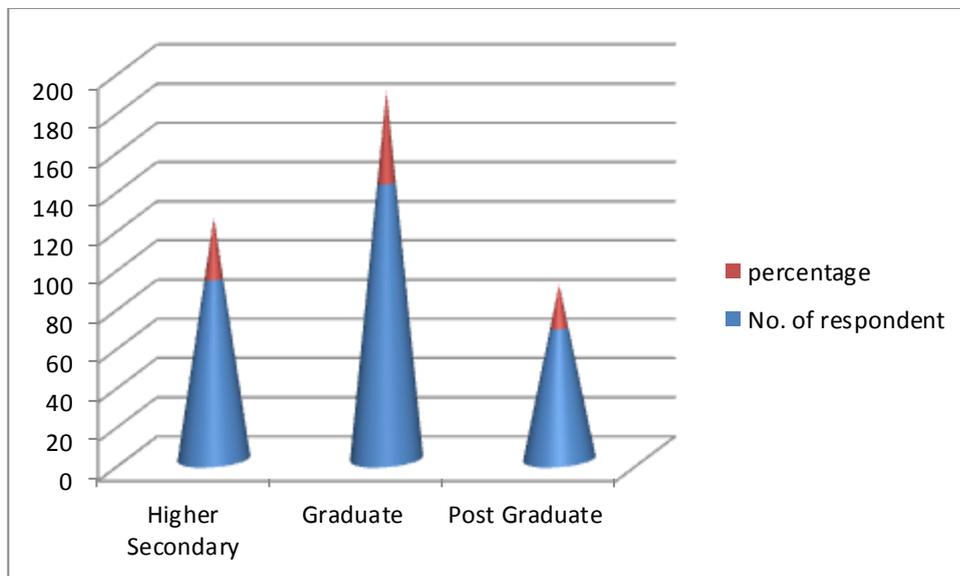
Gender	No. of respondent	percentage
male	165	55
female	135	45
Total	300	100



Inference: The above table shows that 55% of the male doing online shopping prefers e-promotional tools.

Table 3

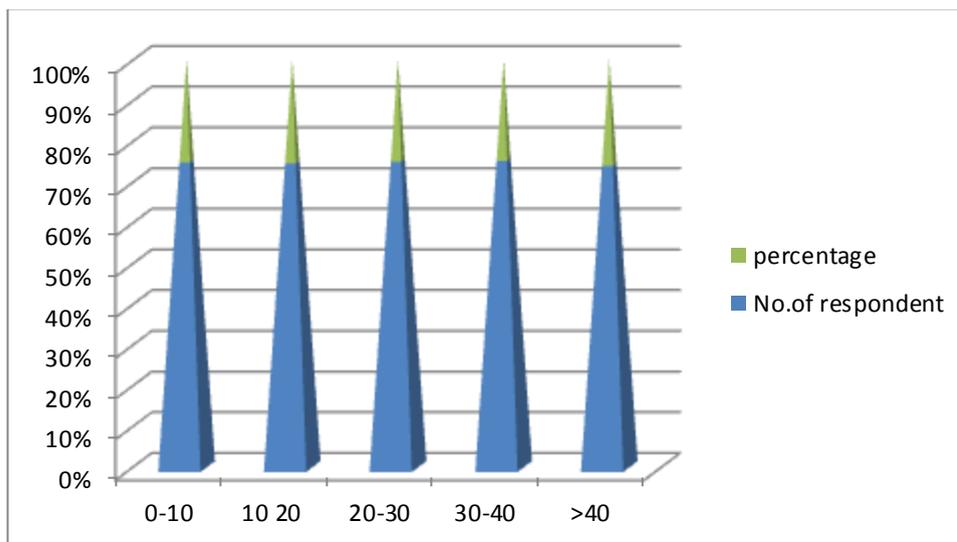
Education	No. of respondent	percentage
Higher Secondary	92	31
Graduate	141	47
Post Graduate	67	22
Total	300	100



Inference: Graduate by education is convenient in building a relationship with online sellers through sales promotional activities.

Table 4

Income	No. of respondent	percentage
0-10	48	16
10-20	95	32
20-30	88	29
30-40	46	15
>40	23	8
Total	300	100

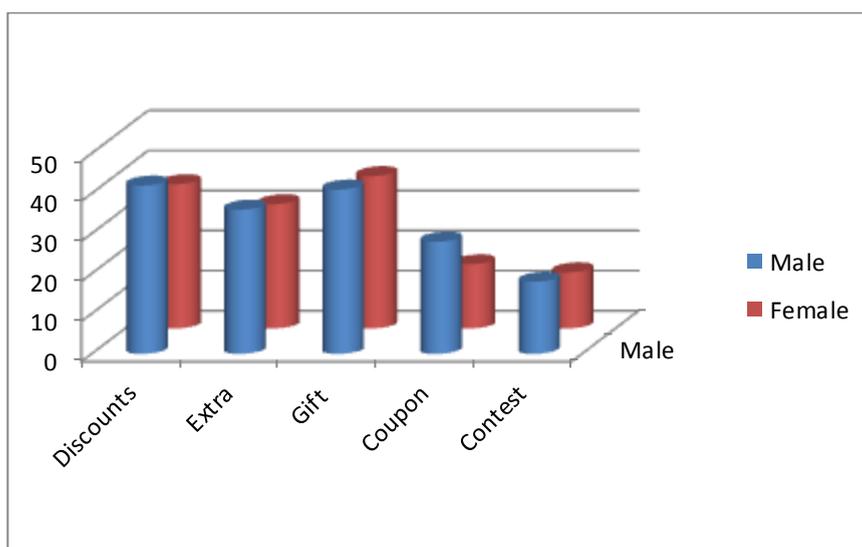


Inference: online shoppers with the income level range 10-20 are the prominent in shopping influenced by promotional tools with 32% of the respondent .

Hypothesis H02- There is no significant difference in the consumer’s response to give preference for the selected sales promotion tools

Customer Preference for different Sales Promotion Tools

Gender/Sale promotion	Male	Female	Total
Discounts	42	36	78
Extra	36	31	67
Gift	41	38	79
Coupon	28	16	44
Contest	18	14	32
Total	165	135	300



In above mentioned chart we can see the response of customer giving preference to different sales promotion tools.

$\chi^2$  calculated - 34.03

$\chi^2$ critical- 9.588 ( $\alpha= 0.05$ ) (DOF-04)

Result: - Calculated value is greater than critical value therefore the  $H_0$  is rejected it show that there are significant difference in giving preference to different sales promotion tools.

### **FINDINGS**

- It is noted that people of age group 20-30 is been influenced by the sales promotional activity in the buying behavior activity
- It shows that 55% of the male doing online shopping prefers e-promotional tools.
- Graduate by education is convenient in building a relationship with online sellers through sales promotional activities.
- online shoppers with the income level range 10-20 are the prominent in shopping influenced by promotional tools with 32% of the respondent
- Customers giving preference to different sales promotion tools to shop online

### **CONCLUSION**

Internet has become major source of information consumption, which has replaced media such as the radio, television and the newspaper because of its mass availability and its instant access. The study helped to discover that e-promotional are more popular and are widely spread among internet user which influence in the buying behavior of the users. Since sales promotion strategy serves as a major determinant in choosing the product through online mode, building up a good repo among the customers.