

# Impact of Online Marketing on Consumers in Today's Fast and Busy Life in India

Sandip Roy Chowdhury<sup>1</sup> and Dr. R. Venugopal Rao<sup>2</sup>

Research Scholar<sup>1</sup>

Associate Professor<sup>2</sup>

Gandhi Institute of Technology and Management University, Visakhapatnam

**Abstract:** *It has been seen in last few years that the importance and need of online marketing has become very popular. The concepts of online marketing consist with internet and purchase of goods and services through internet. Here we will explain different advantages and disadvantages relating to on line marketing in India. It will also help to explain the causes of popularity and hindrances relating to this kind of marketing in present days. Nowadays people are always very busy with their job and job related timings and as they do not get so much free time to choose their preferred products going to the market, naturally the need of on line marketing has increased by leaps and bounds in present India.*

**Keywords:** On line marketing, Flipkart, eBay, Amazon, Snap deal, Alibaba, Zomato, Sweegy.

## I. INTRODUCTION

Naturally we purchase products by going to the markets or sell products also by going to the market. All these transactions are being done either from physical shops, retail stores or from shopping malls where both sellers and buyers can meet physically to do their transactions. Usually in case of product purchase the customer visit a shop physically and select his preferred product then make the payment to the seller either in cash or through debit or credit card system. But during last few years the concept buying and selling has changed the entire scenario of marketing concept. With the introduction of e-commerce system a major portion of commercial transactions are being carried out electronically. E-commerce has opened a new door of communication which has changed the entire way of selling goods, foods and service provisions. Today a customer can avail several options to purchase his expected desired goods, foods and providing services without moving anywhere or visiting any shops. This is being possible for abrupt expansion and utilisation of online marketing. Basically online marketing shows how to buy and sell different goods, foods and services with the help of web technology.

In case of purchasing and selling of any goods, foods and services through online marketing process, a customer or consumer must follow some systematic simple steps:

- First of all he or she will have to open the particular online marketing website in computer or android mobile phone which has internet connection. For example, [www.flipkart](http://www.flipkart.com), [www.zomato](http://www.zomato.com) etc.
- Then the customer or consumer has to choose the desired product or food from among large number alternatives which are available online site.
- After that he or she will have to provide the delivery address to the site.
- Lastly at the time of delivery customer has to make payment either through online account or through debit or credit cards (he/she can also do cash payment).

## II. OBJECTIVES OF THE STUDY

- The study is required to see the different advantages enjoyed by the consumers through online marketing
- To get a proper scenario of different online portal circulated organisations
- The study is also required to see the different disadvantages enjoyed by the consumers through online marketing

- The study is required to concentrate on the different difficulties behind actual growth of online marketing in India
- The study is also needed to know the popularity of online marketing in India

### **III. WORLD WIDE PICTURE**

The global e-commerce market size was estimated at \$9,093.6 billion in 2019 and is expected to reach \$27,147.9 billion in 2027. The global e-commerce market is expected to grow at a compound annual growth 14.7%. With the launch of Flipkart Global, Flipkart has enabled sellers on its marketplace to export globally. Through Flipkart Global, international buyers from over 35 global eBay platforms will gain access to Flipkart's vast product listings.

In 1994 'Amazon' the world's largest online marketing store formed with its head quarters in Seattle, Washington. It was founded by Jeff Bezos. The company provides on line marketing services throughout the world with the help of its 183,100 employees. Today Amazon sells almost all kind of products like- all kind of electronic gadgets; different kind of furniture, automobile parts, books, garments etc.

"eBay" was founded by Pierre Omidyar in 1995 with its head quarters at San Jose, California. It is one of the major and popular online marketing stores. It is one of the major American multinational corporations. This organisation has more than 34,600 employees and sells goods and services online in major parts of the world. Like Amazon, eBay also sells electronic gadgets, different kind of furniture, automobile parts, sports items, gems and jewellery, books, all kind of automobiles like cars, motorcycles, garments etc.

Some brands have grown exponentially since their inception. Zomato is one of them. Zomato is an Indian restaurant aggregator and food delivery start-up founded by Pankaj Chaddah and Deepinder Goyal in 2008 at DLF Phase v of Gurugram, Haryana. When Zomato launched, it aimed to be the best restaurant search and discovery platform. It had the names of various restaurants, their menu, their prices reviews and other details. It provided in-depth information of over 1.4 million restaurants across 24 countries and in more than 10,000 cities. Up to 2019 its revenue collection was \$206 million. It has more than 5000 employees. Over the year, it has converted itself into an online food delivery platform. People can now order food from the restaurants near them using their app or website. Zomato has delivery executives who pick up the order from the eatery and deliver it to the address provided by the customer. The target audience includes people between 18 to 35 years of age who have access to smart phones and are comfortable in using apps.

### **IV. INDIAN CONDITION**

In 2007 Sachin Bansal and Binny Bansal established an Indian online marketing company named "Flipkart". The target of this company is providing online shopping services throughout India. The headquarters of this company is in Bangalore, Karnataka and it has more than 33,000 employees. The company deals with all kind of day to day products consisting with automobile parts, vehicles, electronic gadgets, all kind of garments, kitchen, dining products, stationeries, sports items etc.

Flipkart Global leverages the retail e-commerce export capabilities of eBay India, which became part of the Flipkart Group in April 2017. Through this programme, sellers can list their inventory across more than 35 global platforms. Sellers on Flipkart can now leverage the retail e-commerce export capabilities brought in by eBay India. In April 2017, Flipkart had announced that eBay India had joined the Flipkart Group.

Through the Flipkart Global programme, Flipkart's 100,000 – plus sellers will have an opportunity to export their products to buyers in over 190 countries. The Flipkart Global programme enables sellers across India to reach over 171 million active customers of eBay globally. As a part of the launch, all 25,000 retail export sellers on eBay India will migrate to Flipkart Global. The retail e-commerce export market in India is estimated to be worth around \$2 billion by 2020 (according to an IIFT-FICCI study). Flipkart Global will empower Indian sellers to take advantages of this great opportunity.

There is another popular online marketing store at present named "Snapdeal" which was started by Kunal Bahl and Rahit Bansal in 2010. This is completely an Indian company with staff strength more than 5000 and its head quarters is

situated at New Delhi. The company deal with more than 10 million products and more than 100,000 sellers sell these products to the consumers of more than 5000 cities and towns throughout India. The company also deals with all kind of day to day products consisting with automobile parts, vehicles, electronic gadgets, all kind of garments, kitchen, dining products, stationeries, sports items etc.

#### **V. BENEFITS OF ONLINE MARKETING FOR CONSUMERS**

In today's world online marketing have lot of benefits relating to the need of the consumers and that can be like –

- **Many choice options relating to the goods and services** – It is seen that there are lots of manufacturers and sellers who are attached with online marketing. These manufacturers and sellers supply these goods and services to different kind of customers to different locations of the country through a single line of operation. Here the consumers can choose their preferred products from different range of options available from these kinds of online stores.
- **Opportunity of having 24x7 marketing** – As the total system run through on line and as today service gets the maximum priority so naturally trading organisations are providing 24x7 marketing concept relating to online marketing concept. Here customers get services throughout the year even in all kind of holidays.
- **Saves time and physical labour of the customers** – With the implementation of this kind of marketing in present days customers and consumers don't have the requirement of visiting different shops to purchase of their desired products. Here they can get their products by staying at home by selecting the particular portal and giving order of the product using online services in any time of the day. In this case to do this kind of marketing, customer or consumer has to select his or her preferred product on the web, provide the delivery address to the online site and make the payment either through online account or through debt or credit card or in cash after or before delivery of product.
- **Extreme area coverage** – Online marketing has enough opportunity and possibility of market coverage which is not possible through traditional marketing process. Through online marketing the marketer can reach to huge geographical areas. In today's world a customer or consumer can have their products staying at home by giving online order of their needed product from any corner of the country if there is the availability of internet connection in their Smartphone.
- **Availability of products at low price** – As we all know that there is no requirement of retail and wholesale shops in case of online marketing process as a result of it investors' investment in fixed assets requirement is very low and so the cost of the products decreases. The online product suppliers can supply the products at low cost to the ultimate consumers.

#### **VI. HINDRANCES OF ONLINE MARKETING FOR CONSUMERS**

Everything which is prevailing in the economy having some sort of advantages must contain with some other kind of disadvantages. Likewise through online marketing there are some sorts of disadvantages also exists. The major hindrances which the consumer or customer faces through online marketing are –

- **Lack of trial option before purchase** – In case of traditional shopping we often see the customer or the consumer has the opportunity of having trial of preferred product before purchase but in case of online purchase we don't have that kind of opportunity and most of the cases it become a problem to the customer or consumer. It is mainly seen in case of garments or some other kind of products. The consumers don't have the opportunity of try and touch of the products before final purchase.
- **Difficulty in handling the system by the illiterate people** – As in case of giving order of products, handling online payments for the purchased products, choosing the products according to the requirements of the consumer or customer enough knowledge and education is required so it not possible for the illiterate people to handle online marketing abruptly.
- **Difficulty in purchase for fragile products** – There are several food and eatable products like eggs, milk etc. and other kind of service products also which are very sophisticated and fragile cannot be purchased through

online. Most of the online marketing organisations do not take the responsibility to supply or sell perishable products.

- **Inappropriate for the remote rural people** – In most of the cases it has been seen that people who are living in the furthest rural areas where population density is very less and doesn't have proper internet connection, the opportunity of online marketing is very less or almost nil. As online marketing is mainly urban or semi urban based so the organisations do not bother about the irregular and minimum order from those remote areas. As the supply cost become very higher than the original product cost so naturally the companies do not show any interest to supply products to rural areas.

#### **VII. MAIN ELEMENTS FOR ONLINE MARKETING IN INDIA**

India had nearly 700 million internet users across the country. This figure is projected to grow over 974 million users by 2025, indicating a big market potential in internet services for the south Asian country. In 2013 the worth of Indian e-commerce market raised up to \$ 12.6 billion. The Indian e-commerce industry is expected to cross \$200 bn mark by 2026, growing at a CAGR of 30%, and have a market potential of 12% compared to 2% currently. The online in shoppers in India were estimated to be 35 million in 2014 and surpassed to 75 million in 2017 and it is expected to grow 220 million in 2025. Most of these come from tier two and lower cities. It is probably result of lower service costs and the expansion of the e-commerce market to include non-metro, semi-urban and rural areas of the country. The main aspects which are to be considered for online marketing in India includes –

- Due to rapid increase in the population of the country
- Availability of goods and services at a cheaper price as compared to wholesale and retail stores in the country
- Abrupt increase in the internet users of the country
- Gradual increase in the standard of living of the Indian people
- Continuous and consistent improvement in internet speed with regular use of broadband for laptop, desktop and android phone
- Availability of versatile kind of products and services as compared to traditional shops or traditional way of shopping
- Improved internet speed through 4G services all over the country and expected to have 5G services in coming days
- Massive use of smart phones among the major portion of people of the country

#### **VIII. CAUSES BEHIND THE SLOW GROWTH RATE OF ONLINE MARKETING IN INDIA**

India is the second largest country of the world in case of internet users. At present India have over 560 million internet users. If we consider population percentage of internet users then we see, India is lower than other markets like USA, UK, and France etc. The major causes behind the inappropriate and slow growth rate of online marketing in India are –

- **Poor literacy rate** – One of the major causes behind the slow growth rate of internet users in India is considered to be the poor literacy rate and lack of knowledge about using internet for online marketing. As in India the major portion of people over total population live in rural and remote rural areas and there access and opportunity of education is very poor and negligible so people of those areas have little accessibility to use and avail online marketing.
- **Lack of proper knowledge in computer education** – If anyone wants to avail the online marketing transaction then he/she must have sufficient knowledge relating to computer or handling android phone. But in India especially in the rural or remote rural areas people are not so acquainted with the system and are also worried to do any sort of digital transactions.
- **Constant network problem** – Online marketing mainly circulate in the urban and semi urban areas where internet system is quite good and people are very familiar with the online marketing system. In rural or remote rural areas we see that internet speed is very poor and interrupted and people are also not so familiar with the

system. As the internet system is not very fast so people face problems relating to giving product order and also to pay online. In India there are also several areas where broadband facilities are not available till now.

- **Fear on online payment** – People of rural areas mostly worried about paying online. As most of the rural people are not expert with the system so naturally they try to avoid this system in case of payment.
- **Slow and simple lifestyle** – Most of the rural people lead a simple and slow life. Their demand for different kind of consumer durable and non durable product is very less as a result of it their requirement for the products are also less and not essential. Therefore, due to this kind of slow and simple lifestyle they try to avoid online marketing. Although the situation has been changed to some extent with the progress of standard of living of the rural people.
- **Possibility of Hacking** – In today's world computer hackers are considered to be a major threat for online marketing and as these hackers are quite expert to hack customers data and money from their digital mode of payment so naturally the simple rural people try to avoid this kind of payment mode practically.

#### **IX. CONCLUSION**

This paper is an effort to analyse the different aspects relating to online marketing. Today's world is divided in two parts one is online marketing and other is traditional shopping and Indian people are not exception to that. Indian people are far behind than the people of developed countries till now. This paper also highlights the benefits and hindrances of online marketing for the consumers and customers. As the consumers get several advantages through online purchase by saving their time, labour, money, different variety of products etc. then on the other hand till now many people of India are confused, worried, cannot cope up with the system. With the huge circulation of online marketing the consumer can enjoy their shopping staying at the home.

The other matters which have been considered here are the way of circulation and expansion of online marketing in India. There are many factors which are considered for the slow growth of online marketing in India are poor literacy rate, lack of proper computer knowledge, poor internet speed at different remote rural regions. Although with massive circulation of smart phones throughout the country, increase in tenacity of using computers, increase in the standard of living of people, use of broadband with improved speed, circulation of 4G network service, the percentage in online marketing has increased to a certain extent. It is expected that in near future the use of online marketing will increase abruptly in India and its trend has already been started. As there is no investment in physical shops so the trend and doing online business is gradually and steadily increasing day by day. Many starts up businessmen are entering in online business nowadays by opening their own portal stores.

#### **REFERENCES**

- [1]. 'ONLINE MARKETING – CHALLENGES IN FUTURE' By Anupama Nerurkar, Head of the Department & Associate Professor, Department of Commerce, L.S. Raheja College, Mumbai, Maharashtra, India (IMPACT: International Journal of Research in Humanities, Arts and Literature (IMPACT: IJRHAL); ISSN(E) 2321-8878; ISSN(P) 2347-4564 Vol. 2, Issue 4, Apr. 2014, 183-188)
- [2]. "E-MARKETING CHALLENGES AND OPPORTUNITIES" By Miss. S. Chithra Devi (Assistant professor Research centre of Commerce Fatima College, Madurai-18), Miss. S. Anitha (M.Phil Scholar Research centre of Commerce Fatima College, Madurai-18) (International Journal of scientific research and management (IJSRM); Special Issue On e-Marketing Road Ahead Of India; ISSN (e) 2321-3418; 96-105; 2013)
- [3]. E-Commerce-The cutting edge of business, Kamlesh Bajaj and Debjani Nag, Tata McGraw-Hill Publishing Company Ltd.
- [4]. "Online shoppers in India". timesofindia.indiatimes/tech. 2014-11-20. Retrieved 2015-03-25.
- [5]. <https://en.wikipedia.org/wiki/Flipkart>
- [6]. <https://en.wikipedia.org/wiki/Amazon.com>
- [7]. <https://en.wikipedia.org/wiki/eBay>
- [8]. [https://en.wikipedia.org/wiki/E-commerce\\_in\\_India](https://en.wikipedia.org/wiki/E-commerce_in_India)