Consumers' Preference and Their Buying Choice

S. Ramachandran, S. Rabiyathul Basariya

Abstract: *Today's consumers are too smart to buy their needs through various means. But before buying their needs, they go through various online sites and social media review about product performances and price. While surfing this information they can able to evaluate its real value and price advantages, since online establishment need not spend cost for showroom with staff. Consumers need not roam here and there to various shops to evaluate the product performance and its cost. Moving from one place to other is tedious journey and time-consuming part. It is also difficult to ensure their required models are available or not. Moreover, consumers can view forthcoming new models in the manufacture's site whereas these details may not be shared in showrooms. Earlier accessing internet is complicated and needs a system to view. Now this can be accessed through smart phone. The prices of smart phone were also drastically lowered. After the entry of Jio network, the cost of one GB data were brought down to Rs 15/to Rs 20/- from Rs 250/-. This could be an affordable price for the common people. With the above improvements, the smart phone usage in the country has increased and every smart phone user are in a habit of surfing the internet or interacting in the social media now and then. While so, everybody can be able to see the various products in the online markets and its review. This will provoke the user to buy the products through online. In America ToySaras and BabySaras, retail showrooms of baby products were forced to close during 2018, since most of Americans preferred to shop through online and few other retail shops are in the same stage of closing. The above situation may also be aroused to Indian Market in the near future. To know the objective of the consumers' preference and their choice, customers' voice obtained through survey may be helped to us and its findings may help the online marketers to fine tune their strategies accordingly.*

Keywords : Consumer buying habits, Consumer preference, Online marketing, Targeted customer.

I. INTRODUCTION

We live in the information era and any information can now be shared in a matter of minutes to our near and dears through internet and smart phone. We have faster internet and first hand access to information. We have social media and new age media portals. Hence vast and latest information are known to all consumers. So, anybody will understand what traditional marketing is and what online marketing. Marketing is important not only for organization but for individual,

society and economy as a whole. Financial success often depends on marketing ability. Finance, operations and other business functions will not really matter if there isn't sufficient demand for products and services so the company can make a profit. Marketing is something that affects us even though we may not necessarily be conscious of it. The users review about the product performances and problems faced during are shared in the social media now a day. The manufacturer of the product is also encouraging this customer reviews in the social media, which helps the manufacturer to modify the products to meet the customers' expectation. Now it becomes the habit of the consumers to go through this review before buying any product. Consumers preferred to buy the perishable goods and day to day requirements in the local market as these products are low cost products. Whereas for buying costly and one-time buying products they analyze the products reviews submitted by users in the social media before buying. They also compare the brick and matter market price with the online marketing price, after that they are taking their buying decision.

II. TRADITIONAL MARKETING

The four P s in Marketing are as follows.
1. Product is the marketers' primary vehicle for obtaining consumers' satisfaction.
2. Price must be reasonable so as to enable the consumer to pay for the product.
3. Place is the delivery of products at the right time at the right place.
4. Promotion consists of all activities aimed at inducing and motivating consumers to buy the product. Moreover, the selection of alternatives determines success of marketing efforts.

All the four P s are taken care in the Traditional marketing in the physical form. In Traditional Marketing is the one where the products are stocked in a showroom. To motivate the consumers through general communication method these products information is shared with consumers through word of mouth, local dailies, pamphlets, TV advertisements etc. They are mainly covered the targeted local consumers. The message generated through these types of advertisement will stay for long time in the consumers mind. Here the consumers can able to touch / feel the product performances etc.. They can clarify if doubts about product are there by face to face. They can also bargain the price and free delivery options with the showroom personals. Traditional marketing is more of providing information to public about the brand exists to attract them. However, TV / local dailies advertisements are now a day costly. Similarly, the hard copy printing and distribution to the targeted consumers are also a costly afire. If little changes happen the already printed copy cannot be useful and needs reprint.

There always some positive and negative aspects in every process. If positive aspects are superseding the negative aspects that process is feasible and if on other way it is not workable. In traditional marketing, maintaining the showrooms with necessary stocks, staff and business events are cost consuming factor. Results of these marketing tactics cannot be easily measured, i.e you cannot expect success after spending the amount for these events. Expenditure towards these events made will increase the basic price of the product.

III. ONLINE MARKETING

Now a days online marketing is trending, compare to traditional marketing and it is more cost effective one. All the four P s discussed in traditional marketing are in the virtual form in online marketing. Better result will yield in online marketing when compare with traditional marketing, since its reach is vast and with single click the information reaches many more who can access the internet. Every change that happen now and then can be easily altered instantaneously without any cost implications. You can attract the consumers with dynamic colorful advertisements through search engines with less cost. Since, above half of the population is accessing internet daily, hence, the information reaches nook and corner throughout the globe. Moreover, the earning capacity of the young generation is high as compared to earlier years and their buying behavior also changed from traditional to online due to any time any place buying can be performed. They can compare the price in alternate sources and go through the customers review about the products etc. Obliviously, the prices shall be less in online marketing, since, cost of showroom maintenance is eliminated and advertisement costs are also less. No compulsion to buy the product in online marketing even after go through any number of times viewing the product performances. Whereas in traditional marketing rejecting the buying decision in front of sale person face to face is difficult one. In the Online marketing process, leverage consumer data and customer relationship management (CRM) system are easy. It has the following advantages:

- Online marketing spectrum varies depends upon the nature of products
- Internet creative usage and technical tools available for analytics will be useful for targeting the demographic customers
- Lead based websites, affiliated marketing and local search are made ease in online marketing to widen the reach
- Huge consumers can be reached with less amount of spending on advertising budget allowing business to pick up fast.
- Online buying is more flexible in time i.e 24 x 7 and buying can be made in consumers' place itself. No need to visit the showroom to select the product.
- Multiple cheap advertising tools like pay-per-click, email, local search integration and search engines are available
- Analytical efficient statistical tools may be used online. Hence strategic decision may be taken then and there
- Products are delivered to home and damaged / faulty products may be returned from home itself

- The growth of online marketing is going on increasing YOY (Year over Year)
- Delivery system may be tracked online to know its status and arrival
- Payment can be made online, avoid physical money handing
- Improved customer service, better control and elegant communication system are other advantages
- Major online shopper had secured payment system

IV. TECHNOLOGY DEVELOPMENT

Modern business mostly depends on the technological improvements. Marketing is the process, which starts and ends with consumer. It is the prime part of business activity. Consumer needs are to be identified first and then process is to be started. Marketing requires planning, organizing, control and proper leadership. Selling focuses on volume whereas marketing focuses on consumer. Advertising is the process of reaching the consumer through a media. The goal of marketing process is to minimize the cost and maximize the revenue. Earlier, focuses were given to the product but now focus is given to customer needs. The success of the product depends on the utility and message spreading. Consumer base becomes more and more made up of individuals who primarily connect through social media, lacking a social media presence will become a major detriment to business success. Marketing business on the web is also beneficial because it creates brand recognition. Now the importance is for information and then for technology. Now the product model has changed and need model have emerged. Earlier online marketing requires computer system with internet connection. Now, the smart phone with internet connection will fulfill this requirement. Moreover, the cost of internet has also reduced from Rs 250/- per GB to Rs 15/- to Rs20/- per GB of data consumption. Most of the internet providers operate unlimited data usage with nominal cost. Hence smart phone users prefer this unlimited data utility pack. Similarly, the internet speed also increased from kilo byte to megabyte. All major internet online shoppers have developed their own apps for buying the products. By using these exclusive apps, selecting the product and buying the products made easy for users through smart phone. From the below advertisement of Google play, by downloading the app, you can discover 200 million products in just 2 sec. Now the technology has supported for easy surfing of latest information about the products in no time.

Further to boost the online shopping, big billion days sale by Flipkart and Great Online Shopping Festival (GOSF) by Amazon India will kick start the business to attract new online customers and changed their buying habits.

V. ADVANTAGES OF ONLINE MARKETING OVER TRADITIONAL MARKETING

- Shopping can be done 24 x 7 throughout the year.
- Shopping can be done at consumer's location itself with supporting system.
- It can be easy to review the users' recommendation for the product before buying.
- Price can be compared by various alternate sources.
- No completion to buy the product even after any number of visits to the site.
- Goods are delivered to door step.
- Payments can be made online.
- Online tracking can be possible to view the delivery status of the goods.
- No need for physical movement to buy the product at the designated working time.
- Promotion offers may be used online.
- Easy return of faulty material.
- Online service supports for the products are there.
- Cost effectiveness

VI. CONSUMER BUYING HABITS

Factors influencing buyers' behavior are as below:

1. Personal factors: age, income, occupation, lifestyle, personality.
2. Psychological factors: motivation, perception, learning and belief & attitude.
3. Cultural factors: culture, sub culture and social class.
4. Social factors: family, reference group, role & status.

All the above factors are more favorable for online marketing. All these factors are inbuilt in online marketing. Moreover, consumers buying habits various depending upon the nature of products they are buying.

For buying Convenience goods which are bought frequently in small quantities from shop within easy reach. E.g. Newspapers, soap, food articles, all perishable items etc., consumers prefer traditional marketing only.

For buying Shopping goods namely fashion goods and service goods, which need some time to shop around and are no need of urgent buying these products and it does not have numerous retail outlets and can be bought at buyers' convenience. E.g. Furniture, jewellery etc., consumers prefer either traditional or online marketing.

For Speciality goods that are unique and needs shopping efforts and sold in speciality shops. E.g. Fridge, T.V, electronic gadgets etc., consumers prefer online shopping over traditional marketing since price advantages are more for these products.

VII. METHODOLOGY

To know the customers' view, an objective type of questionnaire was prepared and distributed to them who are regular buyers of products in the regular physical marketing as well as through online marketing. The questionnaire was handed over and collected the filled questionnaire personally. The objective of this study is to find out the customers experience regarding their day to day shopping experience,

their preference and buying choice. The questionnaire provides the customer an opportunity to express their views and concerns which they face on a regular basis while buying through online and off line. This study will help the marketers to identify the challenges affecting buying behavior of customers / their preferences and the marketers need to formulate the future policy that further helps in customer retention. The survey reveals a number of interesting facts when we interviewed the respondents. Selected customers in tier II cities namely Madurai, Tiruchirappalli and Coimbatore in Tamil Nadu were the respondents. Let us analyze few responses, which can be taken as a strong indicator for awareness of online marketing, its popularity over time and customers preference and their buying habits.

A. Objectives of the survey

General objectives of this research are to establish the extent to which online marketing is preferences of today's customers and their buying habits. The research proposes

a) to evaluate the customer preference in the tier II cities Tiruchirappalli, Madurai and Coimbatore in Tamil Nadu
b) to analyze the pattern of customer buying habits while purchasing the products through offline/online marketing
c) to ascertain the impact customer buying habits through social media
d) to study the social media and other online marketing sites that encouraging customer involvement in sharing their online marketing preference
e) to identify and evaluate the difficulties faced by the online marketing customers
f) to offer suitable suggestions on the basis of the findings of know the customer preference and their buying habits

B. Limitations of the Study:

The data for the present survey were collected through personal interview method. Since the data collected from three tier II cities in Tamil Nadu who had purchasing experiences, the possibility of data bias exists and hence, the data collected would only be an approximation of actual facts. Consumers' preference may change in due course hence it may not be a fixed one throughout all the time periods.

### C. Areas of surfing in internet: (120 Responses)
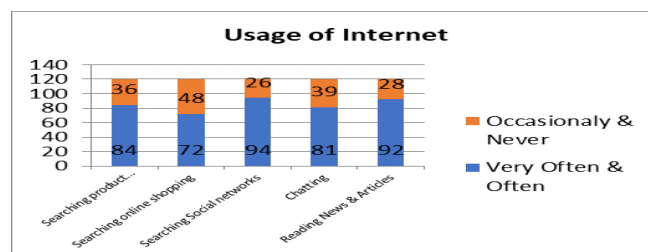
It is clear that two third of consumers preferred utilizing internet for searching for product information, online shopping, social networks, chatting and news and article reading. This indicates that majority of them aware and involve in online marketing activities apart from regular offline marketing.

## D. Consumers' buying preference: (120 Responses)
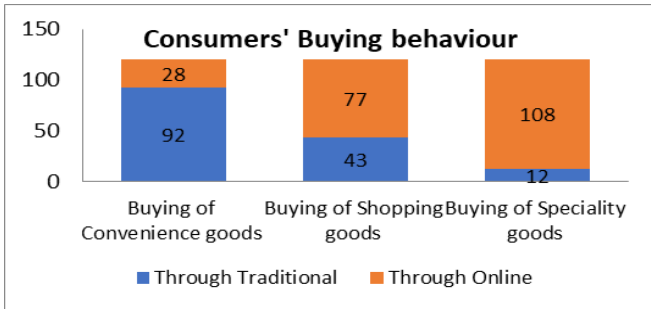
From the data, the consumer buying behavior changing depending on the nature of product. Consumer preference for shopping convenience goods is through Traditional shopping. Whereas, consumers preference for shopping / specialty goods is through Online shopping.

E. Type of Problem faced during online shopping: (120 Responses - out of 720 occasions)
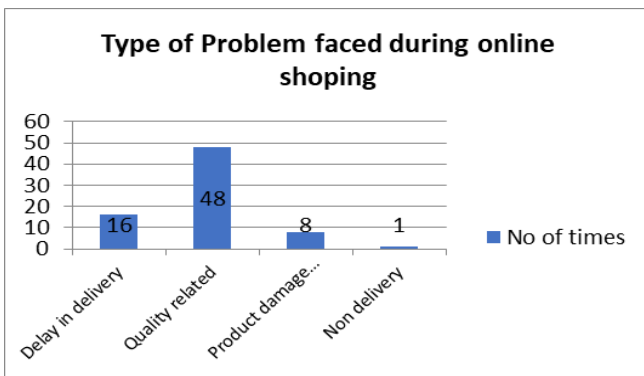
During online shopping of 120 responses @ average six purchase during last two years i.e, about 720 purchases, they faced 48 times Quality related issues, 16 times delay in delivery, 8 times product damage and 1 time non delivery. Strict Quality control and improved packaging / transportation may avoid all these types of problems. Shoppers have to improve their processes to improve consumers' preference of buying through online.

These problems will not arise in offline shopping, since customers take enough care during buying itself. Hence it is not applicable for offline buying process.

F. Number of users surfing product information in the net before buying the products through online / offline: (120 Responses)
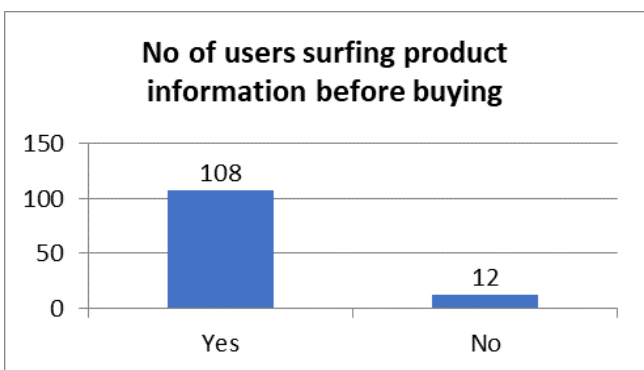
More than 90% of the respondents are surfing the product information in the net before buying. This shows they utilize all the facility in online marketing like comparing the price, alternative available in the market, users review about the

product etc.. This indicates the majority of the consumers' buying habits are changed to online buying.

G. Usage of internet for shopping: (120 Responses)
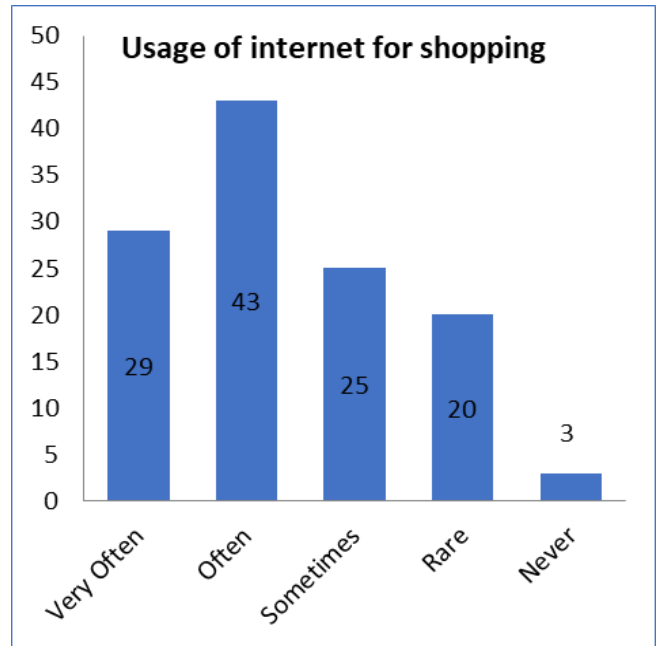
Statistics indicates that most of the respondents uses internet for shopping. This positive trend has to be properly utilized by the online marketers to retain their existing customers as well as to attract new customers.

H. Major advantages: (120 Responses)
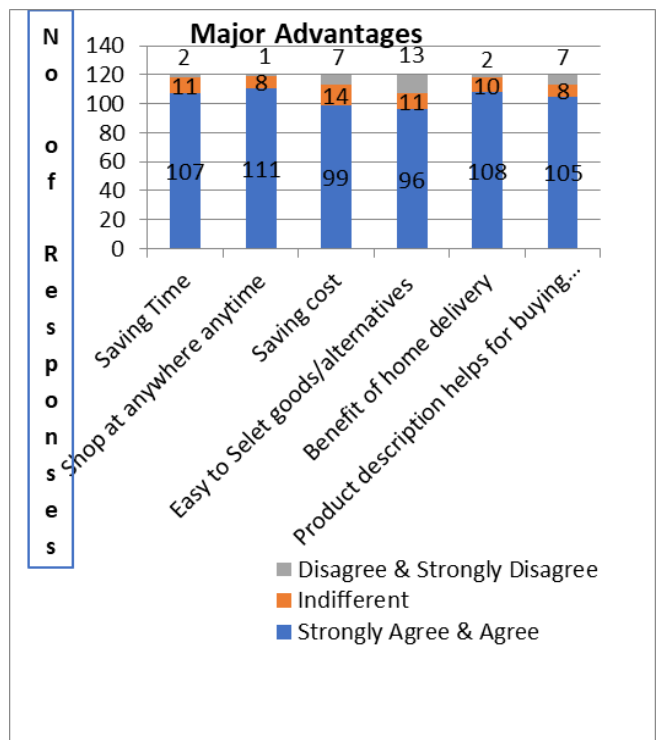
The response w.r.t major advantages given in the above graph indicates customers' view. It is a highly positive sign that show customers had obtained major benefits through online marketing and their buying habits changed.

I. Major concerns: (120 Responses)
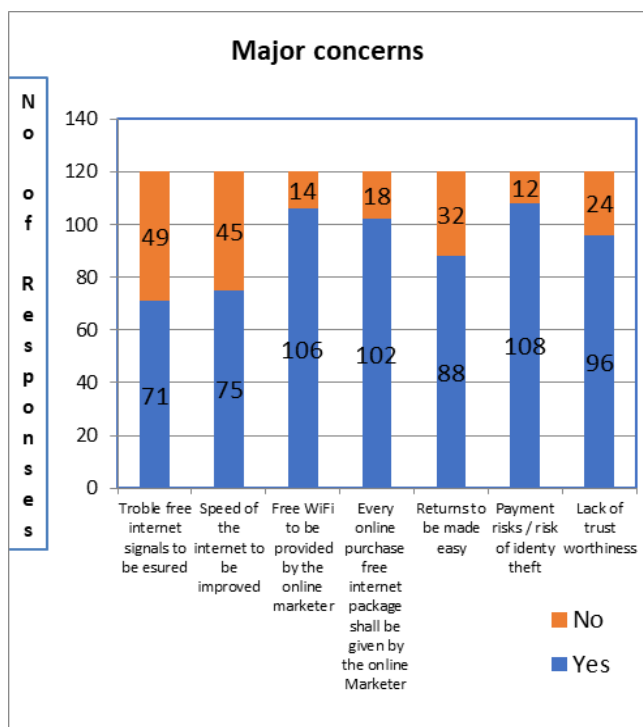
Majority of online marketing consumers are facing the following problems payment risks, returns and trouble-free internet connections. Marketers have to ensure strict product quality and flawless payment transition system to improve customers' trust. For easy return of faulty products, the companies should make the arrangement to collect at the customer doorstep. The government digital India program will improve the internet/Wi-Fi connectivity, speed and reduce the cost of wireless connection.

VIII. SUGGESTIONS

Shoppers have realized the benefits of online purchasing over purchasing from Brick and Mortars for buying the costly one-time products. Consumer purchases are mainly based on the cyberspace appearance such as pictures, image, quality information, and video clips of the product, not on the actual experience. It is much easier for customers to find substitutes from competitors on the internet. This feedback forms the basis of market identification and segmentation that enables marketers to better position their products. With the use of the Internet there can be continuous customer support. Services can be made available through interactive e-mail systems on the net.

IX. CONCLUSION

Consumers Voice:

Areas of surfing: Two third of consumers preferred utilizing internet for searching for product information, online shopping, social networks, chatting and news and article reading. It is a positive sign for online marketing.
Consumers' buying preference: It change depends on the nature of product. Consumers preference for shopping / speciality goods is through Online shopping.
Problem faced during online shopping: Out of 720 purchases, 48 times Quality related issues, 16 times delay in delivery, 8 times product damage and 1 time non delivery. Strict Quality control and improved packaging / transportation may avoid all these types of problems.

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| **Users surfing product information before buying products through online / offline:** Above 90% surfing before buying. This indicates the majority of the consumers' buying habits are changed to online buying. |
| **Usage of internet for shopping:** Most of them uses internet for shopping. This positive trend has to be properly utilized to retain their existing customers as well as to attract new customers. |
| **Major advantages:** From the customers' view, it is a highly positive sign that show customers had obtained major benefits through online marketing and their buying habits changed. |
| **Major concerns:** Majority of consumers facing the following problems like payment risks, returns and trouble-free internet connections. Marketers have to ensure strict product quality and flawless payment transition system to improve customers' trust. For easy return of faulty products, the companies should make the arrangement to collect at the customer doorstep. The government digital India programme will improve the internet/Wi-Fi connectivity, speed and reduce the cost of wireless connection. |

From the above customer voice, Companies are now using the Internet to build closer relationships with consumers and marketing partners. The growth of online marketing depends to a great extent on effective IT security systems for which necessary technological and legal provisions need to be strengthened constantly. Returns of faulty / unsatisfied products are to be made as simple to improve customers' satisfaction. For mobile users, exclusive mobile apps developed by the shoppers will be more useful. Customer relationship and cost effectiveness plays critical role for retaining the existing customers as well as to attract new potential customers to penetrate in this online marketing business module. Effective online marketing, leverage consumer data, customer relationship management (CRM) systems ensures increased customers' satisfaction. Now, with suitable modifications / strategies we can meet the consumers' expectations found through these findings. Moreover, now the online marketing has outsold traditional marketing in recent years and continues to be a high-growth industry.

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Retrieval Number: D8115118419/2019©BEIESP
DOI:10.35940/ijrte.D8115.118419
Journal Website: www.ijrte.org

3731

Published By:
Blue Eyes Intelligence Engineering
& Sciences Publication

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