

# A Study on Impact of Promotional Activities on Online Purchasing of Electronic Gadgets

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**ABSTRACT:** *Internet usage and online shopping are increasing in popularity. Consumers from different backgrounds are using online shopping to purchase electronic gadgets due to benefits such as ease of search and order, and entertainment. Previous studies on online shopping investigated the impact of promotional activities on buying behavior; the present research paper aims to verify this claim. To serve the objective descriptive research design is used and primary data is collected from 450 respondents with the help of questionnaire. Data is analyzed with the help of arithmetic mean and t-test and it has been concluded that Promotional activities by websites has significant impact on purchasing of electronic gadgets*

**Key Words:** *Online Shopping, Buying Behavior*

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## Introduction

The Internet is inherently global. It crosses national boundaries and allows consumers around the world to participate equally. Internet usage is an increasing trend through the world. Along with the upward trend in Internet usage, online shopping is becoming increasingly popular and many consumers use online shopping as an alternative shopping channel. More than 84 % of global Internet users are shopping online.

In traditional shopping condition, marketing theory thought the influencing factors of consumer behavior included culture factors (culture, subculture, social stratum), social factors (reference group, family, role and status), personal factors (age, career, economic status, life style, self-concept), psychological factors (motivation, sensory, learning, belief, attitude) and such as. Consumer purchasing decisions were comprehensive action of cultural, social, personal and psychological factors. But when we talk about online shopping the promotional activities by websites become more important. Due to heavy competition all shopping websites are trying to give maximum benefits to customers in terms of discounts, contests, loyalty points etc. So it is the need of hour to design the promotional activities of any shopping website which can attract maximum customers' base.

## Literature Review

**Hsu, S. W., Qing, F., Wang, C. C., & Hsieh, H. L. (2018)** identified that in recent years, community platforms have developed into community shopping, and have gradually become an interesting online shopping consumption model. Facebook was Taiwan's most important community platform. Web shopping was not its primary function though, but still Facebook had managed to find a way into the group-buying business. At this stage, in its logistics, the financial flows and information flows were not perfect. This study integrated a model of e-commerce information with an electronic service quality scale, and used the Kano quality model to assess the key service quality characteristics of community buying. Author found 6 attractive qualities, the most important of which was product recommendation. The key quality elements for attracting consumers were price and recommendation features, and that the group that is most attracted are 41- 50 year old female home-makers. The results of this paper provided people who participated in group-buying on Facebook with useful information on the process, as well as insights on managerial planning for the business model.

**Hidayati, L. A., & Purwantini, A. H. (2017)** examined the relationship between online flow elements on hedonic and utilitarian online shopping experience and its influence on the satisfaction that later influenced the social commerce intention. The paper sample using purposive sampling method of social media buyers who ever search information and buy online through social media as Facebook, Instagram, Twitter etc. The results of this study indicated that arousal, challenge and time distortion have favourable effect on hedonic online shopping experience, whereas tele-presence haven't significant effect. Importance, interactivity and skill positively influence utilitarian online shopping experience, while the control has no effect. Utilitarian

shopping experience influences satisfaction, whereas no significant effect on hedonic shopping experience. Satisfaction positively influences repurchase intention in social commerce.

**Zu, Q., & Wu, J. (2017)** identified that with the increasing popularity of online shopping, it has brought with its massive online customers and the growth of merchandise information data. In order to deal with the demand for huge data processing, building an analysis system of e-commerce reviews based on Hadoop software framework. The reviews of Internet commodity were chosen to be the samples of study. Choosing Naive Bayesian classification to analyze the attributed values were discrete. The classification algorithms in accordance with MapReduce parallel computing theory designed and run on Hadoop platform. Constructed the Naive Bayesian sentiment classifier, and made the classifiers on the Hadoop platform to achieve commodity reviews mining job. Result showed that it can improve the efficiency of the commodity reviews analysis by using the Hadoop distributed platform.

**Mallapragada, G., Chandukala, S. R., & Liu, Q. (2016)** explained the understanding of factors that influenced online shopping and managing customer relationships was not a trivial task for firms, considering the many pertinent factors that influence behavior, including the product being shopped (i.e., the “what”) and the context of the website itself (i.e., the “where”). This study investigated the impact of these characteristics on an online transaction’s basket value, after incorporating the role of other aspects of the browsing process including page views and visit duration. The authors estimated a multivariate mixed-effects Type II Tobit model with a system of equations to explain variation in shopping basket value, using data involving 773,262 browsing sessions resulting in 9,664 transactions across Forty Three product categories from 385 unique websites. The conclusion supported the assertions that contextual factors were associated with online browsing. For example, a website’s scope in terms of product variety is associated positively with visit durations and basket values but negatively with page views. Furthermore, a website’s communication functionality is positively associated with basket value for hedonic products. Insights suggested managerial implications involving product and internet strategies for online retailers.

**Liukonyte, J., Teixeira, T., & Wilbur, K. C. (2015)** identified that media multitasking competes with television advertising for customers’ attention, but may also facilitate immediate and measurable response to some advertisements. This research explored whether and how television advertising influences online shopping. Author constructed a massive data set spanning \$3.4 billion in spending by Twenty brands, measures of brands’ website traffic and transactions, and ad content measures for 1,224 commercials. Author used a quasi-experimental design to estimate whether and how TV advertising influenced changes in online shopping within 2 minute pre/post windows of time. They used non advertising competitors’ online shopping in a difference-in-differences approach to measure the same effects in 2 hour windows around the time of the ad. The findings indicated that television advertising does influence online shopping and that advertising content plays a main role. Action-focus content increased direct online traffic and sales. Information-focus and emotion-focus and content actually reduced website traffic while simultaneously increasing purchases, with a positive net effect on sales for most brands. These results implied that brands seeking to attract multi-taskers’ attention and dollars must choose their advertising copy carefully.

**Chen, Y., Yan, X., Fan, W., & Gordon, M. (2015)** built a research model based on a benefit–risk paradigm, and tested the moderating effects of trust propensity and gender in relationship to the impacts of perceived pros and cons of user online behavior. Results showed that gender moderated the impact of perceived benefit on one’s intention to buy. Trust propensity was found to moderate the relationship between perceived risk and overall satisfaction. In addition, author found that the interaction of trust propensity and gender played a significant joint moderating role in affecting the impact of perceived benefit on intention to buy. Men with high trust propensity belief are the most benefit oriented customer group. Implications for both research and practice were discussed.

**Wu, W. Y., & Ke, C. C. (2015)** explained that the popularity of electronic commerce was growing rapidly. However, previous studies regarding shopping online were rather fragmented in nature, and did not integrate their work into a comprehensive research framework to consider simultaneously the issues of motivation, risk, and trust. They conducted a meta-analysis to integrate the findings of previous researchers and to provide a more complete framework of online shopping behavior, based on the models of personality traits, perceived risk, and technology acceptance. Author investigated the mediating effects of attitude and trust, and the direct and indirect effects on the three models showed different outcomes. Structural equation modeling was used to establish the relationships among the influential factors of personality traits, perceived risk, and technology acceptance with regard to online shopping intention.

**Objective**

The purpose of this research paper is to check the impact of promotional activities on online purchasing of electronic gadgets.

**Hypothesis**

H<sub>0</sub>: Promotional activities by websites has no significant relationship in purchasing of electronic gadgets

H<sub>1</sub>: Promotional activities by websites has significant relationship in purchasing of electronic gadgets

**Research Methodology**

**(a) Research Design:** - To have a better understanding about the issue descriptive research design was used. To get the primary data close ended questionnaire was administrated.

**(b) Sample Design:** - 450 customers of online shopping were selected through convenience sampling.

**(c) Analysis:** - The data collected was analyzed with the help of various statistical tools like Arithmetic mean, t-test.

**Analysis & Interpretations**

**1. Demographic Profile of Respondent**

Descriptive statistics are illustrated in Table 1, which indicates demographic wise distribution of respondents. 52.4% respondents are male & majority of customers are postgraduate (47.1%). Major number of online shopping customers belongs to the age group of 20 to 40 (76.9%). Percentage of Private employees is maximum (56.7%) & 67.3% of respondents are having monthly income less than Rs. 25000.

**Table 1**

Particulars	Frequency	Percent	Particulars	Frequency	Percent
<b>Gender</b>			<b>Monthly Income</b>		
Male	236	52.4	Less than Rs. 25000	303	67.3
Female	214	47.6	Rs. 25001 to 50000	110	24.4
<b>Total</b>	<b>450</b>	<b>100</b>	Rs. 50001 to 75000	28	6.2
<b>Education</b>			More than Rs. 75000	9	2.0
Undergraduate	71	15.8	<b>Total</b>	<b>450</b>	<b>100</b>
Graduate	107	23.8			
Postgraduate	212	47.1	<b>Profession / Occupation</b>		
Other	60	13.3	Government Employee	14	3.1
<b>Total</b>	<b>450</b>	<b>100</b>	Private Employee	255	56.7
<b>Age Group</b>			Business	10	2.2
Up to 20	32	7.1	House Wife	5	1.1
20 to 40	346	76.9	Student	161	35.8
40 to 60	62	13.8	Other	5	1.1
Above 60	10	2.2	<b>Total</b>	<b>450</b>	<b>100</b>
<b>Total</b>	<b>450</b>	<b>100</b>			

**2. Impact of Marketing Tools on online Buying Behavior**

Respondents were asked to mark their opinion for the statements (Annexure 1) related to Impact of marketing tools on online buying behavior on 5 point scale starting from 5 (Strongly Agree) to 1 (Strongly Disagree). After final scoring the results received are presented in table 2. Majority of respondents (N=182, Percentage=40.44) opined that marketing tools of online shopping websites have somewhat impact on their buying behavior and the mean score (22.74) also projects the similar results. There were 3.33% respondents (N=15) who said that marketing tools do not have any impact on their buying behavior while 13.11% respondents (N=59) indicated the slight impact of marketing tool. On the counter side there were

8.22% respondents (N=37) who said that marketing tools of online shopping websites have extreme impact on their buying behavior.

**Table 2: Impact of Marketing Tools on online Buying Behavior**

Response	N	Percentage
No Impact at All	15	3.33
Slight Impact	59	13.11
Somewhat Impact	182	40.44
Moderate Impact	157	34.89
Extreme Impact	37	8.22
<b>Total</b>	<b>450</b>	<b>100</b>
<b>Mean Score</b>	22.74	
<b>S.D.</b>	5.81	
<b>Result</b>	<b>Somewhat Impact</b>	

### 3. Hypothesis Testing

H<sub>0</sub>: Promotional activities by websites has no significant relationship in purchasing of electronic gadgets

H<sub>1</sub>: Promotional activities by websites has significant relationship in purchasing of electronic gadgets

To test this hypothesis one sample t-test is applied against the theoretical mean=21, and results received are presented in table 3

**Table 3: Impact of Promotional activities in purchasing of electronic gadgets**

Variable	Test Value = 21			Result
	t-value	degree of freedom	p-value	
<b>Impact of Promotional activities on Purchase behavior</b>	6.743	449	0.000	<b>Significant</b>

Level of Significance = 5%

At 5% level of the t-statistic is significant which leads to the rejection of null hypothesis. The observed mean is above to the theoretical mean which signify the impact of Promotional activities in purchasing of electronic gadgets so it can be concluded that Promotional activities by websites has significant relationship in purchasing of electronic gadgets.

### Conclusion:

From this research it can be concluded that Promotional activities by websites has significant impact on purchasing of electronic gadgets. So it is suggested to online shopping websites to conduct the promotional activities to attract more & more customers towards online shopping.

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