

# DOES E-MARKETING MIX INFLUENCE BRAND LOYALTY AND POPULARITY OF E-COMMERCE WEBSITES?

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## Abstract

E-commerce portals are increasing exponentially in terms of both business and data. Many organizations rely on their online websites to attract new customers, while still retaining their existing ones. E-commerce websites provide consumers with flexibility in terms of time, price, and space, during their purchases. The traditional marketing mix comprising of product, price, place and promotion (4Ps) identifies important factors in a purchase journey. In the online environment the concept of the marketing mix remains the same, except that the characteristics and functions of each factor are dynamic, suiting the online marketplace. The e-marketing mix, namely e-product, price intelligence (price sensitivity), delivery risk (place) and promotional intelligence, influences consumer buying-decisions in online markets. This research is an attempt to find the effect of the e-marketing mix on the loyalty and popularity of e-commerce sites. Data was collected using a structured questionnaire and was analyzed using a structural equation modeling-partial least squares method. The results showed that brand popularity was significantly influenced by the characteristics of the product and intelligent promotional techniques. Brand popularity had an influence on brand loyalty in an electronic marketing space.

**Keywords:** E-Marketing mix, Marketing Mix, Price Intelligence, E-Product, E-Promotion, Delivery Risk, Brand loyalty, Brand Popularity, Structural Equation Modelling, E-Commerce.

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## 1. INTRODUCTION

E-marketing is the combination of efforts involved in adjusting and forming marketing systems in virtual spaces: web, online networking etc. Online shopping is a technology enabled shopping which enables the buying and selling of goods over the internet. In an internet business website, it is not only e-advertising that helps consumers in their purchase. The way in which the product is featured, the information given, display of products, price offers, return policies, and delivery risk, are some factors which influence purchase decisions. Websites which offer such features are preferred by customers over other sites.

Web portals track customer purchasing behavior and digital footprints, in order to intelligently advertise their products and services. The digital footprint left by a customer on a website is used to analyze their information, their preferences, location etc., which is then used to advertise merchandise on different social media websites such as Facebook, blogs, Twitter, and email browsers as well as on popular search engines.

Hence, holders of e-shops must discover how and when to allude a client towards a product, understand the “consumer decision journey” and reinforce their commitment. The customer thus marks his digital footprint which is used by data miners to understand their requirements and market their products to the customer effectively. This research is an attempt to evaluate how the e-marketing mix affects

consumers’ perception of brands. The objectives of the research include:

- To study the influence of the e-marketing mix on brand loyalty
- To study the influence of the e-marketing mix on brand popularity
- To study the effect of brand popularity on brand loyalty

Since the study pertains to e-commerce sites the marketing mix elements have been redefined as e-product (Product), price intelligence (Price), promotional intelligence (Promotion) and delivery risk (Place). A literature review was conducted for developing the various constructs used in the research and is detailed in the following section.

## 2. LITERATURE REVIEW

### 2.1 Online shopping

Consumers prefer online shopping to avoid standing in lengthy lines for making payments and to avoid the salesperson’s continuous persuasion to buy. The convenience of shopping, saving time, and competitive pricing are some of the advantages of online shopping (Bellman et al, 1999; Bhatnagar et al, 2000; Limayem et al, 2000; Morganosky and Cude, 2000; Sim and Koi, 2002; Wolfinbarger and Gilly, 2005; Jiang et al., 2011). Consumers buy a product online if the product is not available at offline stores (Teo, 2002; Wolfinbarger and Gilly, 2005). Price comparison tools and the ease at which competitive pricing can be obtained online are some of the other

advantages that aid customer decision making (Ward, 2001). In spite of these advantages, some customers do not prefer online shopping due to the security risks of debit and credit cards, risks associated with online banking and brand deception.

## **2.2 E-Marketing**

Digital marketing approaches, such as online, and social marketing are different from the traditional approaches of marketing. The main objective of social media marketing is to maintain a constant relationship with the customer and ensure they are always connected. (Gordhamer, 2009). To achieve brand loyalty and popularity, web portals need to nurture customer relationships and provide services that will make them visit the site repeatedly thereby creating loyalty which in turn increases popularity.

Hence, the “consumer decision journey” needs to be identified (Gefen and Straub, 2000). Web mining helps to analyze the digital footprint the customer leaves and understand their purchase behaviour. Thus, companies can engage better with customers (Arbelaitz et al., 2013). Knowledge of conventional marketing practices, information systems and analytical methods are essential to executing successful e-marketing campaigns (Kalyanam and McIntyre, 2002). E-Marketing includes the marketing strategies and tactics that are executed in an internet environment. It includes conceptualizing ideas, developing content, designing, maintaining, measuring and advertising. It is imperative that e-marketing efforts are designed and executed more carefully than traditional marketing as there is no

direct contact with the customer in the web environment (Strauss, Frost and Ansary, 2009; Järvinen and Karjaluo, 2015). In one study conducted on e-marketing it was proven that marketing by means of email is more result oriented than that communicated through mobile phones (Hudak et al., 2017). E-marketing uses the power of technology and the internet to gain insight into customers and customer preferences through cookies and agents. (Teo and Choo, 2001). Digital marketing also known as electronic or e-marketing has not been explored much, and it is imperative to study the influence of e-marketing on product branding (Li and Kannan 2017; Moctezuma, 2017).

## **2.3 E-Marketing Mix**

Research studies in the past have identified that the traditional marketing mix (4Ps) influences brand loyalty and brand popularity (Yoo et al., 2000). The concept of the traditional marketing mix is further extended to digital marketing with the 4Ps re-classified as:

- E-Product
- Price Intelligence
- Promotion Intelligence
- Delivery Risk

These e-marketing mix elements (Kalyanam, 2002) are related to the dimensions of brand equity - brand loyalty and brand popularity. E-marketing is gradually gaining strength due to the new business environment created through several digital contexts including the social media platform, online word-of-mouth, and reviews, thus aiding the process of promotional intelligence of the e-product (Stephen, 2016; Chu and Kim,

2011). Digital marketing also aims to maintain focus on relationship-based interactions with customers (Tiago and Veríssimo, 2014). Marketers today, utilize various mediums to maintain brand loyalty and popularity among their customers (Erdoğan and Cicek, 2012).

In online portals the consumer buying process is customized to make the buying experience convenient for repeat buyers. The concept of customizing the design of the product based on customer requirements is also prevalent with the advent of the latest technologies. Through price intelligence, the internet gives consumers the power to shop around for the best deals, at the click of a button. The search function in online shopping portals enables shoppers to access product and pricing information much more easily (Ward, 2001). The marketing channel costs (distribution costs) are almost zero in online shopping, so sellers pass on this benefit to customers. The price benefits that customers get online are therefore very attractive compared to the conventional offline store. Sellers may include other services, such as reduced delivery costs, in order to attract shoppers (Monsuwe et al., 2004). Despite the many advantages, customers are often apprehensive about online shopping. They perceive many risks such as credit card fraud, a weak security system, product risks (bad replacement policies/damaged products), and brand deception to name a few. These factors are important in customer buying behaviour, hence online business investors should consider these factors before going online. To nurture brand loyalty and

popularity it is important to maintain loyal customers through better e-pricing models.

E-marketing should not be considered as an extension of conventional marketing campaigns. Marketers should understand that the e-environment is peculiar in its characteristics (Perner and Fiss, 2002). E-Marketing is considered as one of the biggest challenges to the marketing mix due to the flexibility that it offers to customers. The concept of the marketing channel is done away with, as consumers now have the option to buy from manufacturers directly. Customers also expect products to be delivered to them at short notice. Many online portals concentrate on delivery time and tracking facilities, to ensure that the customer does not remain anxious about the delivery status. This further increases the customer brand loyalty towards a particular product. E-Marketers should also ensure that products are delivered at the consumers address and return policies are clearly communicated. In their study on the repurchase intentions of consumers using B2C e-commerce sites, Zhang et. al. (2011) stress the importance of delivery in the fulfillment process.

Online buying behaviour can be classified into two steps. The first step is encouraging customers to buy the product online, and the second is to get them to buy again. The intention to buy again will lead to brand loyalty. Customers who engage in repeat purchases become brand ambassadors and influence many others to buy the same brand. Thus, the brand moves to the top of mind recall, among a

large number of customers. Brand loyalty thus provides higher sales revenue and market share, which in turn makes the brand popular Zhang et. al., (2011).

Convenience is the main advantage for the online shopper. Customers can choose the time and place to shop online. With a personal computer or a mobile phone equipped with internet connectivity, shopping can take place wherever and whenever the customer feels inclined. Thus, online shopping provides convenience, saves time and provides competitive prices to the shopper (Bellman et al, 1999; Bhatnagar et al, 2000; Limayem et al, 2000; Morganosky and Cude, 2000; Sim and Koi, 2002; Wolfinbarger and Gilly, 2005; Baubonienė and Gulevičiūtė, 2015). With this convenience as a major advantage, the shopper can avoid long queues and inquisitive salespersons. Several other advantages include saving travel time, avoiding crowded roads, no necessity for finding a parking space and other physical efforts involved in purchases. Online shoppers feel that the time saved can be utilized constructively for other work. Hence online shopping is the best option for people who want to save time and money through attractive price offerings (Jun et al., 2004; Thananuraksakul, 2007). Online shoppers are predominantly people who are very familiar with technology, and are active users of the internet. However, many shoppers prefer conventional shopping, rather than online stores due to the various perceived risks (Muthitacharoen and Palvia, 2002). Another study concluded that, consumers will buy products online when they cannot find them at an offline store (Teo 2002; Wolfinbarger and Gilly, 2005).

The difference between the conventional marketing mix and the e-marketing mix, is the advantage of technology in recording the digital footprint of the customer. This data helps to maintain a very strong customer relationship. Hence, data analysis plays a key role in monitoring the “consumer decision journey” (Gefen and Straub, 2000). When online shoppers visit a website, they leave a trail of data called a “digital footprint”. This data can be used to understand and predict customers’ needs, desires and future demands. Understanding the customer also helps in improving the brands’ web presence (Gerrikagoitia et al., 2015). By using techniques like web mining (Arbelaitz et al., 2013) the digital footprint left by the shopper during their visit, is analyzed to gather more knowledge regarding the customer's buying behavior and is used to increase their engagement with the store. Further, this knowledge is converted to intelligence to selectively target customers and provide customized information.

Web usage mining focuses on predicting users’ preferences and behaviour by analyzing weblogs with the help of traditional data mining techniques (Lopes and Roy, 2015). Customer click-stream data can act as a very rich source of information. A click-stream indicates the user’s path through a website. Click-stream data is captured and maintained in weblog files. Strategic use of navigational data can be very helpful in providing effective recommendations (Schumann et al., 2014). Good quality recommendation systems will not only help in satisfying customer preferences for a product but also in improving sales and attracting new

customers (Tucker, 2014). An indigent quality of recommendation, results in two types of peculiar errors: false negatives, referring to non-recommendation of items the customer likes; and false positives, referring to recommendation of items the customer dislikes. In the e-commerce domain the most important errors that must be handled and circumvented are false positive errors, as these can result in unsatisfied customers and minimize the possibility of the customer revisiting the site in future.

2.4 Conceptual Model

Based on the literature review, a conceptual model was developed (Figure 1).

The following hypotheses were proposed for testing in this research study:

Hypotheses:

- H<sub>1</sub>: Price intelligence has a significant effect on brand loyalty
- H<sub>2</sub>: Delivery risk has a significant effect on brand loyalty
- H<sub>3</sub>: Promotion intelligence has a significant effect on brand loyalty
- H<sub>4</sub>: The e-product has a significant effect on brand loyalty
- H<sub>5</sub>: Price intelligence has a significant effect on brand popularity
- H<sub>6</sub>: Delivery risk has a significant effect on brand popularity
- H<sub>7</sub>: Promotion intelligence has a significant effect on brand popularity
- H<sub>8</sub>: The e-product has a significant effect on brand popularity
- H<sub>9</sub>: Brand popularity has a significant effect on brand loyalty

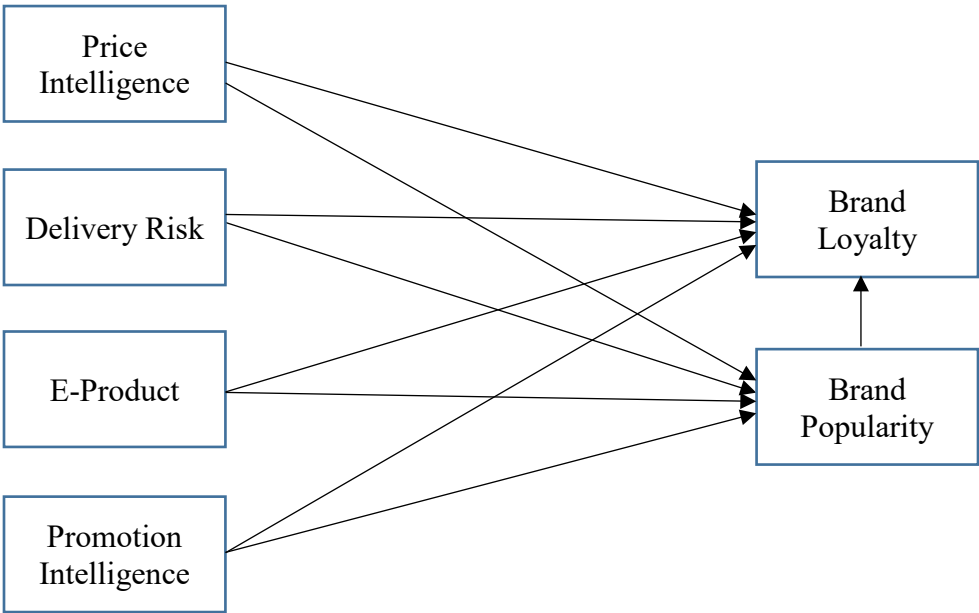


Figure 1 – Conceptual Model

## Definition of the Constructs

**Price Intelligence:** Also known as competitive price monitoring or sensitivity of price; this refers to awareness of market-level pricing intricacies and their impact on business, typically using modern data mining techniques (Kalyanam, 2002). It is differentiated from other pricing models by its extent and accuracy, achieved through the competitive pricing analysis. The technique can be applied by companies seeking to optimize their pricing strategy relative to their competition, or by buyers seeking to optimize their purchasing strategies (e-marketing mix, n.d.).

**Delivery Risk:** Delivery risk refers to the risks which are involved in the delivery of an online product: risks involving on point location delivery; risks regarding the timing of product delivery; whether or not the correct product will be delivered; and the actual time taken for the product to be delivered. This replaces the traditional concept of place in the marketing mix (Koyuncu, & Bhattacharya 2004).

**E- Products:** This term refers collectively to all product attributes most influential to the consumer who is participating in the online purchase (e-marketing mix, n.d.). It also measures how much weight the product holds over other factors like promotion and price (Kalyanam, 2002).

**Promotion Intelligence:** Promotion intelligence in online promotions refers to the tactics used to promote a product intelligently over others, ensuring that the

promotion leaves a lasting image on the consumer, such that they can use this information in their purchase decision (E-marketing mix, n.d.). Intelligent promotion makes use of click-stream data to understand the user, intelligently using this information to form the promotion (Kalyanam, 2002).

**Brand Loyalty:** It is the tendency of some consumers to continue buying the same brand of goods repeatedly, rather than using multiple competing brands. Not giving importance to the other P's (promotion, place and price) of other brands, and continually purchasing from one brand is referred to as brand loyalty. Brand loyalty can also be defined as the minimum change in price needed to cause a customer to switch over to another brand (Raju et al., 1990)

**Brand Popularity:** Brand popularity is influenced by word of mouth communication; as early adopters recommend the brand they have bought to later buyers. This factor measures how much a consumer cares about the degree of spread of word of mouth regarding the brand, or more aptly, the attitude toward the popularity of the brand of an e-commerce site (Kim & Min 2014).

## 3. METHODOLOGY

The research design consisted of two steps. First, the variables that influence brand popularity and loyalty were identified using a comprehensive literature review. Next, the measures of the study were selected through consultation with an expert panel formed for the study. The target

population consisted of individuals from the general public, who are acquainted with e-shopping and e-commerce sites in India. Probability sampling was deemed appropriate as the respondents are users of e-shopping portals. Hence, the sampling methodology adopted was simple random, with the required data collected using an online survey via online tools such as email, or Google forms; the survey link was also shared in various social media platforms such as Facebook, WhatsApp and LinkedIn. The survey received a total of 312 complete responses which were considered for further analysis.

A structural equation modelling approach was used, and the analysis carried out using Smart PLS. A seven-point Likert scale was used to measure the items for all constructs. Pre-testing of the questionnaire was carried out to ensure that respondents could comprehend the measurement scales used in the study. The pilot study was conducted with 30 responses and results were analyzed. Based on these results, some minor modifications and changes were made in the questionnaire before the further study.

## **4. RESULTS**

### **4.1 Pilot Study Result Analysis**

The content validity of the research instrument was assessed using a panel of 5 experts in the area of digital marketing. A pilot study was conducted to check the suitability of the survey instrument in the context of this research, including an

initial test of the reliability and validity of the questionnaire items before use in the final data collection. Data were collected from 30 target respondents for this pilot study. Some of the questionnaire items were modified or deleted based on the results of the pilot study. The final questionnaire included seven demographic questions and 22 Likert scale questions, each measured on a scale of 1 (strongly disagree) to 7 (strongly agree). The pilot and final questionnaires are given in Appendix 1.

### **4.2 Final Study Result Analysis**

For the final data collection, a total of 312 valid responses were received. Out of these, 159 respondents were male, and the majority of respondents belonged to the age category 18-35. Data analysis was conducted to determine the path coefficients and factor-loading weights, using the software SmartPLS.

The SEM analysis consisted of two parts – the measurement model and the structural model evaluation. The measurement model evaluation is used to determine the validity and reliability of the research instrument. The reliability measures included were Cronbach's alpha and composite reliability. The value of Cronbach's alpha was found to be 0.5 for all factors; however, the composite reliability values were above the cutoff of 0.7, hence the reliability of the measurement model was determined to be acceptable (Table 1). The average variance extracted (AVE) values for all constructs were found to be above 0.5, above the acceptable threshold, indicating



good convergent validity. The constructs used in the study, namely the elements of the e-marketing mix, brand popularity and brand loyalty had composite reliability scores of 0.811, 0.813 and 0.835 respectively, with the construct validity measured through the average variance extracted, evaluated to be 0.55, 0.59 and 0.56 respectively (Table 1), indicating that the instrument used for research met the required criteria for reliability and validity.

An R square value for a dependent variable indicates the variance that can be explained by other independent variables. This is also a measure of the model's validity. Brand loyalty had an R square value of 0.107 showing that 10.7% of the variance in brand loyalty is explained by the independent variables: price intelligence, delivery risk, e-product and promotion intelligence. Brand popularity had an R square value of 0.257, which indicates that 25.7% variance is explained by the independent variables. These analyses clearly explain that there are various other factors that are to be considered while studying the consumer perception of intelligent e-marketing on online platforms. In this study, the

analysis was limited to four factors, namely the four elements of the e-marketing mix. Between brand loyalty and brand popularity, it is clear that brand popularity is better explained by these four independent factors.

The discriminant validity of the model was also examined using the measurement model analysis via SmartPLS. This indicates how distinctly different the constructs used for this study are. For this a latent variable correlation (LVC) analysis was conducted. Adequate discriminant validity exists if the square root of the AVE is greater than the latent variable correlations. The results for this study (bold diagonal, Table 2) showed that this criterion is satisfied and hence the model has acceptable discriminant validity.

After determining the model validity and reliability, the structural model analysis was conducted to test the hypotheses (Table 3). A bootstrap test was conducted to test each hypothesis and the relevance between two factors. The t-statistics were derived following the bootstrap test to check if the hypotheses were supported at the 5% significance level. The results are shown in the Table 3.

**Table 1: Overview Analysis**

Factor	AVE	Composite Reliability	R Square	Cronbach's Alpha	Communality	Redundancy
Brand Loyalty	0.5677	0.8356	0.1070	0.7428	0.5677	0.0113
Brand Popularity	0.5931	0.8138	0.2569	0.6600	0.5931	0.0033
Delivery Risk	0.5124	0.7517	0	0.5762	0.5124	0
E-products	0.6140	0.8253	0	0.6809	0.6140	0
Online Promotion	0.5729	0.8694	0	0.8131	0.5729	0
Price Intelligence	0.5018	0.7998	0	0.6821	0.5018	0

**Table 2: LVC Analysis**

Factor	Brand Loyalty	Brand Popularity	Delivery Risk	E-Products	Online Promotion	Price Intelligence
Brand Loyalty	<b>0.7534</b>	0	0	0	0	0
Brand Popularity	0.1508	<b>0.7701</b>	0	0	0	0
Delivery Risk	0.1633	0.1105	<b>0.7158</b>	0	0	0
E-products	-0.0079	0.3844	-0.0053	<b>0.7835</b>	0	0
Online Promotion	-0.2002	0.2762	0.0101	0.3678	<b>0.7569</b>	0
Price Intelligence	0.0708	0.3840	0.2762	0.1789	0.2695	<b>0.7083</b>

Note: AVE values are shown in the diagonal (bold)

**Table 3: T-test Values**

Hypothesis	Factor	T-statistics	Result	Beta Values
H1	Price Intelligence → Brand Loyalty	3.9241	Supported	-0.267
H2	Delivery Risk → Brand Loyalty	1.464	Not Supported	0.137
H3	Promotion Intelligence → Brand Loyalty	0.3725	Not Supported	0.028
H4	E-product → Brand Loyalty	0.1572	Not Supported	0.011
H5	Price Intelligence → Attitude towards Popularity	1.3519	Not Supported	0.085
H6	Delivery Risk → Attitude towards Popularity	0.4095	Not Supported	0.028
H7	Promotion Intelligence → Attitude towards Popularity	5.664	Supported	0.3
H8	E-products → Brand Popularity	5.1913	Supported	0.3
H9	Attitude towards Popularity → Brand Loyalty	2.9074	Supported	-0.194

The results (Table 3) indicate that hypotheses H<sub>1</sub>, H<sub>7</sub>, H<sub>8</sub> and H<sub>9</sub> were supported, while hypotheses H<sub>2</sub>, H<sub>3</sub>, H<sub>4</sub>, H<sub>5</sub> and H<sub>6</sub> were not supported by the results of this study. From the results it

can be inferred that e-pricing of products has a significant influence on brand loyalty, while brand popularity is significantly influenced by e-product and promotional intelligence. Similarly, brand

popularity has an influence on brand loyalty in the e-marketing environment. Other e-marketing mix elements such as delivery risk and intelligent pricing had no effect on brand popularity, while promotional intelligence and e-product had no effect on brand loyalty.

### DISCUSSION

**As Price Intelligence increases, Brand Loyalty decreases.**

In traditional marketing theory, price is known to have a significant effect on brand loyalty. However, the results of this study showed a negative correlation in the online environment. This can be explained by the fact that in the digital era where people are more aware of the variety of products available, and price and other details of a product are readily available, usually just one click away, loyalty to a particular brand is highly unlikely. Balabanis et al., (2006) observed

that customers did not consider themselves to be loyal even if satisfied with an e-store. E-stores gain popularity because of price attractiveness, but online customers are price sensitive due to higher awareness of the various options available to them. Hence, it is natural that customers will switch to portals that offer better prices. Price comparison software facilitates such switching behaviour in the e-marketing environment. With respect to price intelligence, the results of this study concur with the study results of Reichhart et al. (2013) but do not agree with the conclusions of Monsuwe et al., 2004.

**As promotion intelligence increases, attitude towards brand popularity increases.**

Promotion intelligence has a significant effect on brand popularity, with results indicating a positive relationship. These findings are in line with past

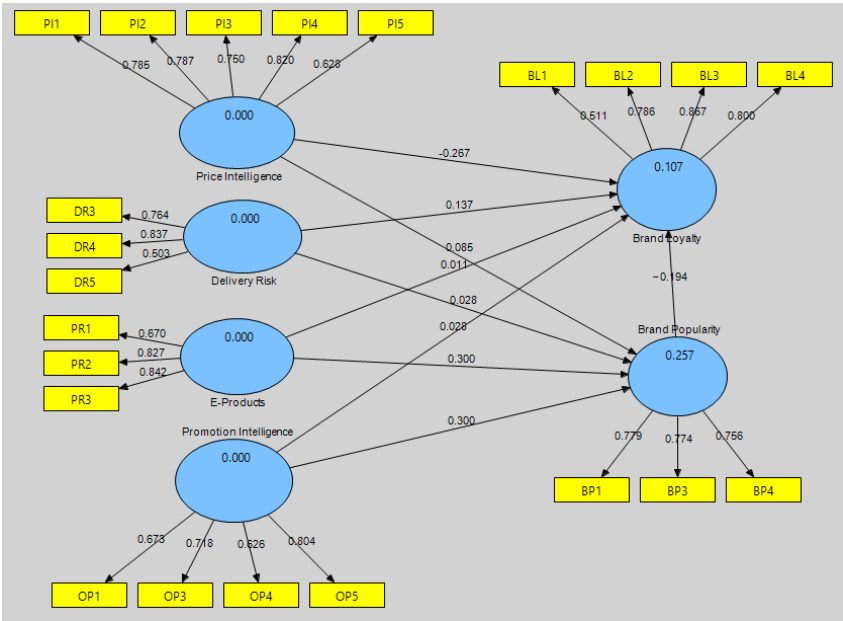


Figure 2: Structural Model Analysis

literature (Park & Lennon, 2009). This is explained by the fact that as tactics and intelligence for promotions increase (i.e. an increased number of advertisements during the customer's web presence), the brand will become more popular. As customers generally want more popular brands, seeing an increased number of advertisements for a particular brand, increases the likelihood of a consumer wanting products from the brand that advertises more. If online intelligent advertisement had not been such a predominant feature of the online platform, awareness of a few brands would be lesser as well. Hence, it is justified that when promotional intelligence increases and promotions are done in a more tactful way, the want for a brand which is more vast and popularly known increases. A brand that has more likes online or one that is more popular by electronic word of mouth naturally seems more attractive to consumers. With respect to promotional intelligence the results of this study do not concur with previous literature (Reichhart et al., 2013).

**As e-product attributes increases, brand popularity increases.**

E-product has a significant effect on brand loyalty, with results indicating a positive relationship. As supported in the past literature (Allaway et al., 2011), this can be explained by the fact that when the attributes of online products increase, brand loyalty towards that brand also increases. When a brand puts emphasis on the physical attractiveness of the product, includes product reviews in advertising, or the important specifications of the

product, consumers tend to stick to that particular brand. If consumers believe that what they see in the websites while placing the order realistically represents the product they receive if they order from the brand, then loyalty towards the brand increases as well.

**As want for brand popularity increases, brand loyalty decreases.**

Results showed that brand popularity has a significant negative effect on brand loyalty. The want for a popular brand develops from knowledge of the brand through electronic word of mouth, increased product and brand "likes" online. As such, consumers don't choose the brand actively, settling for a particular brand and becoming loyal towards that brand. In the digital age, where awareness increases every moment, especially through intelligent e-marketing, if a suggested brand is more popular than the one a consumer would have previously bought or used, then the probability of the consumer to shift from one brand to another increases. Hence, it is clear, that as the want and need for a more popular brand increases, the brand loyalty of a consumer decreases.

The results revealed that five hypotheses (H2, H3, H4, H5, H6) were not supported. Delivery risk was not found to have a significant relationship with brand loyalty (H2) or brand popularity (H6). This implies that customers do not attach delivery risk to any particular e-commerce brand. Perceived risk of people towards online purchase has been declining over the years due to the enhanced security

features provided by banks as well as e-commerce websites. Also, the majority of survey respondents were below the age of 35, which may also have influenced the results for these two hypotheses, due to the increased awareness and exposure of this age group to digital technologies.

Promotion intelligence was another factor which did not show any significant influence on brand loyalty (H3). This implies that brand loyalty may not increase due to promotional activities conducted by e-commerce sites. Customers might be looking for promotional offers from different e-commerce sites and are willing to switch their loyalty to the e-commerce website which offers them the best offers of value for money. Similarly, e-products were also found to have no significant influence on brand loyalty (H4). As with the promotional intelligence factor, customers are willing to switch from one e-commerce website to another based on the variety and features of the products on offer. Thus, the customers, tend to be less loyal to an e-commerce website and will rather look to buy a product from the e-commerce site which provides them the best product. Another hypothesis which was not supported was the influence of price intelligence (H5) on attitude towards popularity. This means that online customers are highly price sensitive and do not consider a particular e-commerce brand to be more popular than another due to its promotional activities. This could be due to the intense competition and price-wars happening between different Indian e-commerce websites. Therefore, Indian consumers do not consider an e-commerce site superior to another, due to price factors alone.

## **5. CONCLUSION AND IMPLICATIONS**

The strength of this project is that consumer perception of intelligent e-marketing has not been covered in any prior papers. This project therefore provides a new dimension of clarity to businesses. For a developing country like India, it is very important for organizations to have a clear vision as to what is most important to consumers, such that they can efficiently spend on that factor, instead of wasting valuable resources on other parameters. The study will help businesses and organizations to understand which of the marketing mix factors have the most impactful and long-lasting effect on consumers, and also help them to understand how e-marketing affects the image of the company in the customer mindset. The study has shown how intelligent e-marketing can alter one's perception regarding brand loyalty and brand popularity and how these two factors can finally manipulate the purchase intention.

## **6. MANAGERIAL IMPLICATIONS FOR THEORY AND PRACTICE**

The conclusion and implications of this study may help marketing practitioners and strategists involved in marketing decisions to take better informed decisions, especially regarding the consumer mindset. Decision makers dealing with marketing in the electronic space must come to appreciate the fact that consumers of e-shopping portals are not influenced by the various promotional methods, but are sensitive regarding the pricing mechanism. Hence the dynamics

of pricing need more attention. The content of the web portal and the product characteristics are important elements in a shopping site. Hence it is important that the practicing managers concentrate efforts on product display and associated content, such as product description, customer comments and displays. Strong focus should be given to aspects related to delivery risks so that consumers can be reached anywhere. Timely delivery and delivery return policies should be given emphasis so that customers are comfortable with purchasing online.

## 7. LIMITATIONS AND FUTURE SCOPE OF WORK

Though the marketing-mix elements play a crucial role in customer preferences regarding e-commerce websites, it is also imperative to understand the socio-economic factors behind purchase decisions. This study did not focus on this aspect. The target audience chosen for the study consisted primarily of students and teachers, with a few guardians. Data could not be collected from every kind of consumer involved in shopping online and exposed to the intelligent e-marketing environment. Hence there is scope for bias. Data collected does not represent the entire population of consumers in the environment of intelligent e-marketing.

It was observed that the R square value was quite low for brand popularity and brand loyalty. This suggests that there are various independent factors missing in the conceptual model, which needs attention in order to measure brand loyalty and brand popularity more

accurately. This project worked on just four independent factors; if more could be added at a later stage, it would make the project more effective.

As any other social science study, this project is highly dependent on and correlated to the sample set of the questionnaire. Another improvement would be to take input from a variety of countries. India, being a developing country, is still unable to provide internet connectivity for the entire population. The sample set would be ideal if data could be collected from under-developed, and developed countries, as well as other developing countries.

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## APPENDIX – 1 (Measurement Scales)

Construct	Items
Price Intelligence	<ul style="list-style-type: none"> <li>• I often switch to other suggested websites on my online accounts if the discounts there are more attractive</li> <li>• I always look for attractive discounts online before buying a product in an e-commerce site</li> <li>• My probability of purchase from a site increases if their intelligent e-marketing advertises similar products of lower price on my online accounts</li> <li>• I often switch to other suggested websites on my online accounts if they advertise a lower price</li> <li>• I look for offer codes on different sites before making an online purchase decision</li> </ul>
Delivery Risk	<ul style="list-style-type: none"> <li>• I do not prefer my purchases to be delivered elsewhere for collection if the e-commerce sites do not offer delivery to my location</li> <li>• I often buy from a suggested website on my online accounts even if I'm not sure about the return policies</li> <li>• I often buy from a suggested website on my online accounts even if they do not guarantee a delivery time frame</li> </ul>

E- Product	<ul style="list-style-type: none"> <li>• There is a higher chance of me purchasing from a site if their intelligent e-marketing advertises with more attractive products</li> <li>• There is a higher chance of me purchasing from a site if their intelligent e-marketing displays reviews along with the products</li> <li>• I often buy from a suggested website on my online accounts if the product specifications are clearly mentioned</li> </ul>
Promotional Intelligence	<ul style="list-style-type: none"> <li>• There is a higher chance of me purchasing from a site if their intelligent e-marketing increases the number of advertisements during my online presence</li> <li>• I do not mind if advertisements are targeted at me based on my online search</li> <li>• I do not mind if advertisements are targeted at me based on my location</li> <li>• I don't get distracted by suggested advertisements on my online accounts of competitive e-commerce sites with similar products</li> </ul>
Brand Loyalty	<ul style="list-style-type: none"> <li>• My loyalty towards one website does not change even if the suggested intelligent e-marketing for another site is more attractive</li> <li>• I will buy from the same site even if the prices are lower for similar brands on another e-commerce websites</li> <li>• I don't get distracted by suggested advertisements from competitive e-commerce sites with similar products on my online accounts</li> <li>• I purchase regularly the same brand despite intelligent e-marketing showing advertisements of many other brands</li> </ul>
Brand Popularity	<ul style="list-style-type: none"> <li>• There is a higher chance of me purchasing from a suggested site if it is a more popular website than the others</li> </ul>
	<ul style="list-style-type: none"> <li>• I prefer a site from suggested websites that have more likes online</li> </ul>
	<ul style="list-style-type: none"> <li>• I prefer a website that is more popular by electronic word of mouth</li> </ul>