A Study on Effect of Marketing Strategy on Profitability of Electronic Gadgets Through Online Shopping

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Abstract- *A company's position and its Strategy must change as the product, market and competitors change over the products –life-cycle. In this rapid world, every organization wants the product to enjoy a long and happy life by improve their product process and system. The study examined the effect of marketing strategies on electronic gadgets and their profitability through online shopping. As the time evolves, people makes screen to face shopping rather than face to face shopping. Descriptive research was used in this study and both quantitative and qualitative data was collected using a self-administered questionnaire.*

I. INTRODUCTION

"Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large."
-The American Marketing Association (AMA)

Marketing refers to activities a company undertakes to promote the buying or selling of a product or service. Marketing includes advertising, selling, and delivering products to consumers or other businesses. Some marketing is done by affiliates.

Professionals who work in a corporation's marketing and promotion departments seek to get the attention of key potential audiences through advertising. Promotions are targeted to certain audiences and may involve celebrity endorsements, catchy phrases or slogans, memorable packaging or graphic designs and overall media exposure.

MARKETING STRATEGY

"Marketing Strategy is a social and managerial process by which individuals and groups obtain what the need and want through creating, offering and exchanging product value with others".
 -PhilpKotler and Gary Armstrong

Marketing is an activity performed by all business organisations. It is an activity that creates and sustains exchange relationships among those who are willing and able to buy and sell products, services, satisfaction and even ideas. In the present day business, marketing encompasses all the activities related to identifying the needs of customers and taking such actions to satisfy them in return of some consideration. In marketing it is more important to do what is strategically right than what is immediately profitable.

STATEMENT OF PROBLEM

India has been a fast growing market for the Electronic Gadgets recently. This holds a strong potential market for Mobile phones and Personal Computers. According to Forbes.com, Online shopping is about to reach $5.4 trillion by 2022 where Mobile phone and Personal computer holds majority market share in Urban areas. Due to online shopping, the number of shops lying empty rose by 7500 in 2019. More than 43000 electronic gadgets shops opened during the year but during the offset of 2020 it reduces to 50828, feeding to net closure rate of 37%. Thus it signifies the room for the growth in the online shopping and also the need for the new and innovative Marketing and Branding Strategies to capture the fastest growing youth population in the world. More worryingly perhaps, the rate of new shops opening their doors slowed slightly.

Marketing is a process of creating a positive and impactful opinion towards the product among its target consumers. Marketing helps the company to increase its value by that positive impression. This Marketing helps the company to capture new and targeted consumers who may eventually increase its revenue and profits.

Thus it becomes an important aspect to create the Marketing strategy to cover the target consumers. This study is focused on finding out the existing awareness among the consumers, helping to find a point between its' Indian market share and its Global Average.

II. REVIEW OF LITERATURE

1**. Dr.SimranKaur, Ms. NidhiTandon and Ms. Shivani Malik; Impact on Digital Marketing on consumer buying pattern:** The digitalization has brought positive change in behavior of consumers. The greater change can be seen in big cities and among working couples due to lack of time it is convenient for them to do buying, payments at any time anywhere. At last to create awareness and increase the usage of digitalization there is need to have promotional campaigns, roads shows, workshops among costumers.

2**. Dr.Robert Miller, Dr. Denise Land and Dr. Matthew Knight; Online Marketing Strategies for Increasing Sales Revenues of Small Retail Businesses:** The results of this study confirmed online marketing strategies are vital for organizational sustainability and strategic methods are essential. Small business leaders could benefit from the data provided in this doctoral study by implementing successful strategies for increased sales with consumers and by creating brand awareness.

3**. Nestor Duck Brown, Andre Romahn and Frank Verboven; The impact of online sales on consumers and firms withevidence from consumer electronics :** If e-commerce expands the market, as our results show, then any barrier to e-commerce would have substantial negative effects in terms of revenue for producers and welfare for consumers. There is then a clear role for policy to design appropriate measures to help e-commerce thrive which should help to generate jobs and boost economic growth.

4. **ShraddhaMayureshBhome; A study on Impact of Social Media Marketing on consumer Buying Behavior:** The influence of the research have unconcealed that social media are largely used by customers, however, there is an only little impact on the consumer buying decision. The Conclusions of the study provide more insight for higher understandings of demand of customers in Georgia and also provides the information for implementation of the various strategy for marketing the products through social media.

5. **AmitSaha; A Study on "The impact of online shopping upon retail trade business":** The retail stores needs to simply uplift its pattern of business and face the competitive world with a more positive outlook. E-stores and retail stores both have to survive, none at the cost of the other. It's not just about the livelihood it gives to the thousands of people but also the convenience and the steadfastness of a fixed retail store.

OBJECTIVES OF THE STUDY

- To know the company's profitability at best industrial trends
- To identify whether they launched new gadgets in the market
- To know about the customer relationship management
- To identify the problem involved in implementing the strategy
- To suggest suitable remedial measures to improve their marketing service

III. TOOLS AND TECHNIQUES USED FOR ANALYSIS

The data was collected through structured questionnaire it has been tabulated, analyzed and applied the following statistical tools.

- Simple percentage analysis

SIMPLE PERCENTAGE ANALYSIS:

Percentage analysis is mainly used to standardize the response of the respondents. This analysis is carried out for all the questions given in the questionnaire, mainly to assess the, how the respondents are distributed in each category.

Percentage analysis used to process the data. This method is used as a simple percentage number,

Reducing them"0=68" range through percentage.

Percentage = number of respondents /sample size * 100

INTERPRETATION

1. Gender:

TABLE.NO 1

S. NO	GENDER	RESPONDENTS	PERCENTAGE
1	Male	54	79.4%
2	Female	14	20.6%
	Total	**68**	**100%**

Interpretation:

Gender wise classification of the 68 respondents – 79.4 % of the respondents are male and 56.3% of the respondents are female.

Majority of the respondents is Male with 79.4%

2. Age of the respondents:

TABLE.NO 2

S. NO	AGE	RESPONDENTS	PERCENTAGE
1	18 – 24	24	35%
2	25 – 30	28	41%
3	30 – 40	8	12%
4	40 & ABOVE	8	12%
	Total	68	100%

Interpretation:

The age wise classification of the 68 respondents, 35% of the respondents belong to the age group between 18 - 24 , 41% of the respondents are between the age group of 25-30, 12% of the respondents are between the age group of 30-40, 12% of the respondents are between the age group of more than 40 years.

Majority of the respondents is between the age group of 25 – 30 with 41%

3. Income:

TABLE NO.3

S. NO	INCOME GROUP	RESPONDENTS	PERCENTAGE
1	Below 10000	29	42.64%
2	10001 - 20000	8	11.76%
3	20001 - 30000	23	33.8%
4	Above 40000	8	11.76%
	Total	68	100%

Interpretation:

The above table shows that42.64% of the respondents earn less than 10,000, 11.76% of the respondents earn between 10,000 and 20,000, 33.8% of the respondents earn between 20,000 – 30.000, 11.76 % of the respondents more than 40,000.

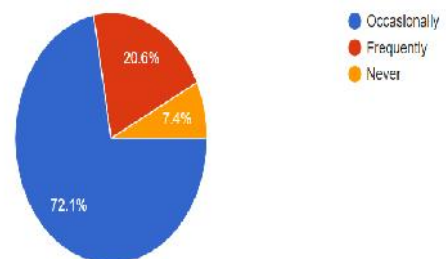**Majority of the respondents have income below 10,000 with 42.64%**

4. Frequency of purchase through online mode:

TABLE NO.4

S. NO	FREQUENCY	RESPONDENTS	PERCENTAGE
1	Occasionally	49	72.1%
2	Frequently	14	20.6%
3	Never	5	7.4%
	Total	68	100%

CHART NO.1

Frequency of purchase through online platform
68 responses

Interpretation:

When asked to respondents about their frequency of purchase, 72.1% of the respondents said that they made occasionally, 20.6% of the respondents said that they have made frequently, 7,4% of the respondents said that they have made never.

Majority of the respondents said that frequency of purchase occasionally with 72.1%

5. If a gadget is too expensive which mode will you prefer:

TABLE NO.5

S.NO	PREFERENCE	RESPONDENTS	PERCENTAGE
1	Face to face	47	68.7%
2	Screen to face	21	31.3%
	Total	68	100%

Interpretation:

When asked to the respondents about the mode of purchase when the gadget is too expensive, 68.7% of the respondents said ' Face to Face' and 31.3% of the respondents said ' Screen to Face'.
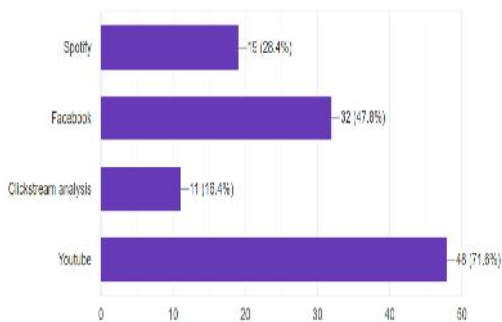
Majority of the respondents prefer Face to Face with 68.7%

6. Exploration of Advertisement based on feeds and interest:

TABLE NO.6

S.NO	ADVERTISMENT	RESPONDENTS	PERCENTAGE
1	Spotify	19	28.4%
2	Facebook	32	47.8%
3	Clickstream Analysis	11	16.4%
4	YouTube	48	71.6%
	Total	68	100%

CHART NO.2

Interpretation:

When asked to the respondents about the exploration of advertisement based on feeds and interest, 71.6% of the respondent said that YouTube explores more, 47.8% of the respondents said that face book explores more, 28.4% of the respondents said that spotify explores more. 16.4% of the respondents said that Clickstream analysis explores more.
Majority 71.6% of the respondents said that they experienced more advertisements on "You tube"

7. Reason for purchasing mobile phone through online shopping:

TABLE NO.7

S.NO	REASON	RESPONDENTS	PERCENTAGE
1	Cheaper	23	33.33%
2	Time saving	15	22.7%
3	Convenient	24	34.8%
4	Quality	6	9.1%
	Total	68	100%

Interpretation:

When asked to the respondents about the reason for purchasing mobile phones through online, 34.8% of the respondents said convenient, 33.3% of the respondents said cheaper, 22.7% of the respondents said time saving, 9.1% of the respondent said quality.

Majority 34.8% of the respondent told that they felt "convenient"for purchasing mobile phone through online shopping

8. Company which makes more profit on sale of Mobile phones:

TABLE NO.8

S. NO	COMPANIES	RESPONDENTS	PERCENTAGE
1	Xiaomi	33	50%
2	Apple	18	27.3%
3	Samsung	12	18.2%
4	Vivo	3	4.5%
	Total	68	100%

Interpretation:

Company which makes more profit, 50% of the respondents said Xiaomi, 27.3% of the respondents said Apple, 18.2% of the respondents said Samsung, 4.5% of the respondents said Vivo.

Majority 50% of the respondent told that "Xiaomi"make more profit on sale of electronic gadgets.

9. Company do you prefer for buying laptop through online:

TABLE NO.9

S. NO	COMPANIES	RESPONDENTS	PERCENTAGE
1	Lenovo	11	16.7%
2	HP	23	33.3%
3	Asus	16	24.2%
4	Dell	18	25.8%
	Total	68	100%

Interpretation:

Company do you prefer for buying laptop through online, 33.33% of the respondents prefer HP, 25.8% of the respondents prefer Dell, 24.2% of the respondents prefer Asus, and 16.7% of the respondents prefer Lenovo.

Majority 33.33% of the respondent told that they would prefer HP laptop for purchasing through online.

10. Factors influencing for purchase of electronic gadgets through online shopping:

TABLE NO. 10

FACTORS	STRONGLY DISAGREE	DISAGREE	NEUTRAL	AGREE	STRONGLY AGREE
Quality	20.58%	1.47%	29.41%	25%	22.05%
Time saving	10.29%	10.29%	20.5%	30.8%	25%
Affordable cost	10.29%	1.1%	36.76%	30.8%	16.17%
Advertisement	13.23%	13.23%	32.35%	20.5%	19.11%
Total	100%	100%	100%	100%	100%

Interpretation:

The total respondents for the above question is 44.From the above table, 29.4% of the respondents said quality is neutral, 30.8% of the respondents said time saving is agreeable, 36.76% of the respondent said affordable cost is neutral, 20.5% of the respondents said advertisement is neutral.

Majority of the respondents told that they felt neutral for all the above factors shown in table.

11.**Difficulties and problems in making online shopping of electronic gadgets:**

TABLE NO.11

DIFFICULTIES	AGREE	NEUTRAL	DISAGREE
Lack of quality	36.76%	50%	11.76%
Hacking website	30.88%	42.6%	23.52%
Poor network	22.05%	47.05%	26.47%
Inadequate knowledge	27.94%	44.11%	27.94%
Total	100%	100%	100%

Interpretation**:**

The total respondents for the above question is 24.From the above table, 50% of the respondents said neutral, 42.6% of the respondents said neutral, 47.05% of the respondents are neutral, 44.11% of the respondents are neutral.

Majority of the respondents told that they felt neutral for all the above difficulties shown in table.

12. Rate your experience on purchase of electronic gadgets through online:

TABLE NO.12

RANK	1	2	3	4	5	TOTAL
Highly satisfied / Unsatisfied	3%	3%	28.8%	37.9%	27.3%	100%

Interpretation:

The total respondent in the above interpretation is 35.Respondents told that they felt satisfied through online shopping and majority respondents ranked with 4 th order.

Majority of the respondents had ranked in 4 th order with 37.9% for satisfaction.

13. **Rate your experience on purchase of electronic gadgets through Face to Face:**

TABLE NO.13

RANK	1	2	3	4	5	TOTAL
Highly satisfied / Unsatisfied	3%	6.1%	13.6%	40.9%	36.4%	100%

Interpretation:

The total respondent in the above interpretation is 33. .Respondents told that they felt satisfied through online shopping and majority respondents rank with 4 th order.

Majority of the respondents had ranked in 4 th order with 40.9% for satisfaction.

IV. SUMMARY OF FINDINGS

- Majority 79.4% of the respondents were Male.
- Majority 41% of the respondents belonged to the age category of 25 - 30.
- Majority 42.64 % of the respondents were earning below 10,000
- Majority 72.1% of the respondents told their frequency of purchase through online mode is "Occasionally".
- Majority 68.7% of the respondents told if a gadgets is too expensive they would prefer "Face to Face".
- Majority 71.6% of the respondents told that they exploration of advertisement based on feeds and interest is "You tube".
- Majority 34.8% of the respondents told that they felt the convenient for purchase of mobile phones through online.
- Majority 50% of the respondents told that they Xiaomi make more profit on sale of mobile phones.
- Majority 33.33% of the respondents told that they would prefer "HP" for the purchase of laptop through online shopping.
- Majority 29.41% of the respondents told that "Quality is one of the factor that influencing for purchasing electronic gadgets through online.
- Majority 47.05 % of the respondents told that "Hacking websites" is the difficulties in making online shopping because there is customer data.
- Majority of the respondents has ranked in 4 th order with 37.9% on their experience on purchase of electronic gadgets through online.
- Majority of the respondents has ranked in 4 th order with 40.9% on their experience on purchase of electronic gadgets through face to face

V. CONCLUSION

After analyzing the data of study, I conclude that, online sale of electronic gadget is recognized by its Marketing Strategy. It is also evident that almost half of the respondents said that they would purchase Mobile phones and Laptop. TwoFourth of the respondents were influenced by the Advertisements of Electronic gadgets. Thus, Electronic gadgets did succeed in its online shopping by using Marketing Strategy. Even though only 16.7% of the respondents said that they would purchase Lenovo, it has very good reputation in the market.Thus, companies like Apple, Samsung, and Dell etc... shouldconcentrate much on retaining old customers and also attract new customers.

Thus it is concluded that Profitability of electronic gadgets is significant and also it has succeeded in its' Business, but their relationship with the Customers in their area should be concentrated and make better of themselves.

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