

ANALYZING THE IMPACT OF ONLINE BRAND TRUST ON SALES PROMOTION AND ONLINE BUYING DECISION

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Abstract : At internet usage has become an integral part of life, which is no longer restricted to networking and social media but assists in online shopping, it has changes the way how consumers recognized, conveyed and made their buying choices. E-commerce business transaction success is determined by whether the consumers trust the sellers and the products which cannot be physically examined and electronic systems with which they have no previous experience. The study empirically investigated the influence of Online Brand Trust on Online Buying Decision during Sales promotion. The result show that online brand trust is an antecedent to online buying and has moderating effect on sales promotion and online buying decision.

IndexTerms- Brand Trust, Online Buying, Decision.

I. INTRODUCTION

Today, Consumers are more inclined towards the Internet for all their shopping needs and concerns. In the last few decades, the internet has developed into a vast global marketplace for the exchange of a wide range of goods and services. In many developed countries, the internet has been adopted as an important medium offering a wide assortment of products with round the clock availability and wide coverage. Online shopping provides substantial advantage to customers can purchase as many items as they can afford.

E-commerce provides wide business opportunities for varied business areas. The electronic marketing has also led to an increase in firms and market accessibility to marketers and sales representatives , improved information made available to customers and other market player, challenging customer satisfaction, competitors threats facilitating commercial negotiations and transactions and reductions of marketing costs.

II REVIEW OF LITERATURE

Luick and Zeiger (1968) explained that sales promotion includes those activities which enhance and support mass selling and personal selling and which help compete and/or coordinate the entire promotional mix and make the marketing mix more effective. They gave a revised definition for sales promotion as “a range of marketing techniques designed within a strategic marketing framework, to add extra value to a product or service over and above the normal offering in order ti achieve specific sales and marketing objectives, this extra value may be a short term tactical nature or it may be part of a long term franchise building program”

Hoffman and Novak(1996) found that interactivity is considered as a discriminating characteristic between marketing communication on the Internet and traditional mass media. Today’s online consumers have more control and bargaining power as the Internet offers more interactivities which link consumers and product/service providers.

1. Security/ Privacy

It is an important factor for online customers and reflects the reliability of payment method, data transmission and date storage. Security mechanisms should ensure that customers personal information remains secure online and thus increase online private data. Customers who are not sure whether their privacy is protected will most likely be unwilling to repurchases online.

2. Perceived risk

Perceived risk is powerful at explaining consumers behaviour because consumers are more often motivated to avoid mistakes than to maximise utility in purchasing. Individual who perceive less risk when buying online are probably more innovative and better adapted to new technologies than individuals who perceive more risk when buying online . Customers tend to use intuitive judgement to decide whether or not something is risky, which may be affected by previous experiences , the level of involvement , or the price of the purchase

3. Brand reputation/Brand name

Brand name is one of the factors that is positively correlated with the level of online brand trust in past researches. Brand name gives a product its core identity and cannot be changed easily . Most customers are aware that favourable brand provides comfort , familiarity and trust for them offline or online.

4. Quality of Information

The work that among website quality dimensions, information quality has the greatest impact on customer satisfaction. Consumers tend to search for information on those websites which give them valid, credible and accurate information. Users evaluate websites according to individualized information needs.

5. Online shopping Experience

Online shopping Experience shopping has more complicated issue than the physical shopping experience. The web experience embraces elements like searching, browsing finding selecting comparing and evaluating information as well as interacting and transacting with the online firm.

6. Online shopping

Online shopping or buying refers to the process of researching and purchasing products or services over the internet. Online shopping is basically a process of selling and buying of goods and services on www. Internet shopping has become the faster growing use of the internet. It has been observed that a number of online buying researchers utilised the five stages of Engel Kollet Blackwell model: Need/problem recognition, information search, evaluation of alternatives, purchases decision, post purchase behaviour. Still, there is no the applicability of consumer behaviour models to online buying scenario.

III OBJECTIVE OF THE STUDY

To Know the relationship between sales promotion and online buying decision and the moderating role of online brand trust on online shopping when sales promotion schemes are made available. The paper aims to analysis the moderating effect of online brand trust on sales promotion and online shopping.

Hypotheses

H1: Sales Promotion has positive impact to online shopping.

H2: The relationship between sales promotion and online shopping is moderated by online brand trust.

Data and methodology

The study focuses on understanding the online buying behaviour of consumers and on the impact of online brand trust. In this study the authors have considered the factors of online brand trust. The sample for the study comprise online consumers who had knowledge about sales promotion while doing online shopping. The data was gathered during the time period of April – August 2018 through primary data collection method using a selfadministered questionnaire. Convenience sampling was sampling adopted to collect the responses. After this initial filtration, those who responded positively, i.e., a total of 272 respondents, were further provided with an online questionnaire, out of which 250 reponses were received and found to be valid and complete in all aspects. The tool used in the study is a five point likert scale, with scale score ranging from strongly disagree to strongly agree.

Online Brand Trust Used as a moderator in the study :

Considering the previous literature, factors of online brand trust were identified. Past studies explained security, privacy, brand name, word of mouth, good online experience and quality of information as the factors associated with online brand trust.

Online Buying Decision is the Dependent variable in the study:

They provided varied definition and associated measurements for online buying decision. Online shopping provides the balance of power in favour of consumers by making shopping provides the balance of power in favour of consumers by making shopping easier as comparisons and evaluation of alternatives are done without being pressured by sales people.

IV ANALYSIS

Pearson correlation Analysis

Reliability Statistics

Variable	Cronbach’s Alpha	Cronbach’s Alpha Based on Standardised Items	No of Items
Sales promotion	0.977	0.980	8
Online Buyning Trust	0.965	0.967	6
Online Buying Decision	0.983	0.983	8

Pearson Correlation Analysis

	Online Buying Decision	Sales Promotion	Sales PromotionX Online Buying Trust
Online Buying Decision	1.000	0.452	0.353
Sales promotion	0.452	1.000	0.727
Online Buying Trust	0.204	0.179	0.775
Sales Promotion X Online Buying Decision	0.353	0.727	1.000

Regression Analysis

Model	Variables	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	constant	2.735	0.219			0
	SP	0.317	0.042	0.43	12.473	0
	OBT	0.094	0.042	0.127	7.525	0.027
2	constant	0.338	0.494		2.229	0.495
	SP	0.946	0.124	1.28	0.683	0
	OBT	0.788	0.136	1.061	7.615	0

	SPXOBT	-0.178	0.033	-1.4	5.8	0
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Model Summary

Model	R	R ²	Adjusted R ²	Standard error of the Estimate
1	0.469	0.22	0.214	0.682722
2	0.549	0.302	0.293	0.647549

ANOVA

Model		Sum of Squares	df	Mean Square	f	Sig.
1	Regression	32.549	2	16.274	34.915	0
	Residual	115.129	247	0.466		
	Total	147.678	249			
2	Regression	44.525	3	14.842	35.395	0
	Residual	103.153	246	0.419		
	Total	147.678	249			

Results and Discussions

Exploratory factor analysis was conducted using principal component Analysis with rotation. Factor loading greater than or equal to 0.5 were considered as the benchmark to include items in a factor. All the factors were properly loaded and thus could be considered for further analysis.

The correlation analysis was conducted to check the association between online brand trust on sales promotion and online buying decision. The result obtained shows the positive significant relationship among variables. The moderating effect of online brand trust on sales promotion and online buying decision was tested using moderating analysis in linear regression. Two variables, namely sales promotion and online brand trust, were entered into regression that accounts for 21.4% variance in online buying. The ANOVA For significance test displays the constructive implication of the model with the F-test of 34.915 and 35.395.

V CONCLUSION

The present study provides an understanding of what drives customers to shop online and the findings of the study reveal that online brand trust has moderating effect on online shopping when sales promotion schemes are made available. In Fact, online brand trust is an antecedent to online buying and has moderating effect on sales promotion and online buying decision.