

Effect of Online Marketing on Black Friday Sales in India

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Abstract: Nowadays a new dimension of shopping is online purchasing. The number of companies using online shopping platform have increased tremendously in the 21st Century. Many U.S. retailers consider two major holiday shopping days as their most profitable—the Friday after Thanksgiving, Black Friday, and the Monday after Thanksgiving, Cyber Monday. This study uses data from a survey of around 100 Indian consumers who are known to Black Friday concept and probably have shopped online in this sale. This article also relates to the impact of online marketing done by many companies for increasing their sales in the Black Friday period.

Keywords- Black Friday, Online marketing, Social media marketing, Discounts, Sales.

I. INTRODUCTION

When you buy a product or a service through internet, instead of going to a traditional brick-and mortar store, it is called online shopping. This trend from buying through internet is growing in India. We see an increasing number of people are buying over the Internet because of its convenience. In today's economy, businesses are using social media to promote businesses' goods/services. Facebook, Snapchat, and Instagram are being used as serious drivers to reach consumers in a giant way to advertise great deals.

Black Friday is not much known in India. It is very popular eve in United States. The day after the US holiday of Thanksgiving is Black Friday, which is regarded as the first day of the Christmas shopping season. Black Friday has always been the busiest shopping day of the year in the United States since 2005. The hype of Black Friday is slowly coming in Indian market as the internet has bought the world closer. Indian consumers those who have missed the Diwali Sale can find this as a great opportunity to get their liked products at great price.

In this paper we will be looking at how different companies do their Black Friday online marketing in India and whether this marketing helps them to increase their sales or not.

II. RESEARCH METHODOLOGY

Coverage of Data- This research paper is restrained to study of the sales due to online promotions on Black Friday in India.

Source of Data- The study is based on data collected from a survey of around 100 young Indian customers, internet web sites and research papers.

Data Analysis- Analysis of data and the information collected from the secondary sources were made keeping the objectives of the study in mind.

III. LITERATURE REVIEW

Thanksgiving and Black Friday are traditionally considered as busiest shopping days for stores in United States. But the footfalls of customers have reduced because of E-commerce. In 2018 offline sales went down by 9 per cent from 2017. Also the number of people visiting stores in 2017 was 4 per cent lower than in 2016.

History of Online Shopping in India-

Online shopping had a comparatively slower journey in India, it had not picked up as much as it should have primarily due to the fact that internet penetration itself was quite low and secondly the customers were not aware about it as well. Moreover Indian customers didn't want to take the risk of buying a product without seeing it physically. The Indian population influenced the other business players also to try this technique for their E-businesses and gain high profits by 2007 due to the recognition of the e-commerce on a large scale by the Indian people.

Though online shopping had been present in India since the 2000 but it gained attractiveness only with deep discount model of Flipkart. This was in a way re-launching of online shopping in India. Very soon other portals like Amazon, Flipkart, Jabong, Rediff, Snapdeal etc. started hunting India for their businesses.

Today, the online shopping has become a trend in India and the reason behind the adoption of this technique lies in the attractive online websites, discounted sales, user friendly interface, bulky online stores with new fashion, easy payment methods (i.e. secure pay online via gateways like paypal, net banking, credit/debit card or cash-on-delivery), no bound on quantity & quality, one can choose the items based on size, color, price, free home delivery, etc. Further, the addition of discounts, coupons,

offers, referral systems, 30days return guarantee, 1-7 days delivery time, etc. to the online shopping and the E-Market have ameliorated the e-commerce industry.

Due to growing E-commerce in India, many companies find this as a great opportunity to gain huge profits. Companies like Amazon, Flipkart, Myntra, Nykaa, SnapDeal, etc give huge discounts in the festive season for the same. Other benefit of giving out discounts is clearance of stock. According to RedSeer Consulting report, E-commerce companies comprising the likes of Flipkart, Snapdeal and Amazon sold goods worth Rs 19,000 crore (\$3 billion) during the six-day festive sales.

Black Friday which is known in United States is considered as a part of Holiday Shopping Season in U.S. The internet has made this Black Friday trend grow in India. Due to this many people who purchases products of foreign brands finds this sale as a great deal.

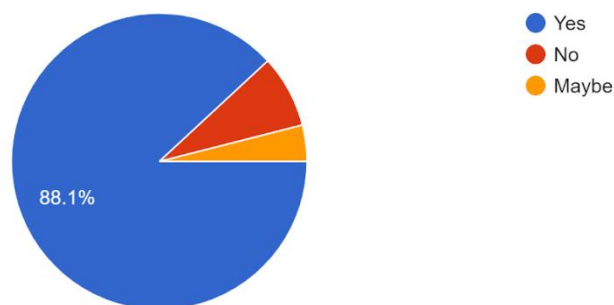
The best Black Friday deals are, surprisingly, not on Black Friday. Many companies, including Amazon, offer deals earlier and earlier, upstaging Black Friday itself. Research reveals that the most deals for electronics are offered at the beginning of November. We surveyed around 100 people who are known to Black Friday sale.

IV. DATA ANALYSIS

India is adopting the western culture. It is the truth that many Indians prefer foreign brands over Indian brands. Black Fridays is a sale which happens in the start of festive season. This is a huge advantage for the foreign brands to boost their sales; also the consumers get great deals on many products. Foreign brands find this as a great opportunity to get into Indian market and change the culture. The brands analyse the needs of Indian people and accordingly start their marketing campaign which is then followed by sales. We surveyed a group of around 100 students which mostly were teens on the basis of their knowledge regarding Black Friday, the type of product they purchased and whether it was a beneficial strategy by the companies to give discounts on Black Friday or not.

Have you heard of Black Friday Sale in India?

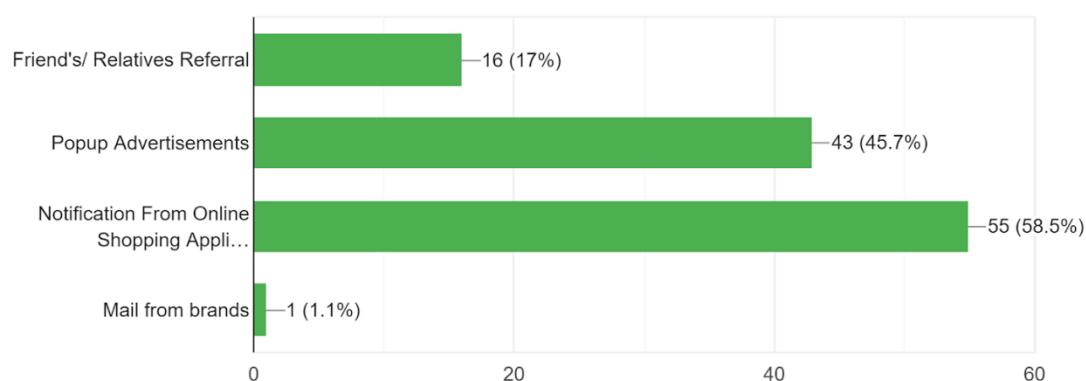
101 responses



As we can see many of the Indian teens are known to the Black Friday sale which happened recently. There are only about 8% of people who didn't know about this sale. While other 92% had at least heard about Black Friday sale in India.

Where did you hear/see Advertisements of Black Friday Sale?

94 responses

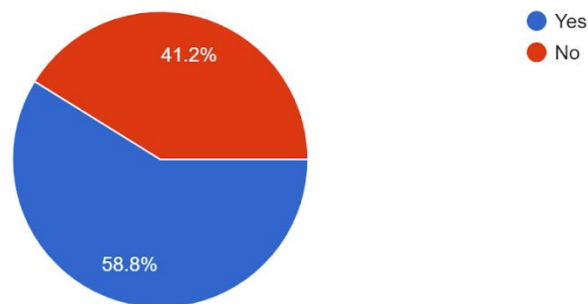


By analysing the data about the advertisements of Black Friday, we can clearly say that most of the people got to know about this sale by pop-up ads and by notifications from online shopping apps. Only 17% of the population surveyed got to know from their friends or relatives about the sale.

We can clearly see that many brands are using online platform to promote their product or service. Businesses are using social media is a very brilliant strategy as they get to reach a much wider audience. Another benefit of online marketing is that companies reach their target audience comparatively at no cost.

Did you purchase anything in this sale?

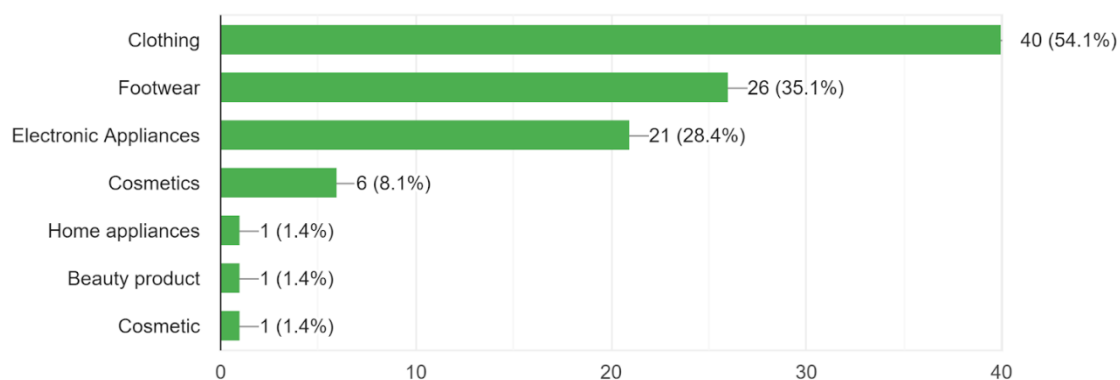
102 responses



By the survey we found that of 102 people 60 people purchased during this sale while other 42 people did not shop anything in this sale.

In what category you purchased?

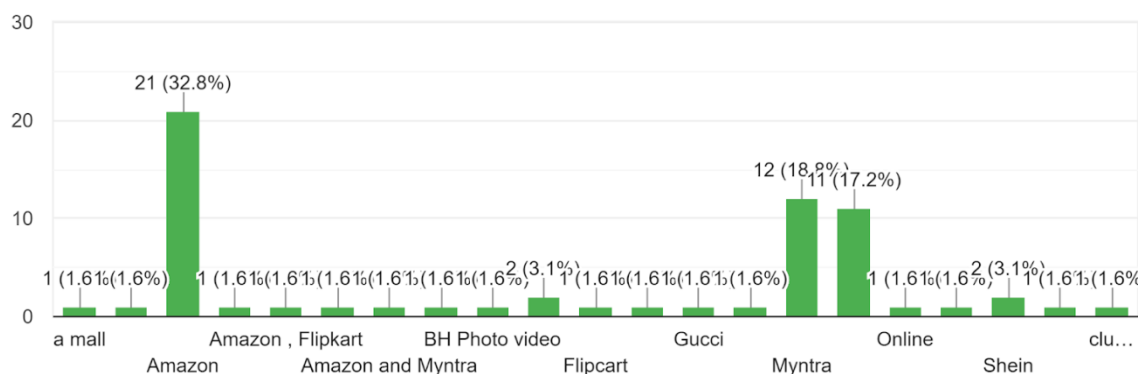
74 responses



Most of Indians purchased clothing, footwear and electronic appliances during this Black Friday sale. Another thing which was purchased quite times were cosmetics which included beauty products.

From where did you shop?(If online, which platform?)

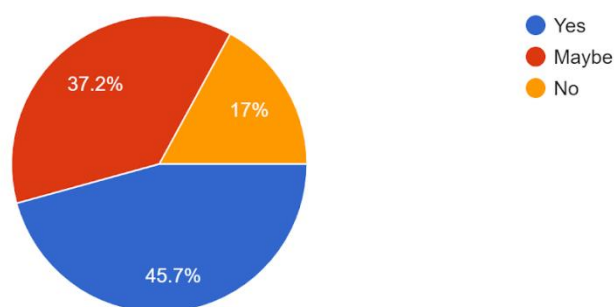
64 responses



The above graph clearly indicates that Indians tend to purchase stuff from very famous platform Amazon. Another platform which was used most frequently for shopping in this sale was Myntra and Nykaa. Myntra is famous for lifestyle whereas Nykaa is restricted to only cosmetics. We can also see some people buying from other platforms like Club Factory, Flipkart, Shein, Snapdeal, etc. We also see some consumers buying from the respective brand websites like Gucci, Jack and Jones, Fastrack, etc.

Did the sale benefit you?

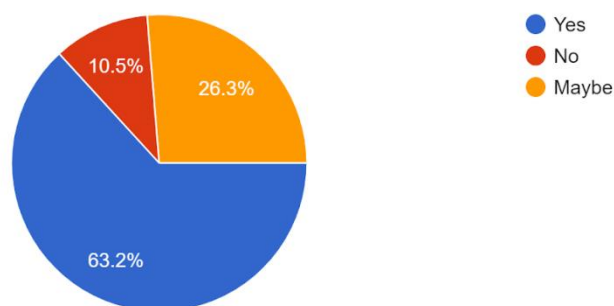
94 responses



We got a mixed response for this question. Comparatively most of people say that this sale did benefit them but others aren't very sure whether it benefitted them or not. Of 94 people 43 people are sure that the sale benefitted them while 16 people think that the sale didn't benefit them. Others aren't sure about the benefits they are getting of this sale. This can be because Black Friday is not much known to India. Indian consumers might have the opinion that the Diwali Sale of around 5 days is quite beneficial to them.

In your opinion, was it a good strategy by the companies to do Black Friday Sale?

95 responses



From the customers' point of view, most of them think that Black Friday sales are a good marketing strategy by the companies. From the companies view, the discount they are giving is beneficial only if they are getting that much returns on it. If the companies are increasing their sales (due to online marketing) on Black Friday sale then definitely it is a good marketing strategy by companies.

V. FUTURE SCOPE

As internet is growing, the Black Friday concept is meant to grow in near future. So online marketing can be the biggest opportunity a business can get to grow itself in the world full with competitors. Giving discounts in holiday period can boost your sales and also help in clearing your inventory.

VI. CONCLUSION

Shoppers (consumers) spent \$4.2 billion online on Thanksgiving, a 14.5% increase from last year and a record high (Source- Adobe Analytics). Black Friday online sales are on track to hit \$7.4 billion, according to preliminary data. As of 9 a.m. ET, shoppers had already spent \$600 million online on Black Friday, a 19.2% increase from last year. That is the most recent data Adobe has reported (Source- Adobe Analytics).

Online promotions by companies help them to maintain their image in the consumers mind. There is a hike in consumer spending on Black Friday sale. This is beneficial for the retailers and also online shopping platforms. Black Friday sale is a great strategy adopted by companies to acquire new customers, increase their sales and lastly to push fresh merchandise sales before winter sales kick in around December. Another reason for this sale is since India has no concept of outlet malls where brands can recover their money; they discount nearly 70% of their stock in this sale and try to recover the amount.

By the data surveyed we can clearly see that online promotions by Amazon (Black Friday sale on electronics), Myntra (Black Friday sale and additional 20% off) and Nykaa (Black Friday sale renaming to Pink Friday sale), etc. has helped them to increase their sales during this period as most of them shopped from these websites.

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