

Original Research Article

The Internet Promotion Strategy on Consumer Buying Behavior

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Abstract: Internet shopping developed fast and has become a very popular shopping channel. The objective of the study is to explore the promotion, brand attitude on consumer buying behavior of the Internet shopping. Questionnaires were sent out to collect the data to understand the shoppers' attitude. Factor analysis was utilized to analyze the collected data. The results indicated that Internet promotion activities do have impacts on shoppers' buying behavior, but it is different from person to person; some people are easy to be influenced by the promotion and have higher acceptance to the activities, while the others are not. Additionally, demographics like income, age, education, and gender do have impacts on consumers' Internet shopping behavior.

Keywords: Internet shopping, promotion, brand attitude, consumer behavior.

INTRODUCTION

Internet shopping grew at an amazing speed in the past decades; it also goes into modern people's daily life. For the shock brings by Internet has gone beyond people's expectation, it is predicted that the future era would be the era of Internet. Internet is the tool for information collecting, communication or even entertainment for usual people. It is therefore a platform to provide goods for consumer shopping for business. Internet shopping owns the features like: instant, interactive, multimedia, low-cost and ubiquitous, it is the most popular shopping channel in the modern era. We therefore anticipate that the space of Internet shopping is limitless in the foreseeable future.

Based on the above, the objective of the study is to explore the promotion strategy of Internet shopping on consumer buying behavior.

LITERATURE REVIEW

Promotion

Promotion is one of the promotion mixes in marketing activity; business managers usually take advantage of promotion to reach their short-term sales objective. Kotler [1] defined promotion as follows: sales promotion including various attractive instruments, it is to stimulus objective customers or dealers to perform instant buying response toward specific products or services. Accordingly, sales promotion is the tool to increase consumers' purchasing.

The categories and classification of sales promotion

Price-off

The price of a certain commodity decreases in a specific period of time. Shimp [2] reported that the purpose of price-off covers the following: a) Encouraging consumers to increase to increase purchasing quantity on promotion merchandise; b) Confirming that all of the promotion expenses are used on consumers; c) Guiding consumers switch the brand from what they were using to repurchase the brand that is being promoted; d) Awarding the present-existed product users.

Coupons

Kotler [3] argued that coupons are to provide the holders a certain amount of discount when they are buying some specific products. It is primarily for price-sensitive consumers. The use of coupons is quite popular in America. It has been vastly documented

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that coupon promotion has definitely different effect when compared with pricing off. It is because pricing-off is non-planning purchasing while coupon promotion is planning purchasing.

Bonus packs

Bonus packs refer to the content or amount of the products are increase but the price remains the same. When pricing-off is over-used, bonus packs could be a better alternative. Bonus packs can be reduced-price pack, that is, people can get more quantity than usual by the same price [4].

Premium

When consumers receive a tangible object from dealer after purchasing a certain product, it is called premium. Premium could be tangible product or intangible service, which is to provide products or services at a relatively low cost to be the incentive for consumers to buy certain products [3].

Sample

In order to grasp market share for the new products, practitioners used to send free samples for consumers to personally experience the products, so that they can understand the product quality. Shimp [2] defined free sample as follows: The practical products or sample that send to consumers' trail. Engel [5] reported that the advantage of free sample is the best way for consumers to have practical product experience, fortify the consumers' image toward the brand and go further to make them to practically purchase the product.

Union and cross promotion

Union and cross promotion refers to two or more brands or companies provide coupons, several companies provide capital for a better opportunity to demonstrate in the public, so that retailers could have a wider space to conduct promotion campaign [4].

Point of purchase and display (POP)

Usually, POP display goes on the purchasing or sales point, including merchandise rack, banners and signs. They are usually displayed at significant point, such as the entrance of a retail store, by the side of cashier, or the best location of shop or hypermarket to be the promotion media [3].

METHOD

The study conducted questionnaire to collect data, we firstly concentrate the items to be several constructs, try to understand the correlations among the items then classified the items into several factors. Then we can understand what factors would have impacts on consumers' Internet shopping behavior.

Sequentially, we calculated the factor scores for each participant. This is followed by cluster analysis based on the fore-stated factor scores. According to the cluster analysis, we divided the respondents into several groups. Then we could understand how the consumers presented their buying behavior so the marketers could make marketing strategies.

A total of 500 questionnaires were randomly sent to the respondents in Taiwan. Of which, 413 were collected. 349 questionnaires were effective after eliminating the ineffective ones.

The study utilized Likert-type five-point scale to be the scoring method. The higher the score, the more positive the respondent's attitude toward the item.

RESULTS AND DISCUSSION

In order to concentrate the 21 items of the questionnaire to be several constructs so that the common factors of Internet shopping could be explainable, the study employed factor analysis to analyze the investigation. To extract the principal factors, the study used the method of maximum likelihood to conduct factor analysis. The results extracted five factors, which explain about 56% of the variance.

Table-1: Igen Values and Explained Variance

Factors	Initial igenvalue/explained variance		
	Total	Variance percentage	Accumulated variance percentage
1	6.504	30.971	30.971
2	1.625	7.74	38.712
3	1.398	6.656	45.367
4	1.233	5.871	51.239
5	1.097	5.223	56.462

Based on the rotated component matrix, the study explains the five factors as the following:

Factor 1: Attitude toward promotion campaign

The items that are highly related to the factor are: 14 Promotion campaign would attract you to make a purchase; 15 You would make a purchase because of a certain promotion; 16 Promotion campaign is valuable; 17 Promotion would increase your buying interests. The study therefore classified the items into the attitude toward promotion campaign. The higher the scores on the factor, the more positive the attitude toward the promotion activities.

Factor 2: Non money-related promotion activities

The items that are highly related to the factor are: 1 I'll be attracted to purchase when I get membership card after buying a certain amount of goods; 2 The way of discounts or premiums would lure me to purchase; 3 Coupons or frequency program would lure me to purchase; 4 It would lure me to purchase when the products that I like offer free sample. For the above-mentioned promotion activities are all non-money-related promotion activities, the study named the factor as non-money-related promotion. The higher the scores on the factor, the higher the possibilities of the consumers to accept the non-money-related promotion activities.

Factor 3: Brand loyalty

The items that are highly related to the factor are: 9. When purchasing, I make a choice on the product preference in my mind; 10. When you have superior brand preference to some products, you have higher possibility to use it; 11. When you are watching a product advertisement on the Internet, it is beneficial to your product reputation and perception toward the item. For the above-mentioned items are all related to brand, they are named brand loyalty factors. Those who received higher scores on these items significantly stress the importance of brand.

Factor 4: Buying power

The items that are highly related to the factor are: 12. You makes a buying decision based on the before experience even the price is high; 20. Your buying behavior is based on the inertia; 21. You would have impulsive buying behavior in order to pursue diversified and fresh objects. The study therefore named the items as buying power. Those who obtained high scores in this factor have impulsive buying behavior as well as routine buying behavior, they can also accept a higher price, this indicates that they have stronger buying power.

Factor 5: Money-related promotion activities

The items that are highly related to the factor are: 5. I think you would buy the products which are on promotion; 6. It would lure me to purchase more pieces if the products are on promotion; 7. I would like to purchase the products with free bonus packs; 8. I would take more pieces when lottery is offered. The study is therefore named the factor as money-related promotion activities. Those who obtained higher scores in this factor are sensitive to the price and have higher acceptance to money-related promotion activities.

Table-2: Rotated Component Matrix

Items	Factors				
	1	2	3	4	5
1. I'll be attracted to purchase when I get membership card after buying a certain amount of goods.	0.21	0.52	0.01	0.20	0.15
2. The way of discounts or premiums would lure me to purchase.	0.30	0.57	0.26	0.03	0.20
3. Coupons or frequency program would lure me to purchase.	0.14	0.79	0.02	0.20	0.09
4. It would lure me to purchase when the products that I like offer free sample.	0.16	0.44	0.22	0.06	0.15
5. I think you would buy the products which are on promotion.	0.46	0.20	0.16	0.09	0.45
6. It would lure me to purchase more pieces if the products are on promotion.	0.24	0.13	0.16	0.19	0.78
7. I would like to purchase the products with free bonus packs.	0.27	0.23	0.18	0.14	0.48
8. I would take more pieces when lottery is offered.	0.12	0.30	0.03	0.23	0.39
9. When purchasing, I make a choice on the product preference in my mind.	0.20	0.03	0.65	0.15	0.04
10. When you have superior brand preference to some products, you have higher possibility to use it.	0.09	0.13	0.79	0.02	0.01
11. When you are watching a product advertisement on the Internet, it is beneficial to your product reputation and perception toward the item.	0.20	0.13	0.32	0.16	0.12
12. You make a buying decision based on the before experience even the price is high.	0.10	0.06	0.17	0.37	0.13
13. You will not make a buying decision if you have unfavorable experience in the past.	0.05	0.07	0.42	0.11	0.20
14. Promotion campaign would attract you to make a purchase.	0.71	0.27	0.13	0.18	0.21
15. You would make a purchase because of a certain promotion.	0.72	0.22	0.17	0.22	0.10
16. Promotion campaign is valuable.	0.57	0.15	0.24	0.16	0.20
17. Promotion would increase your buying interests.	0.63	0.21	0.12	0.26	0.22
18. Buying behavior is formed carelessly; it could be changed by the related information.	0.20	0.13	0.20	0.33	0.10
19. You usually take the cheapest products even you originally have planned to buy something else.	0.19	0.23	0.04	0.30	0.22
20. Your buying behavior is based on the inertia.	0.14	0.05	0.04	0.72	0.14
21. You would have impulsive buying behavior in order to pursue diversified and fresh objects.	0.13	0.20	0.09	0.58	0.04

CONCLUSION

Based on the results indicated above, the study makes suggestions for the consumers as the following:

- The practitioners have to consider not only about promotion but also Internet buyers' attitude and the discount range of the

merchandise.

- Consumers should not neglect product's quality because of promotion activities.
- The practitioners need to conduct practical products exhibition for consumers to understand the products quality before making buying decision even Internet shopping is convenient.
- The Internet practitioners should have more creativity than the others, so that the consumers would be highly motivated to buy the products before purchasing.
- When the discounts are higher than that of the others, the practitioners have to make consumers have the motivation to make buying decision.

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