Chapter – I
Introduction
CHAPTER I

INTRODUCTION

In India, Internet was accessible to a small group of academic and government users through Education and Research Network (ERNET) and National Informatics Centre Network (NICNET). But, the Videsh Sanchar Nigam Limited (VSNL) introduced the GIAS (Gateway Internet Access Service) in August 1995. Thus, the Internet services were first made available to India on a commercial basis. Later on Department of Telephones (DoT) and Mahanagar Telephone Nigam Limited (MTNL) also joined the bandwagon. The main node at Bombay was connected to the Internet node in USA through satellite link with Microwave Communications Inc (MCI International) and Europe through a submarine cable.

Later in November 1997, the new Internet policy was cleared by the Government which threw open the internet services to the private sector and thus in one stroke ended the monopoly of DoT and VSNL. With this, various players like Satyam online, Icenet, MTNL, Perimenet, Inflibnet, and HCL came in to this field and provided Internet services. An Internet Service Provider (ISP) is a company or group that provides access to users on a pay-per-use basis.

The web and the Internet are two separate entities that work together. The internet is a global system of connected computers. The web is a collection of electronic
documents stored on computers worldwide, which means on the Internet.

The internet is a “set of networks connected using protocols that are open and portable, and that enable the entire research community to share information”.

In 1990, Tim Berners-Lee invented the Worldwide Web and transformed an academic telecommunication network into a worldwide everyday communication system called internet. Although the Internet became popular worldwide around 1994 with the adoption of Mosaic web browser, it took about five years to introduce security protocols and DSL allowing continual connection to the Internet. By the end of 2000, many European and American business companies offered their services through the World Wide Web. Since then people began to associate a word “ecommerce” with the ability of purchasing various goods through the Internet using secure protocols and electronic payment services.¹

Originally, electronic commerce was identified as the facilitation of commercial transactions electronically, using technology such as Electronic Data Interchange (EDI) and Electronic Funds Transfer (EFT). These were both introduced in the late 1970s, allowing businesses to send commercial documents like purchase orders or invoices electronically. The growth and acceptance of credit cards, automated teller machines (ATM) and telephone banking in the 1980s were also forms of electronic commerce. Forty years ago, TV advertising was considered as a powerful medium of
communication. Now, Internet communication process has come to rule and it is considered as a rifle approach. Internet marketing is better considered as direct marketing and relationship marketing. Thus there has been a big shift from mass marketing to integrated marketing.²

The Web has become a new marketing medium to reach customers.³ Thus, the success of retailers has been heavily dependent on the extent to which they can utilize the Web as a marketing medium.⁴ With the growing popularity of internet, corporate houses across the world are trying to leverage this resource to expand their business across borders. Researchers are posing increased amount of importance on this aspect of business from various dimensions. This has given birth to a new domain in the field of management, which is known as “Internet Marketing”. Advent of this domain is changing the business scenario. Traditional Brick-and-Mortar shops are transforming into Click-and-Buy shops. The marketing channel characteristics are also going through phases of transformation as well.⁵

Internet adds a lot of unique features and capabilities to the channel characteristics, which could not have been possible in earlier days.

There is hardly any industry that is not undergoing an upheaval in how it deals with customers and partners, organizes itself or defines its essential purpose. They have come to realize that if they don't move with Internet speed, they could become extinct.
There are three kinds of E-Commerce transactions:

B2B (Business to Business)

B2C (Business to Consumer)

C2C (Consumer to Consumer)

E-Marketing for retailers is concerned with B2C transactions where a retailer sells to the consumer through the internet as an important online medium.6

India's e-commerce market grew at a staggering 88 per cent in 2013 to $16 billion, riding on booming online retail trends and defying slower economic growth and spiralling inflation, according to a survey by industry body ASSOCHAM. “The increasing Internet penetration and availability of more payment options boosted the e-commerce industry in 2013”, ASSOCHAM Secretary General D S Rawat said.7

### Internet User penetration in Asia-Pacific, by Country, 2012-2018

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>South Korea</td>
<td>78.1%</td>
<td>78.5%</td>
<td>78.9%</td>
<td>79.2%</td>
<td>79.4%</td>
<td>79.6%</td>
<td>79.8%</td>
</tr>
<tr>
<td>Japan</td>
<td>75.9%</td>
<td>76.6%</td>
<td>77.3%</td>
<td>77.7%</td>
<td>78.0%</td>
<td>78.3%</td>
<td>78.6%</td>
</tr>
<tr>
<td>Australia</td>
<td>74.7%</td>
<td>75.6%</td>
<td>76.0%</td>
<td>76.2%</td>
<td>76.4%</td>
<td>76.5%</td>
<td>76.6%</td>
</tr>
<tr>
<td>China*</td>
<td>42.4%</td>
<td>46.0%</td>
<td>48.5%</td>
<td>50.3%</td>
<td>52.1%</td>
<td>53.9%</td>
<td>55.9%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>24.0%</td>
<td>29.0%</td>
<td>33.0%</td>
<td>36.5%</td>
<td>39.8%</td>
<td>43.2%</td>
<td>46.8%</td>
</tr>
<tr>
<td>India</td>
<td>10.2%</td>
<td>13.7%</td>
<td>17.4%</td>
<td>20.2%</td>
<td>22.4%</td>
<td>24.5%</td>
<td>26.7%</td>
</tr>
<tr>
<td>Other</td>
<td>19.9%</td>
<td>22.0%</td>
<td>23.9%</td>
<td>25.3%</td>
<td>26.6%</td>
<td>27.8%</td>
<td>28.6%</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>27.8%</td>
<td>30.9%</td>
<td>33.5%</td>
<td>35.5%</td>
<td>37.3%</td>
<td>39.0%</td>
<td>40.7%</td>
</tr>
</tbody>
</table>

Note: Individuals of any age who use the internet from any location via any device at least once per month, * excludes Hong Kong.

**Source:** eMarketer, May 2014
Double-digit growth rates in India’s internet population are expected on Asia Pacific regions. The internet penetration rate is on an increasing trend at a higher rate every year in India compared to all other Asian countries.

In 2014, the Asia Pacific region counts a total of 1.25 billion Internet users, representing 47 percent of the global online population. This means that the Internet penetration in Asia Pacific reached 32 percent, which lies just below the global average of 37 percent. The two big Asian players, India and China, will drive the digitalisation of the region in the near future.

Especially in Asia-Pacific, consumers are extremely advanced in terms of using their mobile phones for video watching, shopping, gaming and browsing the internet.\(^8\)

**Internet can be used as a transaction channel for online business**

These transactions are not only in terms of financial transaction, but also in terms of information processing and exchange, distribution medium, observational experience sharing, etc. Internet channels are able to endow businesses with low cost and extremely powerful information exchange and processing platform, which enables them to reduce the information asymmetry between the business and consumers largely.

Looking at the demand side of the market, it enables consumers to incur low amount of search cost for any product or service. This builds a positive brand image in the minds of the consumers about the business.
From the supply side perspective, the advantages are even bigger. They business houses can highlight their presence in the marketplace at a very cheap rate. They can leverage the capabilities of this medium by utilizing it as their substantial distribution channel. They can also post the illustrations of their products or services in terms of images and videos. In this way, they can share an observational experience before the consumers.

**Internet can be used as a communication channel for retail business**

In earlier days, the mode of communication for the businesses was majorly one-to-one or one-to-many. However, advent of internet has transformed the mode of communication enabling the business houses across the world. Now they can go for many-to-many communication mode on a real time basis.

From a demand side perspective, consumers can interact with each other either on a real-time basis or through offline product or service reviews. Through opinion polls and ratings, they can choose the best among the lot.

Business houses can visualize these ratings and they can alter their marketing strategies in accordance with the demands of the consumers. This enables them to stay tuned with the dynamic market scenario.9

Today Indian e-Commerce market has been buzzing due to significant progress achieved in all the **four pillars of e-Commerce: technology, logistics, payment and marketing**.
India is at the cusp of a digital revolution. Declining broadband subscription prices, aided by the launch of 3G services, have been driving this trend. This has led to an ever-increasing number of “netizens.” Furthermore, the likely launch of 4G services is expected to significantly augment the country’s internet user base.\(^\text{10}\)

Internet has become an integral part of this growing population segment for remaining connected with friends, accessing emails, buying movie tickets and ordering food. The changing lifestyles of the country’s urban population have also led many people relying on the internet for their shopping needs. The convenience of shopping from the comfort of one’s home and having a wide product assortment to choose from has brought about increased reliance on the online medium.

1.1 RESEARCH PROBLEM

The advent of Internet and technological advancements has been a boon for the retailers to reach the customers easily 24*7 at their doorstep. Chennai is a potential metropolitan city which has the sixth largest GDP in India. Chennai is considered as the country’s second largest exporter of information technology and business process outsourcing services. Chennai has witnessed a tremendous growth in its manufacturing, retail, health care and IT sector in the last 10 years. It is regarded as India's fourth largest city after Delhi, Mumbai and Kolkata.\(^\text{11}\)

Chennai has become an important destination for trade and tourism in recent
years. It has evoked as a city with tremendous potential for industrial growth because of its economic viability and available infrastructure. The state government departments are geared towards increasing trade and commerce links with other countries and developing greater industrial growth. The traditional retailers in organized sector are now exploring the opportunities of doing multi channel retailing by both having online and offline sales in order to capture the attention of customers spread across the world. So, it becomes necessary to find out whether e-marketing strategies like web advertising, online banners, e mail services, blogs and online selling would increase the sales and profitability for the retailers.

Chennai with current population of 4,792,949 (4.7 million) is one of the largest cities of South India. Chennai has a good sex ratio of 986 females per 1000 males. The Literacy rate in the City is high at 80.14 percent as compared to overall literacy rate of India which is only 64.5 percent.  

Based on these factors, it becomes imperative to find out whether the young and the old have equal desire to browse the website and purchase online. The changing lifestyle of people and changing family structures have redefined the shopping patterns of customers in this modern era.

So, there is a need to study the factors in E-marketing that would help to increase the online sales for retailers. The researcher is motivated to study and give an insight about
the perception of the future of e-marketing for the benefit of the retailers. There is also a need to find out whether age has any relationship in driving online shopping in Chennai. The study also wants to explore whether physical store presence is required for a retailer to do online sales in Chennai market conditions.

1.2 SIGNIFICANCE OF THE STUDY

1. The study aims to reveal the contribution of e-sales and internet marketing to the growth of the retailers in Chennai.

2. The study is important for the retailers to know the factors contribute to increase in E-Marketing for business growth. From consumers’ point of view, the penetration level of E-Marketing and awareness in the minds of Chennai Shoppers is studied.

3. The study also aims to identify the key areas where improvement is required for the retailers.

4. The relationship between trust and customer satisfaction would be analysed in this study.

1.3 OBJECTIVES OF THE STUDY

The main objective of this study is to understand the E-Marketing and its contribution to business development with special reference to retail sector in Chennai.

1. To study the E-Marketing strategies for development of business of Chennai retailers in order to increase their sales.
2. To study the relationship between Customer Satisfaction and Repeated Purchases and Increase in E-Sales.

3. To analyse the factors threatening website security for making online purchases by e-shoppers.

4. To find out the stage of life cycle of e-marketing in Chennai conditions.

5. To find the retailers’ Perception of the future of e-marketing.

6. To find out whether there is any association between demographic factors like age, educational qualification of consumers and opinion regarding online shopping, physical store presence of retailers doing online sales.

1.4 NEED FOR THE STUDY

This study is important for better understanding of E-Marketing. Understanding the usage of online marketing is paramount from retailers point of view in this competitive and web based era.

E-Marketing can help retailers to reach nook and corner of Tier II and Tier III cities and thereby capture the untapped market.

Since online marketing has started penetrating into the lives of all people, this study would also help to understand the perception of Chennai people towards Online Shopping.
1.5 SCOPE OF THE STUDY

The study seeks to understand online activities and sales achieved by the retailers of Chennai.

The study seeks consumer behaviour regarding online shopping in the city of Chennai.

1.6 RESEARCH METHODOLOGY

Methodology is the key aspect which governs the outcome of the research. It encompasses and directs the researcher to conduct the research in a systematic process which ensures and facilitates the accuracy of the outcomes.\(^\text{13}\)

It deals with the population of the study, method of data collection, techniques of data collection, sampling plan, sample size, sample unit, types of data used for the research, hypotheses, pre testing and statistical tools applied.

1.6.1 POPULATION OF THE STUDY

The population of the study contains retailers and online shoppers within the region of Chennai. Retailers belong to different industries like textiles, jewellery, consumer goods, service sector, books, technological goods etc. Consumers who do online shopping belong to different age and income groups. The city of Chennai has been selected by the researcher. Population size is unknown and cannot be specified in accurate numbers.

The Chennai city has a lot of distinction with regard to overall development in terms of e-commerce. Today, it is a leading city in terms of trade and commerce. The Chennai economy has a huge industrial base in technology, cars, manufacturing, hardware and
healthcare industry. The revenue and the employment sectors of the city are very advanced. The city is a host to many textile manufacturers.

The Southern suburb of the city acts as a special economic zone to manufacture apparel and footwear. It is the sixth largest contributor to India’s GDP and the fourth largest metropolitan city in the country which has a population of 8.9 million people.

1.6.2 METHOD OF DATA COLLECTION

The method used by this researcher for data collection is sample survey. In fact, this researcher is interested in knowing something about the population. Researcher did not study the whole population but only studied the samples drawn from the population. Based on the result, the study is generalised to conclude about the entire population.

1.6.3 TECHNIQUE OF DATA COLLECTION

A structured interview schedule was used as a technique for collecting the data for the study.

1.6.4 SAMPLING PLAN

Sampling is simply the process of learning about the population on the basis of a sample drawn from it. In sampling technique instead of every unit of the universe only a part of the universe is studied and conclusions are drawn on that basis for the entire universe. Since the population of the selected location for the research is very large and all the respondents (retailers and consumers) could not be interviewed due to practical
difficulties, only selected samples have been taken up for the study.
The interviewer conducted interview among retailers who represented different industries. The online consumers belonged to various age groups, income groups and with different educational qualification. The researcher selected the samples in random. In this study, the researcher adopted simple random sampling method.

1.6.5 SAMPLE SIZE
180 retailers and 520 consumers

1.6.6 SAMPLE UNIT:
Retailers in Chennai doing both online and offline trade.
Chennai Consumers who do online shopping.

1.6.7 TYPES OF DATA USED FOR THE RESEARCH
Both primary data as well as secondary data have their importance in any research. When the primary data gives first hand information, secondary data gives an idea about the research done earlier in the related topic. It is useful to supplement any research. Hence both primary and secondary data have been collected and analysed.

Source of Data:
Primary data: Survey of retailers in Chennai - multichannel retailers and also survey of online shoppers in Chennai.
Secondary data: Books, Magazines, Newspapers, Journals, Published articles, online retrievals, Dissertations and Thesis.

1.6.8 HYPOTHESES

1. There is no significant difference among various E-Marketing strategies for development of business of Chennai retailers in order to increase their sales.

2. There is no relationship between Customer Satisfaction and Repeated Purchases and Increase in E-Sales.

3. There is no significant difference in factors threatening website security for making online purchases by e-shoppers.

4. There is no association between demographic factors like age, educational qualification of consumers and opinion regarding online shopping, physical store presence of retailers doing online sales.

1.6.9 PRE TESTING

Researchers may start with "Qualitative data collection and analysis on a relatively unexplored topic, using the results to design a subsequent quantitative phase of the study" (Tashakkori & Teddlie 1998).15

The interview schedule was tested for validity and reliability by conducting a pre testing of an interview schedule. A pre testing was conducted using 50 sample consumers and 20 retailers in order to find the feasibility of the interview schedule.
DETERMINATION OF SAMPLE SIZE

FOR RETAILERS

Sample size \( n \)  = \( \left( \frac{ZS}{E} \right)^2 \)  
Where,

\( Z \) = Standardized value corresponding to a confidence level of 95% = 1.96

\( S \) = Sample SD from Pilot Study of 20 samples (retailers) = 0.342

\( E \) = Acceptable Error = 5% = 0.05

Hence, Sample size \( n \)  = \( \left( \frac{ZS}{E} \right)^2 \)

= (1.96*0.342/0.05)^2

= 179.73

= 180

FOR CONSUMERS

Sample size \( n \)  = \( \left( \frac{ZS}{E} \right)^2 \)  
Where,

\( Z \) = Standardized value corresponding to a confidence level of 95% = 1.96

\( S \) = Sample SD from Pilot Study of 50 samples (consumers) = 0.5815

\( E \) = Acceptable Error = 5% = 0.05

Hence, Sample size \( n \)  = \( \left( \frac{ZS}{E} \right)^2 \)

= (1.96*0.581/0.05)^2

= 519.60

= 520
## CONFIRMATORY FACTOR ANALYSIS ON THE USEFULNESS OF E-MARKETING IN THE MINDS OF CONSUMERS AND RETAILERS IN CHENNAI

<table>
<thead>
<tr>
<th>IMPACT FACTOR ON CONSUMERS &amp; RETAILERS</th>
<th>No of variables before CFA</th>
<th>CHI SQUARE VALUE</th>
<th>P VALUE</th>
<th>GFI</th>
<th>AGFI</th>
<th>CFI</th>
<th>RMR</th>
<th>RMSEA</th>
<th>CRONBACH'S ALPHA</th>
<th>No of variables after CFA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advantages</td>
<td>6</td>
<td>7.927</td>
<td>0.542</td>
<td>0.954</td>
<td>0.893</td>
<td>1.000</td>
<td>0.039</td>
<td>0.000</td>
<td>0.769</td>
<td>6</td>
</tr>
<tr>
<td>Important decision factor</td>
<td>7</td>
<td>14.441</td>
<td>0.273</td>
<td>0.926</td>
<td>0.828</td>
<td>0.988</td>
<td>0.024</td>
<td>0.064</td>
<td>0.901</td>
<td>7</td>
</tr>
<tr>
<td>Product selection &amp; quality</td>
<td>10</td>
<td>10.172</td>
<td>0.337</td>
<td>0.934</td>
<td>0.847</td>
<td>0.982</td>
<td>0.078</td>
<td>0.052</td>
<td>0.817</td>
<td>6</td>
</tr>
<tr>
<td>Important Medium</td>
<td>6</td>
<td>10.570</td>
<td>0.227</td>
<td>0.937</td>
<td>0.835</td>
<td>0.974</td>
<td>0.053</td>
<td>0.081</td>
<td>0.823</td>
<td>6</td>
</tr>
<tr>
<td>Threats in e-shopping</td>
<td>6</td>
<td>2.831</td>
<td>0.726</td>
<td>0.982</td>
<td>0.926</td>
<td>1.000</td>
<td>0.024</td>
<td>0.000</td>
<td>0.826</td>
<td>6</td>
</tr>
<tr>
<td>Remedial measures to overcome threats</td>
<td>6</td>
<td>7.174</td>
<td>0.411</td>
<td>0.955</td>
<td>0.865</td>
<td>0.998</td>
<td>0.021</td>
<td>0.023</td>
<td>0.821</td>
<td>6</td>
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<td>Delivery &amp; Return Policy</td>
<td>5</td>
<td>5.491</td>
<td>0.359</td>
<td>0.961</td>
<td>0.884</td>
<td>0.994</td>
<td>0.011</td>
<td>0.045</td>
<td>0.795</td>
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<tr>
<td>Trust</td>
<td>4</td>
<td>1.551</td>
<td>0.213</td>
<td>0.985</td>
<td>0.847</td>
<td>0.994</td>
<td>0.006</td>
<td>0.096</td>
<td>0.817</td>
<td>4</td>
</tr>
<tr>
<td>Customer Satisfaction &amp; repeated purchases</td>
<td>6</td>
<td>11.790</td>
<td>0.161</td>
<td>0.929</td>
<td>0.813</td>
<td>0.961</td>
<td>0.029</td>
<td>0.098</td>
<td>0.820</td>
<td>6</td>
</tr>
<tr>
<td>Increase in E-Sales</td>
<td>8</td>
<td>25.552</td>
<td>0.111</td>
<td>0.939</td>
<td>0.917</td>
<td>0.910</td>
<td>0.080</td>
<td>0.076</td>
<td>0.818</td>
<td>8</td>
</tr>
</tbody>
</table>

In order to evaluate the model, emphasis was given to Chi-square, CFI, GFI, AGFI, RMR and RMSEA (Table above).

From the above table, it is found that the calculated P value is 0.095 which is greater than 0.05 which indicates perfectly fit. Here, GFI (Goodness of Fit Index) value and AGFI (Adjusted Goodness of Fit Index) value is greater than 0.9 which represent it is a good fit. The calculated CFI (Comparative Fit Index) values exceed 0.90 which means that it is a good fit.
It is found that RMR (Root Mean Square Residuals) and RMSEA (Root Mean Square Error of Approximation) values are less than 0.10 indicating that it is a perfectly fit model.

1.6.10 STATISTICAL TOOLS APPLIED

PERIOD OF DATA COLLECTION

Structured interview schedule for sample survey was distributed during a six month period from January’ 2014 to June’ 2014.

TECHNIQUES OF ANALYSIS

The primary data collected from the potential respondents (retailers and consumers) have been properly sorted, classified, edited, tabulated in proper format and analysed by deploying appropriate statistical tools. The researcher used Windows Excel Spreadsheet for recording and classification of 180 retailer and 520 consumer samples. Statistical Packages for Social Sciences (SPSS), AMOS 16 Package is used in the research to check the accuracy of procured data.

The following statistical tools were used for analysing the data procured from the respondents from different locations selected for the study.
**Percentage analysis:** Percentage analysis has been used to analyze the frequency distribution of the sample e shoppers against the demographic factors such as gender, age, marital status, education, occupation and income of the respondents. Percentage analysis has been used to analyze the frequency distribution of the sample respondents against the Number of years doing the line of business, Number of years pursuing Internet Marketing, Awareness of shoppers in Chennai regarding e-marketing, Age Group of consumers having more inclination towards online shopping, Category of people interested in online shopping, Opinion of retailers regarding physical store presence of retailers doing online sales, Rating of customers regarding online services and Factor on Retailers.

**Confirmatory Factor Analysis (CFA):** Confirmatory factor analysis is used to measure the factor loading of each item under each construct. The constructs are checked on a uni dimensional basis to arrive at the factor loadings and the construct validity of the instrument.

The construct validity has been ensured from the results of Confirmatory Factor Analysis (CFA). The Goodness of Fit Index (GFI) indicates how well the model fit is achieved. It indicates the extent of similarity between the observed and the estimated covariance. The possible range of GFI values is 0 to 1 with higher values indicating better fit.
The Adjusted Goodness of Fit Index (AGFI) is defined as an index that takes into account differing degrees of the model complexity. This index adjusts the GFI by a ratio of the degrees of freedom used in the model to the total degrees of freedom available. Accepted value of AGFI for ensuring model fit is >0.9.

The Comparative Fit Index (CFI) values ranging from 0 to 1 indicate better fit of the model. The model fit is further established by the values of Root Mean Square (RMR) and Root Mean Square Error of Approximation (RMSEA). The accepted value is <0.1. The RMSA represents how well a model fits a population, not just a sample used for estimation. It takes care of model complexity and sample size.

The model fit has been established in the study by comparing the values arrived from the study and the theoretical values.

**Testing of hypotheses:** The sample is grouped based on the basis of gender (male/female), marital status (single/ married), age group of the e shoppers (Upto 30 / 31-40 / 41-50 / above 50 years), educational qualification (Schooling / UG / PG Professional) and occupation (salaried/business/profession/others). Testing of hypotheses is deployed to check whether any difference exist among the respondents in their perception of physical store presence of retailers doing online sales and to find the future of e-marketing, its significance and the applicability of the findings to a larger population.
Student t-test and ANOVA were applied to test the association between the Factors of Retailers and Business details.

Student t-test and ANOVA were applied to test the association between the Factors of Consumers and demographic characteristics of the consumers.

Post-Hoc Test: As a follow up of ANOVA, based on the significance of F statistic, the Post Hoc test is carried out to check for any variation among the group means. One such widely used post hoc test is Duncan Multiple Range Test (DMRT). The probability of falsely rejecting the null hypothesis when there is equality among the population means is minimized by the DMRT. The results of DMRT are detailed in Chapter 4.

Chi square tests were applied to test whether there is any association between demographic factors like age, educational qualification of consumers and opinion regarding online shopping, physical store presence of retailers doing online sales.

Friedman test: Friedman test is used as an alternate for repeated measure ANOVA. The test results indicate the mean ranks of the variables measured under a construct. The mean ranks of the items measured under each construct from Friedman test are found to match the mean values of the variables measured. Mean ranks were found out to identify the most important Factor on Retailers and Factor on Consumers using Npar (Non Parametric tests).

Frequency tables were tabulated.
Correlation Analysis is done to find the relationship between Factors on Retailers and Factor on Consumers.

Regression Analysis is done to predict the behaviour of dependent variable based on various independent variables.

SEM (Structural Equation Model) is used for Retailers and Consumers to evaluate whether the data collected for survey fits a theoretical model.

LIMITATIONS OF THE STUDY

• The study is carried out for limited numbers of sampling units only. It is hard and difficult to draw conclusions from sample for the whole of Chennai region. The inherent limitations of sample study and survey apply to this research.

• The geographical frame of the survey is restricted to the city of Chennai alone and hence it is not possible to derive conclusions about the perspective of electronic (digital) marketing based on fixed number of selected respondents only for the entire country. The concept of electronic (digital) marketing is universal. So the generalisation cannot be feasible.

• The study is based on the views of Retailers in Chennai and not with respect to any one specific Industry.

• The study is based on the views of Consumers in Chennai who may have responded in a biased manner with regard to their responses to the interview schedule.
CHAPTERISATION

The project report is divided into 5 chapters

- Chapter I covers the Introduction, Significance of the study, Objectives of the study, Need for the study, Methodology and Limitations of the study.

- Chapter II consists of the Review of Literature i.e., Articles related to the study collected from various sources.

- Chapter III contains an overview of e-marketing and description of theoretical model based on which the research is constructed and pursued.

- Chapter IV contains the Analysis and Interpretation of data, the data being collected through interview schedules distributed to retailers to find out the usefulness of E-Marketing for the growth and development of the business of retailers in Chennai and also distributed to consumers to find out the penetration level and awareness of E-Marketing in the minds of consumers in Chennai. The various hypotheses were analysed and interpreted based on the results obtained from the statistical analysis.

- Chapter V the Findings, Suggestions and conclusion inferred from the study.