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Abstract: The role of Internet has been rapidly becoming inevitable to corporate and society. Across the world, governments and corporate have been working towards the better utilization of the internet. Initially, the Internet was perceived as communication media and now, slowly, metamorphosing into a powerful business media. The Internet provides a direct reach to end users, thereby, the corporate wish to use this to gain cost competitive edge. Many dot.com companies entered and exited the cyber space during early twenty first century, yet, many dot.com companies survived and succeeded in their business. Many brick & mortar companies intended to use the Internet and found they it did not work well. The faced the peculiar lacuna of misunderstanding Internet buyer behavior and could not figure out the categories of products/services the Internet users intend to buy. At this juncture, the authors did an extensive primary research among Indian Internet users in order to identify the willingness of Internet users to buy different products/services over Internet. Besides, they also found the status of Internet users in buying different products/services online. The authors focused on finding out which stage the Indian Internet user stands in consumer buying process. The research revealed positive outcomes which would be useful to corporate world to adopt and deploy for better use. This paper mainly focused on consumer perspective of Internet purchase in order to understand Indian Internet users psyche.

Keywords: Internet Marketing, Internet Buying Behavior, Consumer Buying Process.

I. Introduction

The Internet has started been transforming from Information and communication media to Business media as many companies across the world perceived the potential of this magic media to reach potential consumers in leaps and bounds of the world. Many conglomerates used this as a media to sell their products/services and used their own

models or thumb rules. Unfortunately, the companies involved in this cyber business could not find proper direction to woo the potential consumers. Yet, they did not shy away from their effort to push their products/services hard towards the consumers. Very few companies like Amazon.com involved in selling different products have started making profit out of this business and many burned their fingers very hard way such as Webvan.com, online grocery retailer etc. due to lack of proper business and revenue models. Finally, the companies identified that not all products/services could be sold over Internet and certain products/services could be sold. Hence, many companies changed their strategies and started using their websites as an information media to create awareness among the target group, which would help them to make their offline purchase.

I. 1 Need, Relevance and Significance of the Study

The authors understood the needs of the companies that desperately trying hard to figure out the exact profile and buying behavior of online buyer. Many research works have been done in abroad, especially in USA, yet the significant outcomes about exact profile and buying behavior of online consumers to be figured out. As far as Indian soil is concerned, the marketing research companies found out the browsing habits such as hours of browsing, place of browsing, purposes of browsing and products/services purchased online etc and continued to do so in these areas. They have not gone deep in analyzing the buying behavior of Indian consumers over online purchases. The authors identified this wide gap and defined a problem to find out proper solutions about the impact of cyber-marketing in consumer buying behavior and their perception about using Internet either an information or business media. The paradigm shift in Indian soil left the population to adopt the changes related to different aspects such as technology, life style etc. In this process, many became the ardent users of Internet users mainly for exchanging communication through e-mail, online chatting (real-time conversation –Non voice mode), downloading interested information, music, pictures etc. for free of cost. Some of the companies tried to make extension of these habits by providing paid e-mail

services, which faced a debacle (e.g. Indiatimes.com in India and Netaddress.com in USA). The online users backed away when it comes to paying money for services they enjoyed free of cost. Some of the companies tried to extend this by offering products even groceries online (Fabmart.com in India, Webvan.com in USA). Many followed suit such as Chennaibazaar.com, Bababazaar.com who act as a platform between buyers and sellers and enable them to make transactions over Internet. Some of the online retailers offer different variant of products (Fabmart.com etc) and some of them stick to certain products (First and second. Com) such as books, adopted the model of Amazon.com. Many entered into service arena by offering different services such as online share trading, banking, travel and hotel booking, holiday packages etc (Sharekhan.com, ICICIDirect.com, Makemytrip.com etc). Yet these online products/service providers could not reach the mass segment due to several infrastructure hiccups such as payment mode and logistics. It is identified most of Internet buyers in India prefer to buy CDs, Music, Books, Travel booking, holiday package online (TNS Interactive Global e-commerce Report 2002 and Web metrics 2002) This clearly shows that Internet buyers prefer to buy products/services do not need much of physical purchase as the trust plays a major factor in influencing target group's buying behavior as most of them prefer to do physical purchase (Tangible purchase i.e. touch, see, smell and feel products). In this study, the authors mainly focused on identifying the stages of consumers while they intend to make their purchase online. Normally In physical purchase, every consumer would undergo a three-tier process while he intends to buy a product/service such as cognitive (Information search), Affective (Evaluation of the information/alternatives collected/identified) and Behavior (make a purchase). The length of the above process would differ according to the investment he would intend to make on a product/service i.e. consumer involvement in purchase differs according to the investment he/she would make.

This is the crux of the authors' defined problem as they defined three types of products/services such as High involvement, medium involvement and low involvement. Involvement would be defined by four major factors viz. Price, Purchase intervals, Perceived risk and Personal emotional involvement (Ramesh Kumar S & Karan Bajaj, 2002).

High Involvement: Normally, a consumer would undergo a lengthy behavior process while he intends to buy high investment product/service such as TV, Car, Music System, Jewelry, Loan for House, Car, International holiday package, Investment of Funds etc. Hence, higher the investment, more the involvement the consumer exercise to buy a product or service as he could not switch to substitute brand or service as the investment is high. The products with higher prices, higher perceived risk, higher purchase intervals and high emotional involvement products such as Automobiles, Refrigerators etc. (Ramesh Kumar S & Karan Bajaj, 2002).

Medium Involvement: Generally, a consumer would

not exercise diligent care while he intends to buy a shirt, Fashion articles, selecting a domestic holiday package, booking a hotel room as it involved medium investment. Normally, all these purchase come under impulse purchase and the consumer would not use the articles for a long time and he/she may switch to substitute brand or service as the investment is medium.

Low Involvement: Usually, a consumer would not spend much time in searching information (cognitive) or evaluating (affective) the information collected before make a purchase (behavior) of FMCG products or perishable products or buying cinema tickets or booking a table at restaurant etc. which incur low investment as he/she could switch to substitute brand if dissatisfy with the product/service consumed. He/she could do so as the investment for the product/service is comparatively low and would not affect his/her buying decision. The products with low price, perceived risk, purchase intervals and emotional involvement products viz. Detergents, Cereals etc. (Ramesh Kumar S & Karan Bajaj, 2002).

Hence, the authors used the above-mentioned categories as the core aspect of the research as they identified the striking similarities between offline (physical) and online (purchase over Internet) purchase as consumers exercise same diligence of going through a lengthy process before buying a product/service (Fader 2002). So, the authors intended to identify the stages of consumer behavior process in which a consumer stands while he/she intends to use Internet a media to make his/her buying decision on different categories of products or services mentioned above. This would act as an eye-opener to the needy companies in Indian soil in order to identify the perception of consumers about utilizing the Internet to make purchase and also help them to devise strategies and upkeep their focus on wooing consumers to buy online.

The authors used to observe the dynamics of cyber-space from Internet to e-commerce and developed an interest to focus on analyzing consumers' perception on Internet especially about the utilization of former as information or business media. Also, they intended to analyze Internet users' willingness to buy product/service online. In order to identify their willingness, they intended to know the stand of consumers' in different stages of buying behavior in buying different categories of products/services online. They also observed the attempt made by many marketing research companies in identifying consumers' perception over Internet, but to in trivial areas like browsing habits, purposes, hours, place of browsing etc. None of the companies attempted to venture in depth to find out the behavioral process behind their purchase over online. Since, the selected problem is in very evolving stage as they witnessed the gradually transformation of Internet users to buy products/services online, but not in very encouraging trend as it is identified only 4% of Internet buyers from India buy over online against the global average 15% (TNS Interactive Global e-commerce report 2002). The study would be expected to unearth many queries, which eagerly waited by

many companies who desperately need to create a new segment of potential buyers in the cyber space and also would help them to make a proper positioning of product/service instead of placing all products/services online.

II.   Literature Review

The importance of studying consumer Internet behavior as e-commerce grows in size and gaining significance and consumer researchers ought to take more effort to studying consumer Internet behavior on how consumers make the Internet a part of their consumption (Peterson, et al., 1997; Cowles and Kiecker, 2000). identified that the Internet is used as a more proactive marketing tool, inviting consumers interactively to access the web site to gain product information to facilitate their buying decision making process either online or offline Hazel, 1996). E-commerce managers/companies to understand the factors influence consumers buy online, so that they can develop effective strategies to encourage consumers to their web sites to spend time and money (Aldridge et al., 1997; Wysocki, 2000). It is found out that likelihood of buying should increase with increased use of the Internet. It vividly expresses that more exposure consumers gain over Internet would instill a trust in the media to move on to buying online (Aldridge et al., 1997). It is explained that the Internet has been used to facilitate online sales such as it acts as a means of communication about the companies sell product/services online/offline (information and communication media as it extends consumers ability to procure maximum information at their door step) (Bruno,1997). The consumer online behavior has shown that attitudes toward the Internet and toward online buying are systematically related to online buying behavior. (Eastlick and Lotz., 1999; Goldsmith and Bridges, 2000; Karson, 2000; Kartz and Aspden, 1997). It is found from many US examples support that more consumers use the Internet for research (evaluation) in the early part of buying decision-making process, than buying direct on the web. It subsequently led to purchasing the product by store or order on the telephone or fax (Ernst and Young, 1999). The significance of Internet Consumer behavior is attracting increased attention from Marketing and Consumer Researchers (Donthu and Garcia, 1999; Phau and Poon, 2000). The domain of activities are identified which could be called "Consumer Internet Behavior" that included Information gathering, consumption of information through exposure to advertising, shopping, which includes browsing, comparing products and deliberate information search, and online buying of goods, services and information (Goldsmith and Bridges, 2000)   It is found that most of the researches on Consumer Internet Behavior have normally been descriptive in nature, focusing on gathering statistical information on products/services online and the demographic profile or characteristics of online buyers in order to give a glimpse of online consumer profile (Modahl, 2000; Murphy, 2000). It is identified that those who use the

Internet more are likely to buy more online than those who use it less and providing logic of more usage of Internet might induce consumers to gain more exposure which might lead to more trust over Internet activities. This might be the earlier stage of exercising purchase behavior over Internet by collecting information as the consumer believed the reliability of the information available over Internet (Feather, 2000). It is found out that the consumers those who gained experience with online buying with a small purchase at the earlier stage will likely to develop confidence and skills that facilitate more ambitious purchase. It clearly shows that the more experience will instill trust in consumers to buy expensive products over Internet (Seckler, 2000). It is identified that consumers who frequently seek product information online are more likely to engage in web purchasing. This trend is confirmed through overall purchase and all nine individual product categories. It vividly portrays the acquiring information about products/services over Internet is the positive approach that consumers exercise towards the Internet which may likely to turn out to be future purchase (Hyokjin et al., 2002). The study portrays that 60.5 % of the users considered Internet to be a very important or extremely important source of information (UCLA, 2003)

Yet, the authors could not obtain much of preceding work in Indian context for the defined problem of the impact of cyber-marketing on consumer buying behavior as he resorted mainly to reportorial data than the behavioral data especially in context to Indian soil. Though, Many authors in abroad studied and analyzed the behavior of consumers over Internet, yet, not very much in line with the defined problem. Albeit, the authors collected data related to browsing and conversion behavior of consumers related to United States of America with respect to certain web sites dealing selected products, not of wide perspective, which the authors selected for the study. Nevertheless, the data provided a tremendous help to the authors to lay a path to unearth many outcomes, which may be potential solutions to target group (companies looking for exact profile of Internet-buyer and her buying behavior related to different products/services).

III.   Main Issue of the Paper

To understand the position of Indian Internet users in different stages of consumer behavior in buying different categories (High, Medium, Low) of products and Services over Internet.

IV.   Methodology

The authors selected Bangalore, the Silicon Valley of India, as the reach location as it houses the population who has high technological quotient, computer and Internet knowledge. The study mainly focused on collecting primary data from the selected samples (N=570) from Bangalore. The probability and non-probability sampling techniques viz. quota sampling (Internet Users), Cluster sampling

(Bangalore), Stratified Random sampling (selected respondents represent different demographics of the population), Judgment sampling were used to provide fairly accurate outcomes for the study. Structured questionnaire comprised of 6 divisions. 3 divisions dedicated for products and 3 for services. The authors mainly used 5 point Likert Scale to gauge the willingness of the Internet users to buy over Internet. The questions in each division had been divided in to three major areas viz. Information, Evaluation and Purchase. The crux of the research is to identify which stage the Indian Internet users in buying different products/services online. The authors used Principle Component Factor Analysis to validate the primary data. 18 factors had been selected for analysis. Necessary tests had been conducted and outcomes were satisfactory and significant related to sphercity and sample adequacy (Refer Annexure). After the application of Rotated Component Matrix, 18 factors had been merged to 5 major components.

V. Results

In the 1st Component, the results showed more favorable towards utilization of services over Internet. Indian Internet users show more willingness to evaluate medium and high involvement services over Internet. The 2nd Component unearthed the psyche of Indian Internet users who shown more willingness in buying high involvement and low involvement products online. This behavior is very encouraging as the Indian Internet users intend to buy products as the Internet might provide a different experience (in terms of cost and product/model/feature comparison) than offline purchase. The 3rd Component and 4th Component portrayed that the Indian Internet users shown more interest in collecting information about low involvement products and services online. This vividly shows the Indian Internet users intention of collecting information about low involvement products in order to make offline purchase. This offers the competitive edge in having right information to buy right product to attain better experience. The 5th Component proved the Internet users' intention to collect information on medium and high involvement products online. It is evident from the study that the Internet users were agreed to the fact they intend to use Internet for evaluating services, buying products and collecting information, primarily about products.

VI. Suggestions to the Corporate World

The study is novel and unique nature of understanding the urge of Indian Internet users to use Internet to buy different products and services. The authors defined the problem for identifying the stages of internet users in consumer buying process in which it was identified that the users intend to evaluate services online, followed by buying products. Hence, Service bags the higher rating among the internet users with reference to online utilization. It is already proved that the Indian Railways subsidiary IRCTC has started offering e-tickets over Internet which received overwhelming response. Also, banking, travel and tourism industry are the heavy spenders on online initiatives which received welcome response from the society. The corporate ought to take cue from the study, mainly focusing on right information for evaluation which instills trust among the Internet users. This would act as reinforcement for future consideration of internet purchase. The categorization of products and services and the stages of internet users would definitely act as eye openers. The companies sell products could focus more on providing right information online would ensure the purchase offline. Even, they could provide comparative analysis of competitors' products which would create a trust. The study clearly revealed the stages of the Indian Internet users in showing interest in buying different products and services online. The companies can device strategies accordingly.

VII. Scope for Further Study

This study conducted in Bangalore, India and could be conducted across the world with necessary modifications suitable to local culture and economic conditions. Moreover, the awareness and acceptance of Internet among the local population score more marks. This study would reveal many interesting outcomes and would solve the problem of understanding the psyche of Internet users in order to sell right products/services.

To conclude, the authors made an attempt to gauge the buying behavior of Indian Internet users towards buying different products and services through empirical study. The study revealed the services scored more marks than products. The internet users reached the stage of evaluating information online, which clearly shows the consumers believe the information available online are reliable. The scenario would change in future, where in, most of the internet users buy online to acquire right product/service to have better satisfaction and experience. This is the primary responsibility of the corporate world to take initiation, instill trust and acquire consumers online for their survival and success.

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ANNEXURE

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.881
Bartlett's Test of Sphericity	Approx. Chi-Square	3190.622
	df	153
	Sig.	.000

Rotated Component Matrix [a]

	Component				
	1	2	3	4	5
MS_E	.856	7.924E-02	8.311E-02	-1.89E-02	-7.74E-03
HS_E	.802	8.080E-02	.152	-2.31E-02	-5.94E-02
MS_B	.699	.364	-1.90E-02	-2.27E-02	2.326E-02
HS_B	.691	.252	-.104	8.182E-02	-3.34E-02
LS_E	.654	.287	5.246E-02	-.105	-5.57E-02
LS_B	.601	.324	-.249	3.096E-02	5.747E-02
MP_E	.543	.449	.380	-6.34E-02	-.182
HP_B	.264	.757	2.645E-02	1.315E-02	8.498E-02
LP_B	.131	.730	.282	-4.45E-02	-2.17E-02
HP_E	.270	.618	-.318	8.344E-02	2.130E-02
MP_B	.386	.588	-6.68E-02	-.101	-.169
LP_E	.341	.496	.456	1.427E-02	-.246
LP_I	1.111E-02	3.399E-02	.762	.126	.212
LS_I	-.103	-5.01E-02	-7.21E-02	.795	-1.20E-02
MS_I	.211	.134	7.130E-02	.593	.219
HS_I	-.186	-.130	.303	.504	-.159
MP_I	-.231	.115	6.935E-02	-.101	.709
HP_I	.109	-.169	4.347E-02	.143	.639

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 8 iterations.