FACULTY OF JURIDICAL SCIENCES

COURSE: B.B.A.LL.B. IInd Semester

SUBJECT: CONSUMER BEHAVIOUR

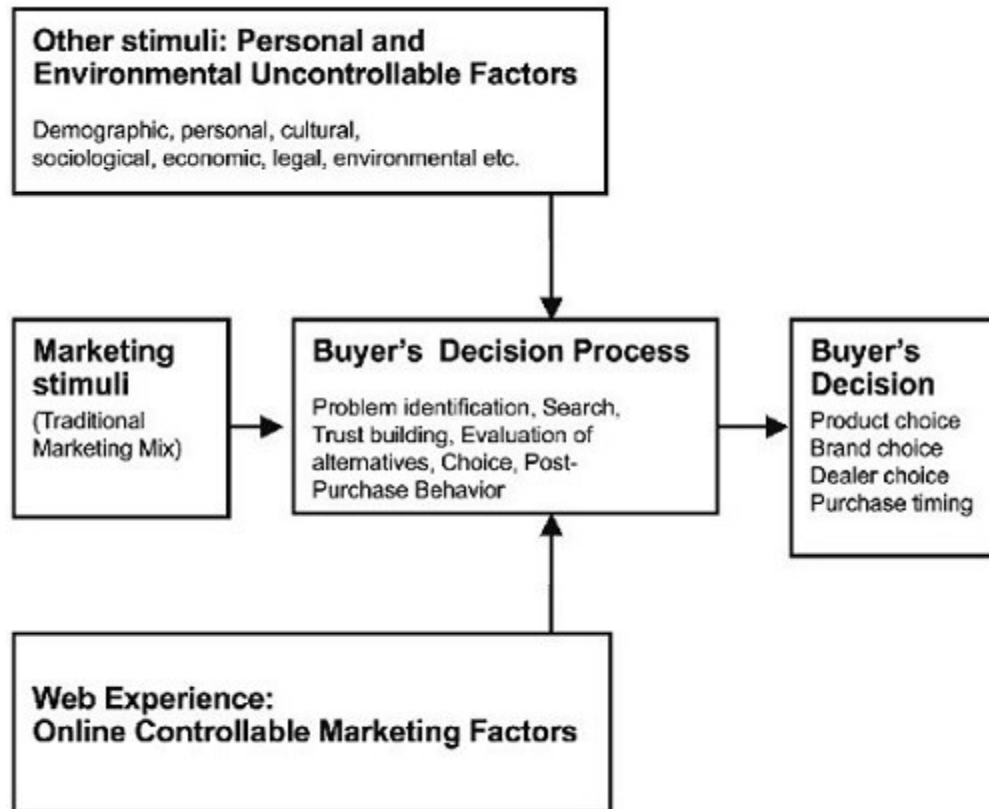**SUBJECT CODE: BBL -203**

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Lecture-39

Online Consumer Behavior

With the evolution of online communication through internet, customers now see online advertisements of various brands. It is fast catching up with the buying behavior of consumers and is a major source of publicity for niche segments and also for established brands. This is the new way of digital revolution and businesses worldwide have realized their worth.

Examples − Online catalogues, Websites, or Search engines. When customers have sufficient information, they will need to compare with the choices of products or services.

Other stimuli: Personal and Environmental Uncontrollable Factors

Demographic, personal, cultural, sociological, economic, legal, environmental etc.

Marketing stimuli
(Traditional Marketing Mix)

Buyer's Decision Process

Problem identification, Search, Trust building, Evaluation of alternatives, Choice, Post-Purchase Behavior

Buyer's Decision

Product choice
Brand choice
Dealer choice
Purchase timing

Web Experience:
Online Controllable Marketing Factors

Online Customer Behavior Process

According to the above figure, in the search stage, they might look for the product reviews or customer comments. They will find out which brand or company offers them the best fit to their expectation.

During this stage, well-organized web site structure and attractive design are important things to persuade consumers to be interested in buying product or service.

Stage 1

The most useful characteristic of internet is that it supports the pre-purchase stage as it helps customers compare different options.

Stage 2

During the purchasing stage, product assortment, sale services and information quality seem to be the most important point to help consumers decide what product they should select, or what seller they should buy from.

Stage 3

Post-purchase behavior will become more important after their online purchase. Consumers sometimes have a difficulty or concern about the product, or they might want to change or return the product that they have bought. Thus, return and exchange services become more important at this stage.

Factors of Online Customer Behavior

The first elements to identify are factors that motivate customers to buy products or services online. They are divided into two categories − external factors and internal factors.

- **The External Factors** are the ones beyond the control of the customers. They can divide into five sectors namely demographic, socio-economic, technology and public policy; culture; sub- culture; reference groups; and marketing.
- **Internal Factors** are the personal traits or behaviors which include attitudes, learning, perception, motivation, self image.

- **The Functional Motives** is related to the consumer needs and include things like time, convenience of shopping online, price, the environment of shopping place, selection of products etc.

- **The Non-Functional Motives** related to the culture or social values like the brand of the store or product.

Filtering Elements

Customers use these three factors to filter their buying choices and decide on the final selection of stores they are willing to purchase from. They use the knowledge to filter their purchase options by three factors −

- Security

- Privacy

- Trust and Trustworthiness