

The Influence of Fundamental Components of Marketing Strategies (4p's) on Customer Satisfaction in Chennai District

Bhuvanewari D¹, Lavanya Veeran², Sangeetha G³, Hemanathan M⁴,
Jeevarathinam M⁵, Prakash V⁶

^{1,2,3,4,5}Assistant Professor, Department of Commerce, Faculty of Science and Humanities, SRM Institute of Science and Technology, Kattankulathur, Chengalpattu District, Tamil Nadu, India

⁶Assistant Professor, Department of Economics, Faculty of Science and Humanities, SRM Institute of Science and Technology, Kattankulathur, Chengalpattu District, Tamil Nadu, India

KEYWORDS

Customer Satisfaction, 4P's Strategies, Online Shopping, Marketing mix, Digital Era.

ABSTRACT

This study paper explores the crucial impact that the marketing mix plays in influencing consumer satisfaction in the context of online shopping. Product, pricing, location, and promotion make up the marketing mix, which is the basic framework that enables businesses to entice and retain customers in the online market. In the digital era, companies must prosper by comprehending how these marketing elements impact client satisfaction, especially since e-commerce has expanded in popularity. This study used a mixed-methods strategy to collect both qualitative and quantitative data. Through a comprehensive review of the literature, the study creates a theoretical framework for the relationships between components of the marketing mix and consumer satisfaction in the context of online shopping. Then, primary data is gathered via focus groups and web surveys to get insights from actual consumers. For this research project, 100 responses were gathered. Utilized as statistical software is R - Programming. In this study article, regression and correlation analysis have been used as research instruments.

Introduction

The current change in communication and business practices may be attributed to the internet's fast proliferation and other technological advancements. Of the most significant changes brought about by these advancements is the rise of online shopping, which is upending the traditional retail landscape and offering consumers a level of convenience and accessibility never before seen. As online purchasing continues to grow, businesses need to effectively leverage digital channels to draw in and retain customers in a virtual economy that is becoming more and more competitive. This makes the marketing strategy an essential paradigm for businesses trying to understand and influence consumer behaviour in the context of online purchasing. Product, pricing, location, and promotion are the four essential components of the marketing mix, which gives businesses the ability to construct comprehensive programmes to meet the needs and preferences of clients. Every element has a distinct effect on how consumers see a brand or their online shopping experience, which in turn affects how happy they are with it. The marketing mix, consumer online purchasing behaviour, and the relationship between the elements of the marketing mix and customer satisfaction will all be covered in the next sections of this article. Following a description of the study's design, the findings will be shown and discussed. The study's conclusions will include suggestions for further research as well as a discussion of the implications for businesses, emphasising how important it is to use the

marketing mix to increase consumer satisfaction and guarantee long-term success in the online retail industry.

Objectives of the research

1. To examine the respondents' demographic factors
2. To look at the four Ps of marketing in relation to their impact on customer satisfaction

Review of literature

Online merchants' product quality and selection are important indicators of customer happiness. Customer happiness with purchasing products via the internet experiences is influenced by product-related characteristics like product diversity, details about the product, and product quality, according to research by Chang and Chen [1]. The significance of new product development and personalization in raising customer happiness and loyalty was also emphasized by Kim and Park [2]. Pricing is very important when purchasing online. According to studies conducted by Balasubramanian, competitive pricing increases customer satisfaction and repeat business [3]. Additionally, Breugelmans found that personalized pricing methods, special offers, and discounts are useful techniques for boosting consumer satisfaction [4]. The "place" component of the marketing mix in the environment of online buying refers to the aesthetics, structure, and usability of the website. The user-friendly layout and aesthetic of the website has an impact on customers' happiness with online buying, according to the research by Ha and Stole [5]. Furthermore, study emphasized the significance of trustworthy and secure electronic payment systems in determining customer satisfaction. Consumer satisfaction may be dramatically impacted by effective promotional actions. According to Kim, social media interaction, personalized marketing communications, and targeted advertising all have a favorable impact on customer satisfaction and online purchase intentions. Additionally, Gupta and Kim discovered that advertising tactics that foster trust increase customer satisfaction and loyalty [6].

Scope of the Study

1. Chennai district only have been focused in this research
2. Percentage analysis, correlation and regression were used in this research paper
3. Product, Price, Place and Promotion only have been adopted as independent factors for this research

Limitation of the Study

1. This research is focused only on residents of the Chennai. Hence, generalization to a large population is challenging
2. Time factor is major constraint

Statement of the Problem

The primary goal of the present research is to investigate "The Impact of 4ps on Consumer Satisfaction with Reference to Online Shopping." In the rapidly evolving digital landscape, online shopping has become an integral part of consumers' lives. To succeed in the fiercely

competitive online marketplace, businesses need to understand the factors influencing customer satisfaction.

Companies use a variety of marketing techniques referred to as the marketing mix to influence customers' decisions about what to buy. It creates an alluring offer for the intended market by integrating strategically selected product, price, location, and advertising strategies. Nonetheless, marketers are still curious in and worried about how each element of the marketing mix impacts consumer satisfaction when it comes to online shopping.

The study's problem statement will address the following key points:

1. In the context of online buying, what implications do the different elements of the marketing mix—product, price, location, and promotion—have on consumer satisfaction?
2. What is the contribution of each component of the marketing mix to overall consumer satisfaction?
3. How do consumer demographics, online shopping habits, and past purchases affect the relationship between the marketing mix and customer satisfaction?

Research Methodology

To collect 100 samples for this research, a Judgmental sampling strategy was adopted. This research paper contains both primary and secondary data. However, the majority of the main data used in this research was collected via questionnaires given to several clients who resided in the Chennai region. R – Programming was the data analysis software used. Techniques for correlation, regression, and percentage analysis have all been applied in this study as research methods.

Demographic profiles of the respondents

Demographics	Options	Percent
Gender	Male	70.8
	Female	29.2
Age	13 – 20	30.4
	21 – 25	27.8
	26 – 36	28.6
	37 and above	13.2
Educational Qualification	SSLC / HSC	12.6
	UG	32.4
	PG	31.6
	Professional Degree	23.4
Income	Below 20000	29.4
	20000 – 40000	38.8
	40000 and above	31.8

Primary Source,

Table 1 shows that the majority of those who responded (30.4%) were between the ages of 13 and 20; 70.8% of them were males; and 32.4% had earned an undergraduate degree. The bulk of respondents—38.8%—were in the 20000–40000 income bracket.

Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
0.911	5

Interpretation

The reliability test is conducted to evaluate the validity of the questionnaire and the item's internal consistency. The Cronbach's alpha should be excellent if it is more than 0.05, according to the criterion. This survey's Cronbach's alpha score of 0.911 demonstrates its validity and accuracy. As a result, further analysis on the gathered data is possible.

Hypothesis Testing

H₀=There is no significant relationship between Marketing Mix and Consumer Satisfaction

H₁=There is a significant relationship between Marketing Mix and Consumer Satisfaction

Correlation Test

R – Programming Results

```
> library(Hmisc, pos=16)

> rcorr.adjust(Maril[,c("place","price","product","promotion","satisfaction")], type="pearson", use="complete")

Pearson correlations:
      place price product promotion satisfaction
place  1.0000 0.6751 0.6246 0.6338 0.5283
price  0.6751 1.0000 0.7082 0.5260 0.5614
product 0.6246 0.7082 1.0000 0.6343 0.6323
promotion 0.6338 0.5260 0.6343 1.0000 0.4875
satisfaction 0.5283 0.5614 0.6323 0.4875 1.0000

Number of observations: 100
```

```

Pairwise two-sided p-values:
place      place  price  product  promotion  satisfaction
place      <.0001 <.0001 <.0001 <.0001 <.0001
price      <.0001 <.0001 <.0001 <.0001 <.0001
product    <.0001 <.0001 <.0001 <.0001 <.0001
promotion  <.0001 <.0001 <.0001 <.0001 <.0001
satisfaction <.0001 <.0001 <.0001 <.0001 <.0001

Adjusted p-values (Holm's method)
place      place  price  product  promotion  satisfaction
place      <.0001 <.0001 <.0001 <.0001 <.0001
price      <.0001 <.0001 <.0001 <.0001 <.0001
product    <.0001 <.0001 <.0001 <.0001 <.0001
promotion  <.0001 <.0001 <.0001 <.0001 <.0001
satisfaction <.0001 <.0001 <.0001 <.0001 <.0001
  
```

Regression Test

R – Programming Results

```

> library(lme4, pos=16)

> RegModel.3 <- lm(satisfaction~place+price+product+promotion, data=marilDataset)

> summary(RegModel.3)

Call:
lm(formula = satisfaction ~ place + price + product + promotion,
    data = marilDataset)

Residuals:
    Min       1Q   Median       3Q      Max
-1.63939  0.02003  0.02003  0.02003  1.55989

Coefficients:
            Estimate Std. Error t value Pr(>|t|)
(Intercept)  1.88096    0.45660   4.120 0.0000811 ***
place         0.06569    0.05853   1.122  0.26459
price         0.15977    0.12314   1.298  0.19760
product       0.32792    0.10096   3.248  0.00161 **
promotion     0.06643    0.09883   0.672  0.50315
---
Signif. codes:  0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Residual standard error: 0.5029 on 95 degrees of freedom
Multiple R-squared:  0.4413, Adjusted R-squared:  0.4177
F-statistic: 18.76 on 4 and 95 DF, p-value: 2.158e-11
  
```

Interpretation

Correlation:

The significant value of all 4Ps of Marketing Mix are less than 0.05 which is significant at 5% level. It infers that the null hypothesis is rejected and the alternative hypothesis is accepted. There is a significant relationship among 4Ps of Marketing Mix. Hence, consumers are attracted through product, price, place and promotion strategies of marketing. Hence, The 4 Ps of marketing—Product, Price, Place, and Promotion—play a crucial role in shaping consumer satisfaction.

Under Holm's Method:

If the adjusted P value is less than the alpha value (P value) then Null Hypothesis Rejected and Alternative hypothesis accepted. In this sense as per the analysis all the values of adjusted P – Value is less than or equal to Paired wise P – Value. Hence, Alternative hypothesis has been accepted.

Product quality, features, and variety directly impact satisfaction by meeting consumer needs and expectations. A well-designed product that delivers on its promises enhances the user experience and fosters loyalty.

Price influences perceived value and affordability. Competitive pricing that reflects the product's quality and benefits ensures consumers feel they are getting their money's worth. Discounts and offers can further boost satisfaction by providing perceived additional value.

Place refers to the distribution channels and their convenience. Easy access to products through various channels (physical stores, online platforms) and consistent availability prevent frustration, enhancing satisfaction. Efficient customer service at these points also plays a significant role.

Promotion encompasses advertising and engagement efforts. Clear, informative, and engaging promotions help consumers make informed decisions and build a connection with the brand, leading to higher satisfaction.

Regression:

- ❖ The table above shows as well as signifies that the regression coefficient, i.e., Beta of place is 0.066 with significance value of 0.265 which shows that there is no significant relationship with consumer satisfaction and place of the marketing mix.
- ❖ Beta of price is 0.160 with significance value of 0.198 which shows that there is no significant relationship with consumer satisfaction and price of the marketing mix.
- ❖ Beta of product is 0.328 with significance value of 0.002 which shows that there is a significant relationship with consumer satisfaction and product of the marketing mix.
- ❖ Beta of promotion is 0.066 with significance value of 0.503 which shows that there is no significant relationship with consumer satisfaction and promotion of the marketing mix.

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