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Methods of analyzing and evaluating the marketing environment specific to online trading

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Abstract. *Since its inception, e-commerce had a strong impact on the way of thinking and doing business. Also, e-commerce had a strong influence on the world economy by destroying time and space barriers, offering both traders and consumers the opportunity to interact and engage in commercial transactions (no matter where they are located). Marketing environment has a significant influence on both the online stores and the shops of traditional commerce. Thus, companies must always be aware of all changes in the marketing environment. Internal and external factors can be studied and controlled so that weaknesses become strong points and threats turn into long-term opportunities. We will try to prove that elements of marketing macro environment, for example technological ones, influence in a very particular way the activity of electronic commerce companies. We also think that interacting with marketing micro environment factors, such as supply-chain sales (supply chain management), is totally different from what happens in offline trade. In this sense, two marketing researches, a qualitative focus group and another quantitative on a sample basis are made. These researches have as main objective the study of the perception of companies about the impact of environmental factors on their activity. The analysis and the results included in this paper will be useful to the companies that carry out their activity in the online environment, but also to the researchers who approach this field.*

Keywords: marketing macro environment, marketing micro environment, supply-chain, marketing research, online trading

Introduction

Taking into account the evolution of the trade and the rapid changes that take place in the activity of distribution and promotion of the products, the traders are obliged to keep up with the progress in this field. In the coming years, surely, the traders will resist the market only that will adapt to the new needs of the current market and to the changes that take place in the relations between producers, traders and final consumers. E-commerce will be the key to the competitiveness of traders, ensuring access to new market segments. (Dinu, 2007; Poljic et al., 2018).

The globalization of the market leads to the emergence of new competitors, but also to the increase of the demand of the buyers, to the application of special programs of purchase and the adoption of new technologies, to the increase of the activity of promotion and the improvement of the modern techniques of sale and at the same time to the use of mechanical and automated installations in own warehouses. (Barbu A., 2011)

To be successful, a company needs to create and maintain a good relationship with existing customers and to know their future needs, even before they know them. In the context of digitalization, in order to achieve these things and to make the brand more known, the company must combine traditional marketing with digital marketing. (Todor R., 2016)

The marketing environment is constantly changing. Due to this evolution it has to be monitored continuously, as it becomes more and more difficult to control. Lately, the Internet has registered a significant development, determining that most companies have focused on developing in this area.

Compared to the micro-environment factors, the macro-environment factors had a stronger influence on the development of the Internet, especially in terms of technological influences. (Gay, Charbsworth, Esen, 2009)

The evolution of the current technological environment has a strong influence on the conduct of marketing activities through the innovations of products and processes that are emerging quickly. Accessing the internet is much easier to enter the market, due to the lower number of entry barriers, and the information is cheap and ubiquitous. (Dovleac, 2017)

Another aspect that has changed significantly is the attitude and behavior of consumers. Access to information makes consumers more difficult to be satisfied because they are more aware of their needs. (Dovleac & Bălăşescu, 2012)

Online stores are, or should be, a cheaper source of goods. They appeared before the crisis, and their main advantage is represented by the low reduction of maintenance costs, this having a direct effect on the costs of the products. (Gheorghe, Gogescu, Duminică, 2010)

Literature review

The concept of marketing can be applied in a market where the information is perfectly symmetrical and the competition is based only on the laws of supply and demand. (Brîndaşu, 2001).

Philip Kotler, in his studies mentions that the marketing environment of a company includes forces close to the company, which influence its ability to serve consumers. The environment produces both threats and opportunities, so the company must carefully analyze its environment to avoid threats and take advantage of opportunities. (Kotler & Armstrong, 2008)

Funaru M., in his work "Environmental marketing", says about the marketing environment that it addresses a complex problem, oriented towards the active study of the environmental market and the sustainable development of the company. (Funaru & Baranov, 2012)

Paula Mitran defines "the marketing environment of the company as representing all the internal and external forces and conditions inside and under the action of which the company operates" (Mitran, 2017) Bratucu and Tierean defines "the marketing environment of the company as being the totality of the subjects and objects including the powers that act outside the company.(Bratucu &Tierean, 2011).

Marketing macro environment in online commerce

The demographic environment is considering the proportion of online buyers that is on the rise, and the highest growth is registered among young people. People between the ages of 25-54 had the highest share of online shopping among internet users in 2017. (www.conso.ro, 2017)

The economic environment is represented by the increase of the net average salary which led to the increase of rates, taxes and commercial excess. All of these can influence the decision to purchase certain products both online and offline.

The natural environment envisages a series of trends highlighted by the crisis of raw materials, the increase of energy costs and the implications related to the influence of the relief and climate. Companies that operate in the online environment must carry out waste collection

campaigns so that this waste does not reach the unprepared areas so as to damage the environment.

The technological environment is changing rapidly, the easier access to the Internet has resulted in an increase of users and a move of consumers to the online environment.

The political environment considers Article II of Law no. 121/2006 for amending and supplementing Law no. 365/2002 regarding electronic commerce, published in the Official Monitor of Romania, Part I, no. 403 of May 10, 2006, as well as Law no. 365/2002 which was published in the Official Monitor of Romania, Part I, no. 483 of July 5, 2002 and was further amended by Law no. 161/2003 regarding some measures to ensure transparency in the exercise of public dignities, public functions and in the business environment, the prevention and sanctioning of corruption, published in the Official Monitor of Romania, Part I, no. 279 of April 21, 2003. (http://www.legi-internet.ro/legislatie-itc.html)

The cultural environment is strongly influenced by Romanians' appetite for discounts, which has led online stores to run Black Friday campaigns (often under other names).

Marketing micro environment in online commerce

The company controls the activities very carefully, so that all departments within the company meet their objectives. All these departments must be customer-oriented in order to offer them a higher degree of value and satisfaction.

Providers. There are a large number of suppliers from which companies have the opportunity to choose and then offer quality products at the market at favorable prices, both in traditional and on-line commerce.

Marketing intermediaries. For online stores, marketing intermediaries are very important, because they promote the products, but especially carry out the activity of physical distribution of the goods.

Customers of online stores are individuals between the ages of 18-50, young people who spend a lot of time in the online environment and are very fascinated by this environment, but also adults who do not have time to spend through traditional shops and are oriented towards the online environment. for a quick and easy purchase from home. In the online environment the number of customers is increasing from year to year, so the number of stores in the online environment has also increased.

Competitors. In the online environment there is a great competition, however consumers have the possibility of multiple choice, and the price is one of the decision makers on the purchased product.

Audience categories influence the ability of companies to reach their goals. The financial groups that influence the online shops in obtaining funds, as well as the government groups must take into account what is happening in the online commerce.

The marketing environment has a significant influence on both online and traditional stores. Thus, companies must always be aware of all changes in the marketing environment, because internal and external factors can be studied and controlled so that weaknesses to become strong points and the threats to become long-term opportunities.

Methodology

The marketing researches presented in this paper are: a qualitative focus group and another quantitative on a sample basis. These researches have as main objective the study of the perception of companies about the impact of environmental factors on their activity.

Methodology of qualitative marketing research

The theme of qualitative research is "Reasons of the population of Brasov regarding the purchase of products from online stores." The purpose of the research is to identify the reasons that determine the consumers in Brasov, Romania not to buy products from online stores, but also what would determine them buy in the future. In this paper we used the method of qualitative research of focus group type, which has the role of identifying the reasons of the population of Brasov to buy or not, products from online stores.

In order to achieve this focus group, it was necessary to recruit the participants that correspond to the participation criteria. The selection of participants was made according to the following criteria: the participant in the focus group to live in Brașov, not to work in online stores, not to have relatives working in online stores, not to have participated in another market study in the last 6 months , aged between 18 and 70 years, not to work in one of the following fields: marketing, press, psychology, sociology, information technology. At this focus were selected 8 participants who met the required criteria. The focus group meeting was held on November 25, 2019 and was based on an interview guide with 8 topics.

The objectives of qualitative marketing research:

- ✓ Determining participants' opinion about shopping in online stores;
- ✓ Identification of the elements that would determine the purchase of products from online stores;
- ✓ Highlighting the reasons why participants do not purchase products from online stores;
- ✓ Identifying the advantages of shopping in online stores.

Methodology of quantitative marketing research

The theme of quantitative marketing research is "Attitudes, opinions and behaviors of the people of Brasov regarding online shops". The period in which this study was conducted is September 2019 - December 2019. Data collection was based on a questionnaire which includes 24 questions. As a random sampling of the population of Brașov is performed, the supposed method for collecting data is the survey based on direct interviews with the questioned persons, in order to ensure a high quality of the answers.

For this marketing research I chose the step sampling method. This sampling technique assumes that each unit of the population surveyed has a certain probability of being included in the sample, a probability different from zero. A first step is the selection of the neighborhoods in the city of Brasov, neighborhoods chosen to be part of the sample. Brașov municipality consists of 16 neighborhoods. From the districts were extracted 5 of them. In each area a list of all the streets was made, then 5 streets were chosen from each neighborhood and a list of the buildings on each street was drawn up. A mechanical step of 8 for blocks and a mechanical step of 6 for apartments was chosen. The questionnaire of the person who has the birthday closest to the day of the interview is applied to the respective apartment. For financial and organizational reasons, the calculated sample size of 1067 persons could not be taken into consideration and a fixed size of 104 persons was chosen.

The objectives of quantitative marketing research are:

- ✓ Determining the extent to which the people of Brasov buy products from online stores;

- ✓ Identification of online stores preferred by the people of Brasov;
- ✓ Identification of the brands preferred by the people of Brasov when purchasing products from the eMAG website;
- ✓ Identification of the factors and means of promotion that influence the purchase decision;
- ✓ Determining the extent to which the population of Brasov is satisfied with the courier company.

After information collection with the help of the questionnaire, the data statistical processing was made with the SPSS system (Statistical Package for Social Sciences). The first stage was to define the relevant variables of the research. After that, the answer options were coded for facilitating data introduction in the computer. Coding was achieved depending on each question and the scale used for that question. SPSS database was filled in after the introduction of all questionnaires, and finally, data was centralized as frequency tables and graphs (Constantin, 2012)

The limits of qualitative research are the following:

- ✓ The results of the research can be influenced by the structure of topics and sub-themes of the interview guide;
- ✓ Some of the answers include incomplete or incorrect information in relation to the existing reality;
- ✓ The conclusions obtained in the qualitative research are not representative for the general population and cannot be extrapolated to its level;
- ✓ The results of a focus group, alone, cannot be a basis for substantiating decisions.
- ✓ Quantitative marketing research has the following limitations:
- ✓ For financial and organizational reasons, a maximum error level of + -9.60% was reached, for 104 respondents, so the sample is not representative;
- ✓ During the interview, errors related to non-answers to certain questions or evasive answers may occur;

Results and discussions

The research has shown a lot of information, further being presented the most relevant for the issues taken into account.

Results and discussions for qualitative marketing research

The vertical and horizontal analysis of the answers obtained within the focus group revealed the following results:

Regarding the discussion about online stores, the respondents are unreliable, skeptical, lacking in information and willing to see the products to physically test them. These aspects give them the certainty that the product purchased is the one they want. The respondents stated that they do not trust the online environment, because the prices are high and the stocks are not exactly fair. Some stores present irrelevant and false information about current products on the site, and on order they do not deliver what they need, as the products are often changed or defective.

Another very important topic discussed in the research was the Black Friday event, but respondents were more careful about this event. They consider the event a scam, which does not inspire confidence, a regular sale and a large fluctuation of prices. However, the respondents consider this event to be very current. The reasons why the respondents are not attracted to this event are the high prices before the event. He considers the prices as false, and the lack of physical contact with the products causes them to go directly to the showroom. The subjects

consider that the event does not bring any benefit, and some products may be inadequate, the delivery taking a long time. Also, the lack of products in the package delivered, the lost of time at night for tracking discounts and the wrong stocks of products on the sites causes consumers to avoid purchasing from the online environment.

Subjects believe that most people buy products from online stores when they are discounted, or when they don't have enough time for shopping. Time is the main factor in choosing online stores. Respondents do not feel the need to purchase from online stores, because the information on the sites is not relevant enough, does not inspire confidence, and the products do not match those delivered. They would buy products if return processes were much simpler, companies were more serious and if they provided relevant information. and orders to customers would be prompt and secure.

Online stores, compared to traditional stores are seen as convenient, practical, competitive, always bringing benefits, free time to customers, but also available from all points of view.

A topic of interest addressed in the research represented the necessary improvements for the online stores, in order to attract the potential consumers. Most respondents believe that companies should bring the following improvements: real prices, guarantees, elimination of ghost companies, loyalty cards, discounts, promotions, customer support, more product information, improvement of site interfaces , order to be executed correctly, delivery to be correct, plus respect, seriousness and trust.

Results and discussions for quantitative marketing research

The research has shown a lot of information, further being presented the most relevant for the issues taken into account.

When asked about the purchase of products from online stores, 89% of respondents stated that they purchased products from online stores and only 11% did not buy from online stores (Figure 1).

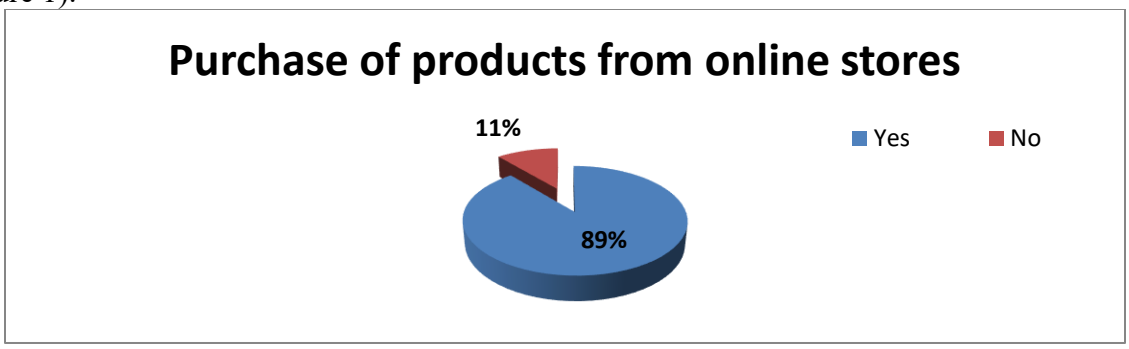


Figure 1. Purchase of products from online stores

Source: Authors' own research.

When asked about the reasons why respondents buy from online stores, 30% consider the prices of the online products to be more advantageous, 28.2% buy because of the ease with which they make the order from home and because of receiving the order at home, without the need for moving to stores. Another reason to buy products from online stores is the wide range of products (18%), followed by more free time (15%), and the reason for the quality of the products is 8.8% (Figure 2).



Figure 2. Reasons for purchase of products from online stores

Source: Authors' own research.

An interesting question was what is the place where the respondents buy products. The following answers were offered to this question: eMAG.ro is preferred among the respondents with a percentage of 40.7%, followed by elefant.ro with a percentage of 15.5%. Amazon.com has a 14.4% share, eBay.com is also a favorite store with 11.3%, and 10.8% aliexpress.com is in the respondents' preferences (Figure 3).



Figure 3. From which online stores are purchased products

Source: Authors' own research.

Other relevant results obtained after conducting the marketing research were the following: Most of the respondents (29.6%) do not buy products from online stores, because they do not trust these stores, followed by the fact that they do not want to pay online and interested to see the products before purchase (25.9%.). Also, respondents said that price and quality attributes are very important when purchasing products from online stores, the card payment criterion is important when purchasing products from these stores, and the wide range of products and home delivery criteria are important. average among the respondents. At the question what amount you spent the last time, with an approximation, for the products purchased online, the most answers were for the amount of 1-200 lei with a percentage of 27.9%, and the fewest answers were recorded for the amount of 1501-2000 lei with a percentage of 2.9% (Table 1).

Table 1. What amount did you spend for products purchased from online stores?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-200 lei	29	27,9	31,5	31,5
	201-400 lei	23	22,1	25,0	56,5
	401-600 lei	15	14,4	16,3	72,8
	601-800 lei	7	6,7	7,6	80,4
	801-1000 lei	10	9,6	10,9	91,3
	1001-1500 lei	5	4,8	5,4	96,7
	1501-2000 lei	3	2,9	3,3	100,0
	Total	92	88,5	100,0	
Missing	99,00	12	11,5		
Total		104	100,0		

Source: Authors' own research.

It was also found that the most important means of promotion, which influence the decision to buy the products are price reductions (38.3%), online promotion (22.7%) and vouchers (20.1%), and the number the least response was for the gifts received. (9.1%). The respondents consider that one of the most important improvements would be to update the products periodically (18%), followed by the shortest delivery time and the price / loyalty points reductions by 16%. The last place is the option for more intense promotion of products sold online, with a percentage of 8%.

Also, following the analysis it was found that the respondents with the level of secondary education purchased products from the online stores in the amount of 1-200 lei and 201-400 lei (33.3%). For the level of high school education, the highest percentage is at the amount of 401-600 lei (42.9%), and the highest percentage for the level of post-high school education, regarding the last acquisition was at the amount of 401-600 lei (42.9%). For the higher level of education, the highest percentage of 45% is found in the amount of 1-200 lei, and for the level of post-university education, the highest percentage of 50% is found in 201-400 lei.

Conclusion

In conclusion, the marketing environment produces both threats and opportunities, so the company must carefully analyze its environment to avoid threats and take advantage of opportunities. Marketing macro environment factors, with broader action, had a more direct and stronger influence on the development of the Internet, especially in terms of technological influences compared to micro-factors. The marketing environment has a significant influence on both online and physical stores. Thus, companies must always be aware of all changes in the marketing environment, because internal and external factors can be studied and controlled so that weaknesses become strengths and threats become long-term opportunities.

Following the research conducted, the following aspects are outlined regarding the behavior and attitude of consumers in the online environment. Most of the respondents purchase products from online stores because the prices are advantageous, the delivery is done at home, and the product range is very diversified. The most visited companies by respondents when it comes to online shopping are the sites eMAG, elefant.ro, amazon.com, eBay.com, and aliexpress.com.

The most important attributes for respondents when purchasing products from the above sites are price and quality, followed by card payment. The wide range of products and home delivery are relatively important issues. Discounts, online promotion, and vouchers are the most important means of promotion for them, and gift cards are the last place. Updating the products from the site periodically, the shortest delivery time and the promotions / loyalty points are the most important improvements for the sites. The future directions that open from the research carried out refer to the in-depth research on the components of the marketing environment. For the marketing micro environment, we will look for the relationships between company - suppliers, company - customers, company - intermediaries. For the marketing macro environment will be carried out in-depth research for the socio-cultural environment to observe what are the preferences of consumers, in which direction these preferences are heading, as well as to study the demographic evolution for the next 10 years.

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DOI: 10.2478/picbe-2020-0076, pp. 797-806, ISSN 2558-9652| Proceedings of the 14th International Conference on Business Excellence 2020