EFFECTIVE DISTRIBUTION CHANNEL IN ONLINE SHOPPING TO REACHING OUT THE TARGET CUSTOMERS

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ABSTRACT

The most effective distribution channels in reaching out the target customers in online shopping. A descriptive Research design was adopted to carry out the data collection for this purpose of retailers from the north Chennai area was chosen. The survey questionnaire was sent as a Google form to collect the respondent from the retailers. The questionnaire includes demographics information and statement to analyze the most effective distribution channels in reaching out the targets customers. Only 80 completed questionnaire were returned (usable Sample). This study using the data such as a price, convenience, Availability of products and reliability of distribution. Multiple regressions analysis was carried out to identify the factors that influence the customers purchase decision making. We found that effective distribution channels are most important to reach the target customers and the company is not frequently taking the attempts to find the distribution channels. Therefore the study also observed under distribution channels. Lack of area covering, lack of transportation cost. And also, the retailer suggested that a clear distribution channel is immensely important in reaching out the target customers. This in two or more study would be enhancing the distribution channels. The future research should be considered as a data collection of data in two or more districts.

Keywords - Distribution channels, target customers, reaching out, decision making, Retailers, factor influence, availability of products, convenience, Reliability of distribution

INTRODUCTION

Distribution channels are important aspect of any business that deals with the sale of goods or services in online shopping. They are the intermediaries that connect manufacturers or service providers with their targeted customers. The effectiveness of distribution channels in reaching out the target customers is important to the success of any business. Companies must ensure that their products or services are available to targeted customers, when and where they need them, and at a cost that is affordable and profitable. This paper analyzes the effectiveness of distribution channels in reaching target customers and highlights the factors that affect their effectiveness.

A company must choose the most effective distribution channel that will enable it to reach its target customers efficiently and effectively. The effectiveness of a distribution channel can be evaluated based on several criteria, including reach, coverage, speed, cost, flexibility, and convenience. Reach refers to the ability of a distribution channel to access a large number of customers. A distribution channel with a wide reach is more effective in reaching the target customer.

Problem Identified

The distribution channels selections is one of the main challenges in reaching out the targeted customers is selecting the most suitable distribution channels and in online shopping often struggles to identify the channels that will effectively reach their target audience, resulting in inefficient resource allocation and missed opportunities.

Objectives of the Study

1. To Analyze the most effective distribution channels for reaching out the target market.

2. To identify the factors that influence customer's purchase decision through different distribution channels.

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LITERATURE REVIEW

Sharma (2017) Authors found that a well- designed distribution channel strategy, such as the one used by Sun Pharmaceutical Industrial Limited, can improve customer satisfaction, increase market share, and lead to better financial performance.

R.Sharma and P.Kumar (2018) the distribution channel strategies of Indian pharmaceutical companies, including Sun Pharmaceutical Industrial Limited. The authors found that the use of direct channels, such as online sales and direct-to-doctor marketing, were more effective for reaching out to target customers than traditional channels like wholesalers and retailers.

Krishna and Briesch, (2017) it deals with the psychology price perception and behavior. And examines the cognitive and affective processes underlying price perception, such as anchoring, price endings, and price-quality heuristics. The review also explores the effects of pricing cues, such as sale signs, discounts, and price framing, on consumer decision-making and price evaluations.

3. RESEARCH METHODOLOGY

3.1 Research Design
Descriptive Research design implemented for further to carry out the research.

3.2 Sample Unit
The sample unit is collected from the online shopping customers.

3.2.1 Sample Size
Out of 100 questionnaires, received the sample size is 80.

3.2.2 Sampling Technique
Using Convenience sampling technique, the samples for the research were collected.

3.3 Data Analysis Procedure
A Well- structured questionnaire was used to collect the responses for the research. Multiple regression and Two-way Anova.

4. DATA ANALYSIS

Multiple Regression

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.253	0.064	-0.004	0.65827	
2	.253	0.064	0.011	0.65355	
3	.252	0.064	0.024	0.64906	
4	.249	0.062	0.036	0.64513	
5	.193	0.037	0.024	0.64911	1.880

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COEFFICIENTS

Model				Standardized Coefficients	t	Sig.
				Beta		
1	Constant Value	2.299	0.254		9.052	0.000
	EASEOFUSEOFWEBSITE	-0.024	0.073	-0.043	- 0.331	0.742
	AVAILABILITYOFPRODUCTINFORMATION	0.016	0.101	0.022	0.159	0.874
	AVAILABILITYOFPRODUCTS	-0.022	0.016	-0.161	-1.377	0.173
	QUALITYOFPRODUCT	-0.127	0.097	-0.188	-1.306	0.196
	RELIABILITYOFDISTRIBUTION	-0.002	0.104	-0.002	- 0.017	0.987
2	(Constant)	2.297	0.224		10.249	0.000
	EASEOFUSEOFWEBSITE	-0.025	0.067	-0.044	- 0.369	0.713
	AVAILABILITYOFPRODUCTINFORMATION	0.016	0.101	0.022	0.161	0.873
	AVAILABILITYOFPRODUCTS	-0.022	0.016	-0.161	- 1.389	0.169
	QUALITYOFPRODUCT	-0.128	0.095	-0.189	- 1.345	0.183
3	(Constant)	2.309	0.209		11.043	0.000
	EASEOFUSEOFWEBSITE	-0.024	0.066	-0.042	- 0.363	0.718
	AVAILABILITYOFPRODUCTS	-0.022	0.016	-0.161	-1.394	0.168
	QUALITYOFPRODUCT	-0.119	0.079	-0.176	-1.508	0.136
4	(Constant)	2.266	0.170		13.323	0.000

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ANOVA

Model		Sum of Square s	Df	Mean Square	F	Sig.
1	Regression	2.047	5	0.409	0.945	.458
	Residual	29.899	69	0.433		
	Total	31.947	74			
2	Regressio n	2.047	4	0.512	1.198	.319
	Residual	29.899	70	0.427		
	Total	31.947	74			
3	Regressio n	2.036	3	0.679	1.611	.194
	Residual	29.910	71	0.421		
	Total	31.947	74			
4	Regression	1.981	2	0.990	2.380	.100
	Residual	29.966	72	0.416		
	Total	31.947	74			
5	Regression	1.188	1	1.188	2.820	.097
	Residual	30.758	73	0.421		
	Total	31.947	74			

Interpretation

The R value is 0.193 which shows that 6.2% of the variation in predicting the distribution channels and that can be explained by 4 variables Ease of use of website , availability of products, availability of products information, quality of products, Reliability of distribution.

Y=2.299 -0.024(Ease of use of website) + 0.016 (Availabity of products information) –

0.022 (availability of products) – 0.127 (Quality of products) – 0.02 (Reliability of distribution) Where Y is the separate policy of Distribution channels. It's clearly depicted from 4.5 the independent variable quality of products (0.000) is statically significant at 90% of confidence level; the correspondent significant values is less than 0.1the other independent variable are individually not significant.

CONCLUSION:

The distribution channels play a crucial role in reaching the target customers and ensuring the stress of a business. The company has to choose the most effective distribution channels based on the different products and target markets. Effective of a distribution channel based on the various criteria such as a reaching people, convenience, on time delivery, area coverage, and cost flexibility. The study beneficial for companies for companies seeking to expand their business and enter into the new market.

Last but not least in today's competitive business environment choosing the right distribution channels in reaching out the target markets. It would be immensely helpful for the organization to know the distribution channels and its help to bring more revenue for the organization.

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