

Study shows Nearly Half of Indian Shoppers Who Researched Products Online Bought Those Products Offline

This study reveals some interesting facts about Indian consumer mindset and underlines the importance of having a user friendly website and strong web presence. This also shows the need of increasing internet marketing budget.

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According to the new study by **Kapston** in association with **GadgetsGuru**, India's first online technology mall and **OffersForShoppers** India's first web-to-store, 40% of Internet users who reported researching products online during the 2006 calendar year bought those products offline at a neighborhood store or via some other offline channel.

'This research also sends a significant message to merchants on the importance of LongTail,' says Ranjith Pavithran of Kapston. 'If nearly half of Internet users who research products online end-up buying those products offline, merchants need to understand how important it is to understand customer's vocabulary, usage of language and the search trends.'

'This study contains some important notes for Indian online entrepreneurs,' said Arun Kapur, CEO, GadgetsGuru. 'If a majority of Indian Internet users are performing their shopping research using general search engines like Google and Yahoo, it is very critical that Indian merchants should have their websites and products easily found on amateur and expert searches in the major search engines. Realizing this, we recently opened our showroom SquareFeets at Thane Eternity Mall to compliment and leverage GadgetsGuru.com and SquareFeets.com websites, added Arun. '

High-Level observations of the research Include: 40% of Indian Internet shoppers research products online and then buy them offline. 85% of Indian Internet shoppers utilize general search engines when researching products. 66% of Indian internet advertisers only consider Google PPC for search marketing. 12% of Indian Internet consumers utilize shopping specific search engines when researching products.

'The analysis also indicates,' added Kumar Setu, CEO of OffersForShoppers.com, 'that internationally many merchants have got excellent results by advertising their products in the shopping-specific search engines, but in India these engines are still playing a very minimal role compared to general search engines. Most of the average Indian users do not know about these vertical search engines, though we noticed some slight increment in the usage of these search engines.'

Ranjith explained, 'A Holistic 360-degree internet promotion is the only way to target a wide array of keywords and hence to reach the most well-profiled as well as to a not so savvy customers. Unfortunately, far too few online merchants know to utilize this new advertisement medium to its full potential. They rely heavily on PPC (Pay per Click); with PPC, the traffic stops the moment you stop the campaign. To target a wider set of customer queries using PPC, you will have to spend a fortune. Only few Indian corporate have the budget for such a long lasting advertisement campaign. Very few Indian companies consider about the searcher when they actually outsource their Internet marketing and promotion. Most of the merchants don't even look at their user's keyword activities and browsing pattern. Too often, this results in a misallocation of future marketing budget to those

channels through which the sale is conceived, initiated and transacted, in fact the budget should be allocated to the channel that actually produces the sale.'

'This study also states the fact that online presence boosts the conversion for companies with strong internet presence and it also emphasizes the need to have a system to track the visitor-to-sale (online and offline) ratio, before and after starting an internet campaign. Such a system would allow them to track their ROI on internet advertisement. And also will tell them whether to go for it or not' says Namitha of Kapston.

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Kapston is a full service internet marketing and consulting company. We provide strategic solutions customized to meet your unique business objectives. With a holistic approach, we help companies to position and advance their [brands](#) online. When the rest of the [SEO/SEM](#) world is search engine centric, we differentiate ourselves by being the only [business centric internet marketing](#) and [branding](#) company in the world.

[Kapston.com](#) works with many of its clients to understand customer behavior and define strategies to sell to the most amateur and remote customers whereby improving ROI of Internet advertisement.

For more information, Please contact:

Namitha Ranjith
Director - Kapston

You can also visit www.kapston.com for more information.