

ROLE OF E-MEDIA IN DECISION MAKING PROCESS: AN EMPIRICAL STUDY WITH SPECIAL REFERENCE TO URBAN YOUTH IN INDIA

Urvashi Makkar*

Abstract *E-media has touched every aspect of urban youth in India, be it their lifestyle, psychology, opinion, decision making process, consumption patterns or any other field. The phenomenal growth in Media Sector has a great impact on Indian population in rural & urban areas. The rural or urban population has their own media choices, but the urban youth has their own priorities while consuming media. The major objectives of the current research paper are.*

- To find out the perception of urban youth towards various media options including e- media.
- To find out the factors affecting the choice & the preferences of media vehicles amongst Urban youth, with special reference to e-media.
- To find out the role & impact of e-media on Decision Making Process with special reference to urban youth

For this research paper, a pilot survey has been conducted in Delhi, NCR region and Western UP to explore all the factors affecting the choice & the preferences of media vehicles amongst Urban youth, with special reference to e-media. Based on this pilot survey, a highly structured, closed ended questionnaire was formulated on a Likert Scale. The primary data was analyzed using statistical tools like Factor Analysis, Hypothesis Testing using Chi-Square and Scatter Plotting.

Keywords *E-Media, Urban Youth, Media Vehicles, Media Preferences, Media Impact, Customer Perception.*

INTRODUCTION

The Media & Entertainment (M&E) industry globally is undergoing a rapid change related to the emergence of the Internet and Digital Media. These technology advancements are viewed by experts as both a challenge and an opportunity. Media and Entertainment (M&E) industry in India was worth INR 402.43 billion (USD9.12bn) in 2006, a growth of 13.98% over 2005, which is higher than GDP growth rate. It is expected that the industry will grow at 17.49% in 2007 to reach a size of INR472.81 billion. During 2000-06, the radio industry grew at a CAGR of 52.41% and is expected to grow at a CAGR of 34.17% during 2006-10. (Source-Indian Media & Entertainment CYGNUS Business Consulting & Research, June 2007, http://www.researchandmarkets.com/reportinfo.asp?report_id=508059)

The media industry consists of the advertising, broadcasting & cable TV, publishing and movies & entertainment mar-

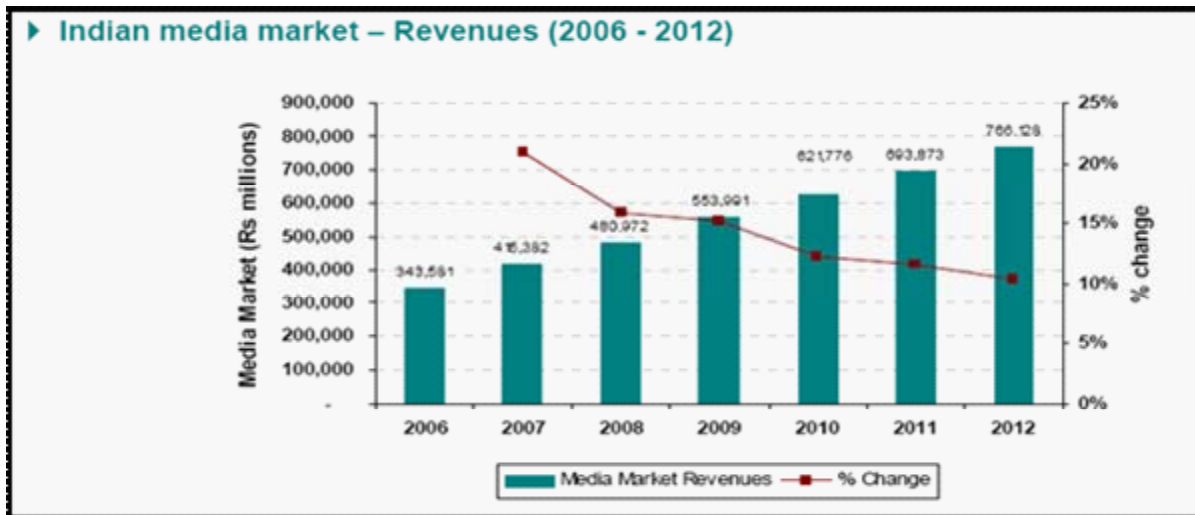
kets. The advertising market consists of agencies providing advertising including display advertising services. The market value reflects income of the agencies from such services. The broadcasting & cable TV market consists of all terrestrial, cable and satellite broadcasters of digital and analog television programming. The market is valued as the revenues generated by broadcasters through advertising, licensing (or public donations) and subscriptions.

CURRENT SCENARIO OF INDIAN MEDIA MARKET

The projected trends of Indian media markets in terms of Revenues and Adspend in the period 2006-2012 are highly encouraging. There are projections of 25% increase in the revenues and approximately 12% increase in the adspend in the same period till 2012. (Ref. Fig. 1 and Fig. 2)

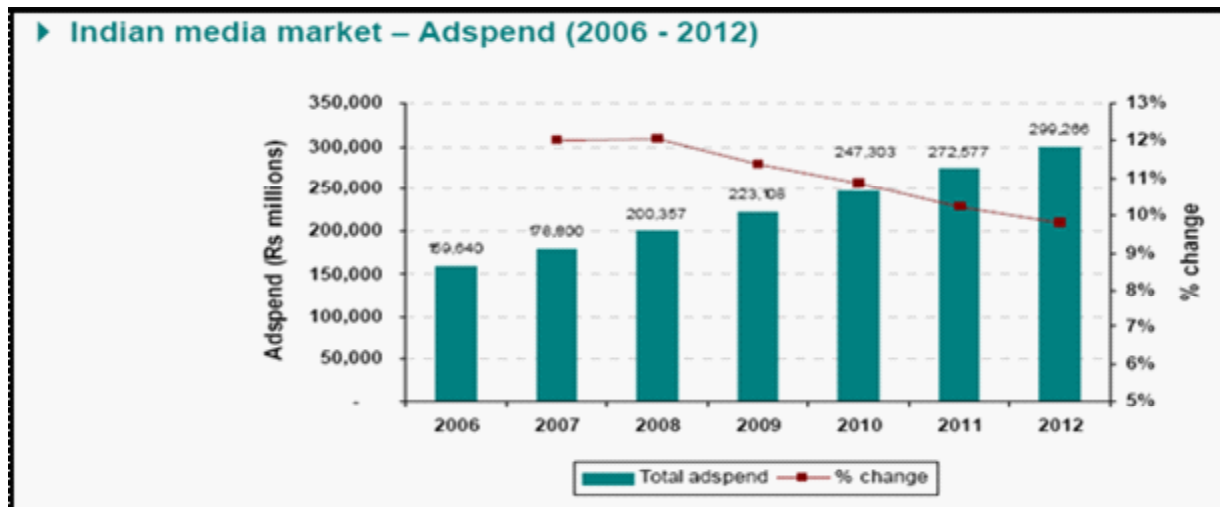
*Institute of Management Studies, Ghaziabad, U.P., India

Figure 1



(Source: Indian Media Market 2007, Heernet Ventures Limited, Feb 2007, http://www.researchandmarkets.com/reports/444793/indian_media_market_2007)

Figure 2



(Source: Indian Media Market 2007, Heernet Ventures Limited, Feb 2007, http://www.researchandmarkets.com/reports/444793/indian_media_market_2007)

In the backdrop of the above mentioned facts, it is evident that the phenomenal growth of Indian Media Market, specifically e-media has strong impact on the society in general and on the urban consumers specifically regarding their consumption pattern and buying behavior.

OBJECTIVES

The phenomenal growth in Media Sector has a great impact on Indian population in urban youth. It has touched every aspect of people, be it their lifestyle, psychology, opinion, decision making power, consumption patterns or any other field. The urban population has their own media choices. There being a technical challenge of reaching to wide

geographical area, the urban youth customer has his own preferences and prejudices. The major objectives of the current research paper are:

- To find out the perception of urban youth towards various media options including e-media.
- To find out the factors affecting the choice & the preferences of media vehicles amongst. Urban youth, with special reference to e-media
- To find out the impact of e-media on Decision Making Process with special reference to urban youth

In the backdrop of emerging significance of multiple media options including e-media, the current research paper is an

attempt to know the influence of e-media on the buying behavior of the consumers in urban youth market in India. Undoubtedly the impact of media on the consumption patterns can be one of the strongest tools for the marketers for their promotional strategies as media has always influenced the consumers in almost every aspect of their life, be it at religious or regional, traditional or latest, cultural or social or any other aspect.

RESEARCH METHODOLOGY

Research Design

- This study involves Descriptive Research involving gathering of preliminary information that help in identification of the various factors affecting the choice & the preferences of media vehicles amongst Urban youth, with special reference to e-media.

Data Collection Instrument

- The data for the study was gathered through an undisguised questionnaire. It was pretested several times among various sample units to verify face validity of the items.
- For this study, a pilot survey was also conducted in Delhi, NCR region and Western UP to explore all the factors which can be directly or indirectly affecting the choice & the preferences of media vehicles.
- Based on this pilot survey & pre-tests, a highly structured, closed ended questionnaire was formulated on a Likert scale (Refer Annexure – 1). The primary data was collected by personally contacting the respondents from these areas.
- Demographic Profile of Respondents: The respondents from urban area are in the age group of 21-30 years, literate, who have exposure to diverse media options.

Sampling Design

- Simple Random Sampling without Replacement (SRSWOR) was selected for the current research paper.
- Sampling Unit - The Sampling Unit was defined as someone who has prior exposure of any electronic media vehicle and, hence, the respondents (largely the students from different colleges of NCR Region) are expected to have an opinion, as far as the factors affecting the choice & the preferences of media vehicles are concerned.

- Sample Size - Primary data was collected with a sample size of 250 from Delhi/NCR (National Capital Region) region including Ghaziabad, Noida, Gurgaon & Western UP in North India. The choice of this geographical area has been done with this assumption that NCR in India may be having best respondent's population, exposed to e-media in Urban Markets.

Data Analysis

Statistical tools applied in the current research paper are Factor Analysis, Multidimensional Scaling, and Chi-Square Test.

In the backdrop of the objective of this research paper to find out the factors affecting the choice & the preferences of e-media vehicles amongst the urban youth population in India and to find out the role of e-media as a buying guide, the data has been collected using 10 variables indicating role of e-media as- 'information', 'helpful as a buying guide', 'Exaggerated', 'Believable', 'Cause of wrong decision', 'Has a negative impact on children', 'Reachability', 'Economical', 'Easy to use'. The eight media options have been ranked as 'News paper', 'Magazine', 'Movies', 'Radio', 'TV, Internet', 'Out of Home', Mobile (Refer Annexure-1). Further the aggregate ranking of eight media options over 10 variables have been obtained (Refer Annexure-1).

There after, factor analysis has been applied on the resulted data, and 10 variables have been condensed into two factors. Finally, using multi-dimensional-scaling, we have drawn two scatter plots to know the perception of the customer about different media options and factors behind the motivation to use a particular media vehicle. And in the next section of research we have applied chi-square to test the gender preferences.

DATA ANALYSIS

Following is the detailed analysis based on Aggregated Rankings, Factor Analysis & Multi-Dimensional-Scaling. The results have been interpreted, on the basis of principal component analysis and scatter plot techniques.

Aggregated Rankings of Different Media Options for Ten Chosen Variables

It has been found from Fig.-3 that on the basis of information, Newspaper, media option has got 1st rank; Internet follows newspaper with second rank while TV scored 3rd rank as a media tool to get the information and other preferences are Magazines, Radio, Out of home, Mobile and Movies respectively.

Figure 3 Aggregated Ranking of Different Media Options for ‘Information’

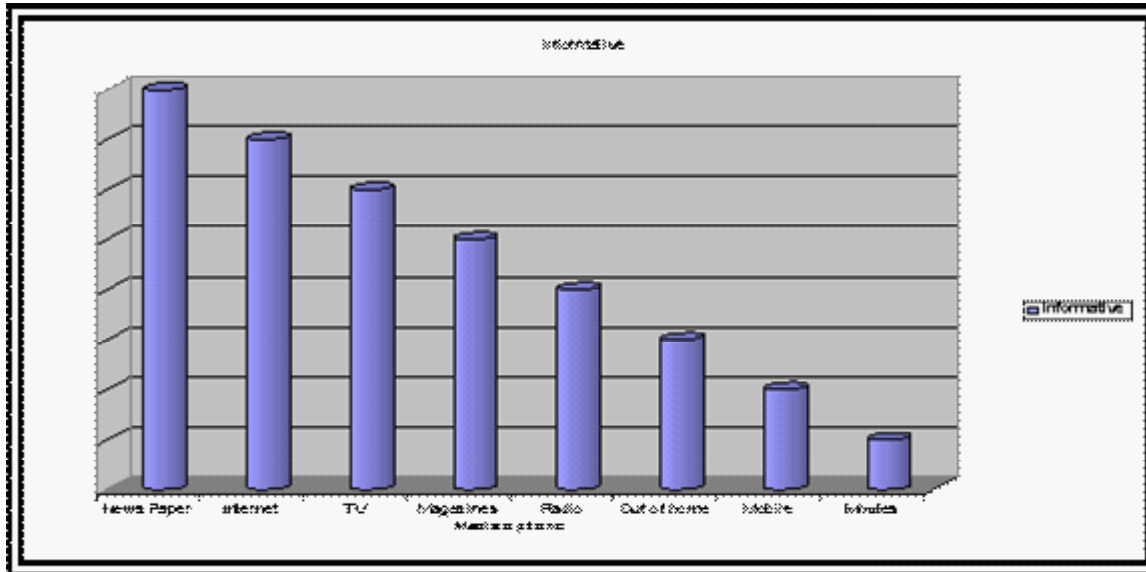


Table 1

Variables \ Media Options	Informative	Helpful as a buying guide	Exaggerated	Believable	Cause of wrong decision	Reach ability	Economical	Duration spent	Attention Seeking	User Friendly
Newspaper	1	3	5	1	8	1	1	2	5	1
Magazines	4	4	6	4	6	6	7	5	7	7
Movies	8	7	1	7	1	8	8	6	4	5
Radio	5	6	3	6	7	2	3	4	6	3
TV	3	1	2	2	2	3	4	1	1	2
Internet	2	2	4	3	3	4	5	3	2	4
Out of Home	6	5	8	5	5	5	2	8	3	8
Mobile	7	8	7	8	4	7	6	7	8	6

Similarly the aggregated ranking of different media options for ‘Helpful as a buying guide’, ‘Exaggeration’, ‘Believability’, ‘Cause of wrong decision’, ‘Reach ability’, ‘Economy’, ‘User Friendliness’, ‘Durations Spent’, ‘Attention Seeking’ were drawn & the following ranks were found. (Refer Table. 1)

Factor Analysis

Factor analysis of the Ten-item ranking construct employed the extraction procedure of principal components with Varimax rotation. The criterion used to determine the number

of factors was based upon the derivation of factors with an eigen value greater than unity.

Rotated Component Matrix

Rotated Component Matrix has been generated using Varimax with Kaiser Normalization procedure. All 10 variables along with the 2 extracted factors are given below in Table 3.

A two-factor solution was derived (Refer Table 2). The two factors account for 78.567% of total variance and the communalities are generally respectable as informative (.848), Helpful as a buying guide (.741), and so on.

Table 2 Condensed Table of Factor Analysis

	Variables	Trust Worthy	Misleading	Communalities (h2)
V ₁	Duration Spent	.950		.909
V ₂	Believable	.879		.855
V ₃	Helpful as a buying guide	.857		.741
V ₄	User Friendly	.849		.723
V ₅	Informative	.829		.848
V ₆	Reachability	.772		.889
V ₇	Attention Seeking	.721		.522
V ₈	Cause of wrong decision		-.891	.799
V ₉	Economical		.747	.77
V ₁₀	Exaggerated		-.747	.799
	Eigen Value	5.391	2.466	
	Variance (%)	53.907	24.66	
	Cumulative Variance (%)	53.907	78.567	

Table 3 Two Extracted Factors

Factors	Variables
Factor 1 Trust Worthy	V ₁ Duration Spent
	V ₂ Believable
	V ₃ Helpful as a buying guide
	V ₄ User Friendly
	V ₅ Informative
	V ₆ Reachability
	V ₇ Attention Seeking
Factor 2 Misleading	V ₈ Cause of wrong decision
	V ₉ Economical
	V ₁₀ Exaggerated

Factor 1 reflects the trustworthiness of the media option. Trustworthiness is dependent on seven variables like believability, user- friendliness, informativeness etc. (Refer Table 3).

Factor 2 reflects ‘misleading’ attribute of the media option, which is dependent on 3 variables like exaggeration, cause of wrong decision etc. (Refer Table 3).

SCATTER PLOTS USING MULTI-DIMENSIONAL-SCALING

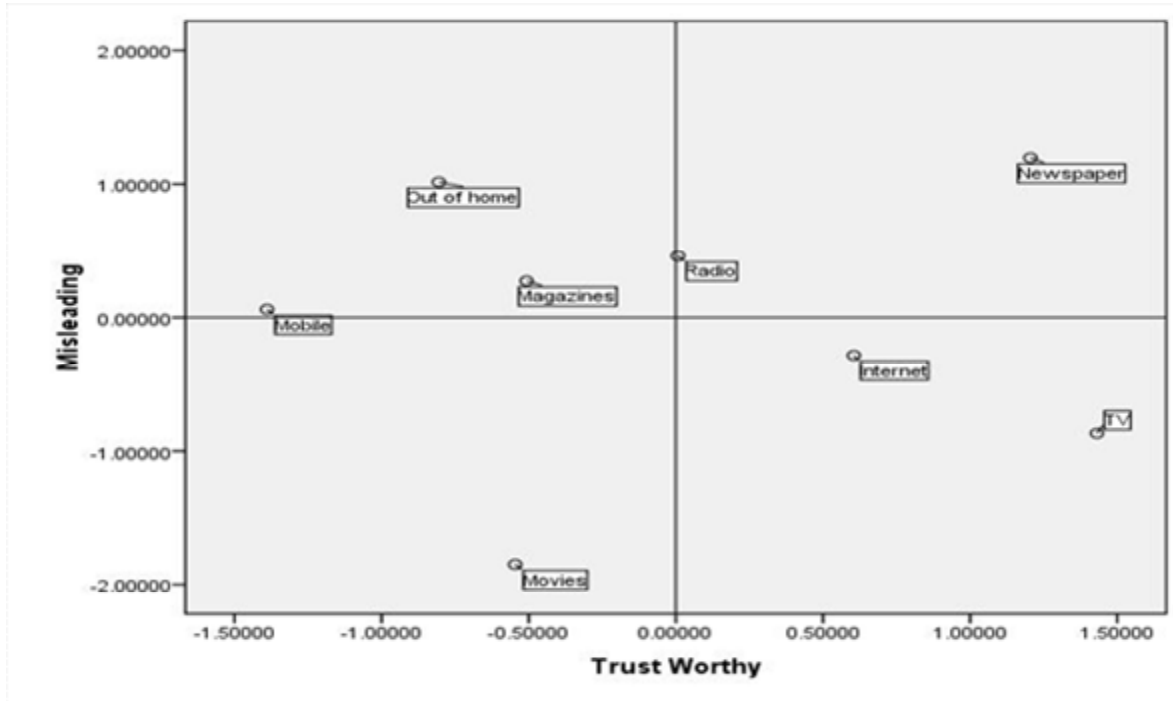
Multi-dimensional-scaling, has been used to draw two scatter plots to know the perception of the customer about different media options and factors behind the motivation to use a particular media vehicle.

From the Fig. 4, it has been found that TV is highly correlated to the Factor 1 (Trust Worthy) and ‘out of home’ media option is associated with Factor 2 (misleading) while Newspaper is associated with both the factors i.e. Trust worthy and Misleading.

Since TV is highly related to the Factor 1 (Trust Worthy) that means TV is media in which most duration is spent, believable, ‘helpful as a buying guide’, user friendly, informative, reachable, and attention seeking media option among the other used media options. But on the other hand, it shows the negative correlation to Factor 2 (Misleading) that means TV can cause wrong decision, not economical and exaggerated too.

By following the similar pattern we can tell the respondent perception about other media options such as

Figure 4 Scatter Plot between Two Factors- Trustworthy & Misleading



newspaper, Internet, mobiles and so on.

Respondent Perception about each media option is given in the Findings, Section-6.

GENDER PREFERENCES OF INTERNET

In this particular section of research, Objective of research is to test the several hypotheses about gender preferences regarding Internet usage. The following hypotheses are tested:

Test the hypothesis, “The proportion of male and female respondents is same for the statement ‘Internet helps in buying of white goods’

H01: There is no significant difference between male and female for the statement ‘Internet helps in buying of white goods’

H11: There is a significant difference between male and female for the statement ‘Internet helps in buying of white goods’

From the Table 4, It has been clear that 63.3% male respondents think that Internet helps them in buying of white goods and 67.5% female respondents also think same while overall 68% male-female think that internet helps them in buying white goods.

(P-Value is a criterion which helps us in deciding whether we should accept the null hypothesis or reject the null hypothesis.)

It is clear from Table 5 that our null hypothesis has been accepted. i.e. there is no significant difference between male and female respondents regarding statement ‘Internet helps in buying of white goods’ because p-value is greater than level of significance.

Table 4 Gender * Internet Helps in Buying of White Goods Croos Tabulation

			Internet helps in buying of white goods		Total
			Yes	No	Yes
Gender	Male	Count	41	19	60
		% within gender	68.3%	31.7%	100.0%
		% within Internet helps in buying of white goods	60.3%	59.4%	60.0%
		% of Total	41.0%	19.0%	60.0%
	Female	Count	27	13	40
		% within gender	67.5%	32.5%	100.0%
		% within Internet helps in buying of white goods	39.7%	40.6%	40.0%
		% of Total	27.0%	13.0%	40.0%
Total	Count	68	32	100	
	% within gender	68.0%	32.0%	100.0%	
	% within Internet helps in buying of white goods	100.0%	100.0%	100.0%	
	% of Total	68.0%	32.0%	100.0%	

Table 5 Chi-Square Tests

	Value	Degree of Freedom (df)	Asymmetric p. Significance (2-sided)	Exact Significance (2-sided)	Exact Significance. (1-sided) (p-Value)
Pearson Chi-Square	.008(b)	1	.930		
Continuity Correction(a)	.000	1	1.000		
Likelihood Ratio	.008	1	.930		
Fisher's Exact Test				1.000	.550
Linear-by-Linear Association	.008	1	.931		
N of Valid Cases	100				
a Computed only for a 2x2 table					
b 0 cells (.0%) have expected count less than 5. The minimum expected count is 12.80.					

Table 6 Hypotheses (using Chi-Square Test) & Inferences Drawn to know Gender Preferences

Sr. No.	Hypotheses (using Chi-Square Test)	Inferences	p-value	Conclusion
1.	The proportion of male and female respondents is same for the statement 'Internet helps in buying of white goods'	There is no significant difference between male and female respondents regarding statement 'Internet helps in buying of white goods'	Greater than level of significance	Gender plays no role in the impact of Internet in the Buying Decisions with respect to White Goods, FMCG Products, Consumer Durables, Selection of life Partner, Investment decisions
2.	The proportion of male and female respondents is same for the statement 'Internet helps in buying of FMCG Products'	There is no significant difference between male and female respondents regarding statement 'Internet helps in buying of FMCG Products'	Greater than level of significance.	
3.	The proportion of male and female respondents is same for the statement 'Internet helps in buying of Consumer Durables'	There is no significant difference between male and female respondents regarding statement 'Internet helps in buying of Consumer Durables'	Greater than level of significance	
4.	The proportion of male and female respondents is same for the statement 'Internet helps in Selection of life Partner'	There is no significant difference between male and female respondents regarding statement 'Internet helps in Selection of life Partner'	Greater than level of significance	
5.	The proportion of male and female respondents is same for the statement 'Internet helps in Investment decisions'	There is no significant difference between male and female respondents regarding statement 'Internet helps in Investment decisions'	Greater than level of significance	

Similarly, the Following Hypotheses have also been tested & Inferences drawn as shown in Table 6:

FINDINGS

Customer Perception

Perception about E-Media

a. Perception of the Customer about Internet

From the Fig.3 (Ranking charts), and Fig. 4 (scatter plot) it is concluded that respondents use the Internet because it is informative, believable and helpful as a buying guide. If

respondents avoid the internet because they perceive it may be the cause of wrong decision. Besides all these factors, respondents spent their lot of time on Internet.

Factors behind the adoption of Internet-Informative, Helpful as buying guide, believable and duration spent

Factors behind the avoidance of Internet-Cause of wrong decision

b. Perception of the customer about TV

From the Fig.3 (Ranking charts), and Fig. 4 (scatter plot), It has been found that TV highly helps to the respondents to buy the products, is attention seeking, believable, user friendly

media option and respondents also spent their substantial time on TV. But on the other hand, TV has demerits too as it is a cause of wrong decision and exaggerated media.

- Factors behind the adoption of TV- Helpful as a buying guide, Attention seeking, user friendly, duration spent and believable
- Factors behind the avoidance of TV- Cause of wrong decision and Exaggeration.

Perception of the customer about Mobile

From the Fig.3 (Ranking charts), and Fig. 4 (scatter plot), It has been found that respondents failed to give clear perception about mobiles.

c. Perception of the customer about Radio

From the Fig.3 (Ranking charts), and Fig.4 (scatter plot), It has been found that Radio is a User Friendly Media option because it is user friendly, reachable, economical and exaggerated too.

- Factors behind the adoption of Radio- Reachability, economical and user friendly.
- Factors behind the avoidance of Radio- Exaggeration.

Perception of the customer about Movies

From the Fig.3 (Ranking charts), and Fig. 4 (scatter plot), It has been found that movies as media option is a misleading option because it may be taken as a reason of wrong decision and it is highly exaggerated too.

- Factors behind the adoption of Movies-Attention seeking
- Factors behind the avoidance of Movies- Cause of wrong decision and exaggeration.

Perception about Print Media

a. Perception of the Customer about Newspaper

From the Fig.3 (Ranking charts), and Fig. 4 (scatter plot), It has been found that Newspaper is the best media option because It is highly informative, reachable, economical, attention seeking and helps the people to buy the products. Respondents spent a substantial time on Newspaper.

- Factors behind the adoption of Newspaper-Informative, Reachable, Economical and Attention Seeking.
- Factors behind the avoidance of Newspaper-No Factor has been found as per our analysis

b. Perception of the customer about Magazines

From the Fig.3 (Ranking charts), and Fig. 4 (scatter plot), It has been found that respondents does not give too much attention to it as an important media affecting their buying decisions. No clear factors come out for the adoption and avoidance of Magazines as per our study.

Perception about Out of Home Media

c. Perception of the customer about 'Out of Home'

From the Fig.3 (Ranking charts), and Fig. 4 (scatter plot), it has been found that 'Out of home ', media option is economical and attention seeking.

- Factors behind the adoption of Out of home-Economical and Attention seeking.
- Factors behind the avoidance of Out of home-No sufficient factors have been found

Gender Preferences

From the Table 4, 5, it is found there is no demarcation based on gender regarding the decision making aspect of e-media (Internet).

Also the large number of respondents think that e-media /Internet helps in decision making to buy white goods, FMCG Products, Consumer Durables, helps them in selection of life partner and internet helps them in investment related decisions.

Overall, it may be inferred that Internet/e-media is perceived as a useful guide to the respondents in urban areas, irrespective of the gender.

CONCLUSIONS & SIGNIFICANCE OF THE STUDY

Despite few limitations, the significance of the current paper lies in the fact that it is expected to:

- Help the marketers to focus attention to the diverse media vehicles in general & e-media specifically, which are key as buying guides to the customers in Urban markets
- Provide insights in formulation of the further media strategies by the marketers enabling them to focus on right media choices & media mix.

One thing is but sure that e-media is having a dramatic impact on the consumption patterns of the consumers, irrespective of their affiliation to certain geographical locations – rural or urban & their gender. Even in this new business environment where electronic transactions are becoming the norm, the use of other media options to document business transactions is equally important, specifically for the urban customers. Indeed, as per the current research, it is now widely recognized that the role of other media options like Print and Out of Home (OOH) is not less in comparison to the world of electronic communications. This view can be the driving force behind efforts by the marketers to develop rules regarding their media mix strategies.

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AUTHOR'S PROFILE

With an extensive academic & corporate experience of more than 17 years, Dr. Urvashi Makkar, is associated with Institute of Management Studies (IMS), Ghaziabad as Dean-Academics & Professor-Marketing . A National Merit Scholarship holder throughout her academics, with more than 50 publications in refereed National/International Journals to her credit, she has authored four books on CRM & Retail with reputed publishers like Tata McGraw Hill. She has attended various National & International conferences/seminars & presented research papers at Harvard University, Massachusetts, USA, Universiti Malaysia Sarawak, Malaysia, IIT-Bombay, IIM-Ahmedabad, IIT-Kanpur, IIM-Kozhikode etc. Besides having conducted more than 45 EDPs/MDPs/Workshops and associated with Research & Consultancy assignments of companies like Apollo Tyres, BSNL, CMC Ltd., Cipla, ISGEC (an ISO 9002 co.), Ballarpur Industries (BILT) etc., she has handled International Consultancy Assignment at Kenya Institute of Management, Nairobi, Kenya, related to Organizational Performance Index (OPI) as Lead Researcher & Consultant from November, 2009 – December, 2010. She has been Principle Investigator of a Research Project entitled “Marketing Practices in Retail in India” sponsored by AICTE under Research Promotion Scheme (RPS). She can be contacted at email-id: urvashimakkar@gmail.com.