Chapter 9
Developing a Research Framework to Assess Online Consumer Behaviour Using Netnography in India: A Review of Related Research

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ABSTRACT

Netnography is a specialized form of ethnographic research that has been adapted to the unique contingencies of various types of computer-mediated social interaction. With the tremendous growth in the number of Internet users in India, the potential of utilizing netnography to study various aspects of management and business has also increased. Several e-Commerce companies have started operating in India since 2007. Over time, the number of online consumers has also increased in India. Therefore it is important to know the online consumer behaviour towards e-Commerce companies operating in India. Keeping the above facts in view, this chapter proposes Netnography as an effective research method to assess online consumer behavior. The chapter not only helps in providing future agenda for research, but also presents a framework that may be adopted to carry out Netnography of e-commerce related websites in India.

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INTRODUCTION

Market research is the cornerstone that supports the marketing machines of every company. For consumer-facing companies, it is absolutely necessary to be tapped into the thoughts and pulses of current customers, as well as prospective ones, in order to uncover market segments and needs and better position products for consumer adoption.

Traditionally companies used to conduct surveys and studies with a goal to create data to analyze and act upon as per their objectives. Companies have traditionally relied on a range of qualitative and quantitative market research techniques conducted in parallel or serially, such as focus groups, surveys, interviews and ethnographies, the direct observance of human behavior. Such approaches are usually biased, costly and time-intensive (slow). It has been argued that companies pour in resources only to get mediocre results.

Ethnography is an anthropological approach that has gained popularity in sociology, cultural studies, marketing and consumer research, and many other fields in the social sciences. The term refers both to the act of doing ethnographic fieldwork and to the representations based on such a study. Dick Hobbs (2011) provides a cogent definition of ethnography, defining it as: a cocktail of methodologies that share the assumption that personal engagement with the subject is the key to understanding a particular culture or social setting.

While in the past such methods were the only means for gathering this kind of data, today internet has provided another approach to obtain the desired information. With the rapid emergence of blogs, forums, social networks and plethora of information posted on the internet, huge amount of information (data) is now available, which needs to be collected and analyzed. This has opened a new approach to understanding consumer behavior, by collection and analysis of data from the internet. This approach is called “netnography” (Kozinets 2002). Basically netnography is an ethnographic study using the internet as a proxy for the voice of the consumer.

The literal implementation of ethnography on the internet, netnography is the process of accessing and analyzing sentiments and opinions expressed by consumers chatting in blogs, forums and online discussion groups. This method is much quicker, cheaper and results are arguably more authentic expressions of opinion and need.

A netnography study can also be a very valuable first step in a larger research programme. Performing a netnograph study before launching into more expensive and time-consuming methods can expedite the research cycle by providing researchers with preliminary information that enables them to immediately dive into more focused and valuable tasks. Netnography can make it possible to leverage the vast quantities of data on the internet of all kinds, in providing much more deep and meaningful way.

Netnographic research has its shortcomings and challenges also. First, the researchers, as nonparticipant observers, cannot direct the content of participants’ text. Secondly, the researchers cannot verify the authenticity of participants’ claim (e.g. regarding their age and place of residence). As a result, researchers might inadvertently find themselves engaged with data contributed by child participants masquerading as adults, in studies that are age-range specific. Furthermore, netnography researchers have no access to nonverbal communications, and have to rely entirely on written text, a condition that may limit the thickness of data. There are also legitimate concerns that some website content might be manipulated for various ends, as in the case of, for example, where corporate-owned sites are administered in a manner that portrays a desired business image, so that negative customer reviews, for instance, deleted by website administrators. These limitations pose significant challenges for web-based research (Mkono 2012).