

# A STUDY ON STUDENTS' PERCEPTIONS ON ONLINE SHOPPING AND FACTORS INFLUENCING ONLINE BUYING BEHAVIOR

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**Abstract**-In modern era internet has emerged as a useful marketing tool catering to the broad range of customers. Online shopping has become part and parcel of many people's lives. The student's perceptions on online shopping and the difference in perceptions on online shopping with respect to demographic variables of the respondents has been examined in the present study. Further the factors influencing online shopping behavior has been investigated. The participants in the present study have been the 150 students of colleges and universities in Solan and Shimla cities of Himachal Pradesh. The results showed that respondents strongly feel that online shopping is useful, saves time and is convenient. The effect of gender, age, educational qualification and background has been found to be non significant for majority of the statements of online shopping. The most important factor that influences online buying behavior of respondents is noted to be delivery time followed by quality, reputation of the company. The males considered delivery time and reputation of the company while females considered good description of goods and delivery time the most important factors that influence the buying behavior.

**Key Words:** Internet, online shopping behavior, perceived risks, quality, security, delivery time

## Introduction and Literature Review

Online shopping has become a more popular means of purchasing products and services (Bourlakis et al., 2008). Online shopping refers to the shopping behavior of consumer in an online store or a website used for online purchasing purpose (Monsuwe et al, 2004). Many factors motivate and influence the people to buy online such as convenience, more information, more choice to compare products and price, time efficiency easier to find anything online (Butler and Peppard, 1998; Hofacker, 2001; Hermes, 2000; Lim and Dubinsky, 2004; Wang et al., 2005; Prasad and Aryasri, 2009); perceived usefulness (Zhou et al. 2007). The studies have reported that some customers use online channels just to escape from face-to-face interaction with salesperson may be because of experienced or perceived discomfort when dealing with salespeople (Goldsmith and Flynn, 2005; Parks, 2008). In a study it has been noted that customers have associated internet shopping to a real game of chance, treasure hunt, fun and entertainment which reduces their psychological costs (Prasad and Aryasri, 2009). It has been noticed that consumers feel that online shopping has made their life easier as they do not have to stuck in the traffic, look for parking spot, wait in checkout lines or be in crowd in store (Childers et al., 2001). Internet traits, attitudinal traits and convenience significantly affect online shopping behavior (Sharma and Sitlani, 2013).

However, some consumers still feel uncomfortable to buy online. Major reasons that impede them from online shopping include unsecured payment, slow shipping, unwanted product, spam or virus, bothersome emails and technology problem, lack of trust (Chen and He, 2003; George, 2004), security (Laudon and Traver, 2009); web site environmental characteristics (Mummalaneni; 2005), fear of being cheated and misuse of their personal information; past online shopping experience (Comegys et al., 2009), intangible nature of the online products, (Comegys et al., 2009; Goldsmith and Flynn, 2005). Some people think the product information provided in website is not enough to make a decision and does not meet their expectation (Liu and Guo, 2008); identifying perceived risk (Hansen et al, 2004). One study revealed that the availability of extensive and current information, monthly family income, and experience of using internet are the important factors influencing Indian customers' attitude toward online shopping. The results also indicated that customers' concern about online security is the most important reason for customers not engaging in online shopping (Banerjee et al., 2010). Perceived Risk in terms of financial risk, privacy, security and product guarantee/warranty hinders the young students to shop online (Sharma and Sitlani, 2013).

The comparison between online and offline shopping reported that although online shopping involves no travel, product carrying, restrictions on shopping hours, offering greater accessibility, convenience and time saving yet online shopping does not permit physical examination of the products (feel, touch, sample and trial), interpersonal communication or instant gratification, and often incurs shipping and handling costs as meted by offline shopping (Grewal et al 2004). However, the fact is that with the rapid development of network technology internet has moved us from the traditional shopping era into a new era of online shopping and the shoppers are gaining tremendous benefits from purchasing goods and services online.

The present study has attempted to examine the students' perceptions towards online shopping. The difference in perceptions on online shopping with respect to demographic variables of the respondents and the factors influencing online shopping behavior has been investigated.

### Participants

Data for the present study has been collected through questionnaire administered among students of colleges and universities in Solan and Shimla cities of Himachal Pradesh. A self-administered questionnaire was distributed to 150 students in the selected institutes.

**Table 1 Descriptive Statistics**

Demographics (N=150)	
<b>Gender</b>	
Males	58 (38.7%)
Females	92 (61.3%)
<b>Age (yrs)</b>	
Below 20	50 (33.3%)
Above 20	100 (66.7%)
<b>Education</b>	
Undergraduate	36 (24.00%)
Graduate	71 (47.33%)
Postgraduate	43 (28.67%)
<b>Residential Status</b>	
Rural	51 (33.6%)
Urban	99 (66.4%)

Majority of the respondents females (61.3%) were above 20 yrs of age i.e. (66.7%), were graduates (47.33%) and from urban background (66.4%).

### Results and Discussion

**Table 2**  
Mean, S.D. values on students' perceptions on online shopping

Statements	Mean	S.D
Online shopping is useful	4.08	.73
I think shopping on the internet saves time	4.19	.73
It is a great advantage to be able to shop at any time of the day on the internet	4.15	.77
Online shopping is easy	3.99	.89
Shopping online is risky	3.51	1.19
I will prefer online shopping only if online prices are lower than actual price	3.78	1.04
A long time is required for the delivery of products and services on internet	3.76	1.05
Selection of goods available on the internet is very broad	3.89	.92
The information given about the products and services on the internet is not sufficient	3.61	1.14

The overall results (see table 2) reported mean values higher than average on all the statements on online shopping indicating higher agreement with the same. However, the highest mean values by the respondents have been noted for the statement online shopping saves time (M=4.19) followed by the attribute being able to shop at any time (M=4.15), online shopping is useful (M=4.08). This shows that the respondents strongly feel that online shopping is useful, saves time and is convenient. It can also be observed that comparatively lower mean values have been for the statements, shopping online is risky (M=3.51), the information given about the products and services on the internet is not sufficient (M=3.61) reflecting lesser degree of agreement with these statements.

**Table 3**  
Mean, S.D, t values showing difference between males and females perceptions on online shopping

Statements	Male		Female		t
	Mean	S.D	Mean	S.D	
Online shopping is useful	4.09	0.78	4.07	0.67	.145
I think shopping on the internet saves time	4.20	0.82	4.17	0.59	.188
It is a great advantage to be able to shop at any time of the day on the internet	4.20	0.81	4.07	0.69	.979
Online shopping is easy	4.04	0.88	3.90	0.91	.983
Shopping online is risky	3.39	1.22	3.71	1.12	-1.588
I will prefer online shopping only if online prices are lower than actual price	3.77	0.98	3.79	1.15	-.121
A long time is required for the delivery of products and services on internet	3.67	1.11	3.90	0.94	-1.263
Selection of goods available on the internet is very broad	3.87	0.89	3.91	0.97	-.285
The information given about the products and services on the internet is not sufficient	3.41	1.17	3.91	1.01	-2.672**

\*p<0.05, \*\*p<0.01

The results (table 3) has resulted mixed results on gender difference on online. However, it can be noted that as compared to males, females have slightly higher feeling that online shopping is risky, more time is required for the delivery of goods, information about products is insufficient whereas the males feel that online shopping saves time and the customers can shop at any time of the day through internet. Similar to females, males also feel that online shopping is easier. The findings revealed that the mean difference between males and females have been found to be significant for the statement, the information given about the products and services on the internet is not sufficient ( $t=-2.672$ ;  $p<0.01$ ).

**Table 4**  
**Mean, S.D, t value showing difference between urban and rural respondents' perceptions on online shopping**

Statements	Urban		Rural		t
	Mean	S.D	Mean	S.D	
Online shopping is useful	4.17	0.66	3.90	1.12	2.102*
I think shopping on the internet saves time	4.26	0.71	4.04	1.16	1.711
It is a great advantage to be able to shop at any time of the day on the internet	4.23	0.68	3.96	0.90	1.996*
Online shopping is easy	4.14	0.87	3.71	1.15	2.807**
Shopping online is risky	3.70	1.18	3.14	0.96	2.699**
I will prefer online shopping only if online prices are lower than actual price	3.83	1.10	3.67	1.15	.861
A long time is required for the delivery of products and services on internet	3.95	0.97	3.39	0.82	3.071**
Selection of goods available on the internet is very broad	3.98	0.92	3.76	0.91	1.387
The information given about the products and services on the internet is not sufficient	3.74	1.12	3.39	0.76	1.757

\* $p<0.05$ , \*\* $p<0.01$

The findings (table 4) indicated that the respondents from urban area have given high mean values than rural on all statements reflecting higher degree of agreement with these. (M=4.26) followed by able to shop at any time of day (M=4.23) and usefulness (M=4.17). It is seen that the mean difference between urban background and rural background have been found to be significant for the components, online shopping is useful ( $t=-2.102$ ;  $p<0.05$ ); shop at any time of the day ( $t= 1.996$ ,  $p<0.05$ ); online shopping is easy ( $t=2.807$ , $p<0.01$ ); online shopping is risky ( $t=2.699$ ,  $p<0.01$ ) and for long time for delivery of products and services ( $t=3.071$ ,  $p<0.01$ ).

**Table 5**  
**Mean, S.D, t values showing difference between age groups on components of online shopping**

Statements	Below 20 yrs		Above 20 yrs		t
	Mean	S.D	Mean	S.D	
Online shopping is useful	3.96	.69	4.14	.75	-1.414
I think shopping on the internet saves time	4.00	.72	4.28	.72	-2.225*
It is a great advantage to be able to shop at any time of the day on the internet	4.18	.62	4.13	.83	.373
Online shopping is easy	3.82	1.06	4.07	.78	-1.628
Shopping online is risky	3.58	1.16	3.48	1.21	.483
I will prefer online shopping only if online prices are lower than actual price	3.74	1.01	3.80	1.07	-.329
A long time is required for the delivery of products and services on internet	3.82	.91	3.73	1.11	-.492
Selection of goods available on the internet is very broad	3.78	.93	3.94	.91	-1.000
The information given about the products and services on the internet is not sufficient	3.72	1.16	3.55	1.13	.860

\* $p<0.05$ , \*\* $p<0.01$

The data (table 5) shows that both age groups have shown mean values above average for the statements pertaining to online shopping indicating higher agreement. Both have emerged to be lowest for the statement, shopping online is risky, where the feeling is slightly higher among the respondents below 20 yrs of age. The results have shown that mean difference between two groups have been significant for the statement, I think shopping on the internet saves time ( $t=2.225$ ;  $p<0.05$ ).

Table 6

Mean, S.D, F values showing mean difference on perceptions of educational groups on components of online shopping

Statements	Undergraduate		Graduate		Postgraduate		F
	Mean	S.D	Mean	S.D	Mean	S.D	
Online shopping is useful	3.97	0.71	4.16	0.73	4.04	0.76	0.802
I think shopping on the internet saves time	3.97	0.93	4.30	0.59	4.18	0.74	2.323
It is a great advantage to be able to shop at any time of the day on the internet	4.09	0.83	4.31	0.60	3.93	0.91	3.563*
Online shopping is easy	4.03	0.96	4.01	0.79	3.91	0.99	0.23
Shopping online is risky	3.74	1.08	3.56	1.07	3.27	1.42	1.606
I will prefer online shopping only if online prices are lower than actual price	3.79	1.06	3.81	1.04	3.78	0.99	0.018
A long time is required for the delivery of products and services on internet	3.82	1.02	3.73	1.03	3.76	1.13	0.091
Selection of goods available on the internet is very broad	4.00	0.81	3.84	0.973	3.87	0.94	0.34
The information given about the products and services on the internet is not sufficient	3.94	0.98	3.44	1.163	3.58	1.17	2.238

\*p&lt;0.05, \*\*p&lt;0.01

The findings (see table 6) indicated that undergraduate students have given highest mean to shop at any time (M=4.09) followed by the component online shopping is easy (M=4.03) and least mean to online shopping is risky (M=3.74), graduates have given highest mean for the feature able to shop at any time of day (M=4.31), online shopping saves time (M=4.30) and minimum mean for not sufficient information (M=3.44). Whereas the post graduate students have obtained highest mean for the attribute that online shopping is useful (M=4.04) and lowest mean for online shopping is risky (M=3.27). Thus on the basis of above findings we can say that all the groups irrespective of the education qualification feel that online shopping is easier and saves time. However the mean difference among the educational qualification groups have been found to be significant for the dimension, it is a great advantage to be able to shop at any time of the day on the internet (F=3.563; p<0.05).

Table 7

Mean values showing the importance assigned by the respondents to various factors that influence the online shopping behaviour

Factors influencing online shopping behaviour	Mean	S.D.
Price	4.16	.90
Delivery time	4.32	.72
Reputation of the company	4.23	.77
Guarantees and warranties	4.19	.86
Privacy of the information	4.09	.83
Good description of goods	4.19	.87
Quality	4.26	.83
Free delivery of goods	4.03	.89
Risk of credit card transactions	3.93	.86
Difficulty in returning products/items	3.89	.92
Risk of not getting what customers pay	3.76	.98
Lack of trustworthiness of vendors	3.78	1.01
Not being able to touch products	3.60	1.21

The results in (table7) showed that the most important factor considered by the respondents is the delivery time (M=4.32), quality (M=4.26), reputation of the company (M=4.23). However, comparatively lesser importance is given to, not being able to touch the products (M=3.60) and risk of not getting what customers pay (M=3.76).



Table 8

Mean, S.D, t value showing difference between males and females with respect to factors affecting online shopping

Factors of online shopping	Males		Females		t
	Mean	S.D	Mean	S.D	
Price	4.15	0.98	4.17	1.28	0.133
Delivery time	4.33	0.71	4.31	1.03	0.129
Reputation of the company	4.24	0.80	4.21	0.99	0.246
Guarantees and warranties	4.14	0.84	4.28	0.91	0.928
Privacy of the information	4.02	0.86	4.21	0.98	1.321
Good description of goods	4.11	0.88	4.33	0.88	1.503
Quality	4.26	0.75	4.26	0.94	0.016
Free delivery of goods	4.02	0.86	4.03	0.88	0.084
Risk of credit card transactions	3.91	0.86	3.95	0.84	0.241
Difficulty in returning products/items	3.84	0.92	3.97	0.89	0.829
Risk of not getting what customers pay	3.79	0.98	3.71	0.74	0.522
Lack of trustworthiness of vendors	3.87	0.98	3.64	0.75	1.373
Not being able to touch products	3.65	1.16	3.52	0.77	0.664

\*p&lt;0.05, \*\*p&lt;0.01

The findings (see table 8) indicated that for males, factors like delivery time (M=4.33), quality (M=4.26) are most important that influence buying behavior whereas not being able to touch products (M=3.65), risk of not getting what customers pay (M=3.79) has been considered as less important. Likewise for females good description of goods (M=4.33), delivery time (M=4.31) are noted to be most important while lack of trustworthiness of vendors (M=3.64), not being able to touch products (M=3.52) has been perceived to be least important. However, the findings also show that the mean difference on the importance of different factors for online shopping with respect to gender has been found to be non significant.

### Conclusions and Suggestions

Online shopping is considered to be useful, easier and time saving by the students. A belief also exists among the students that the online price of products and services are less than actual price. However, a feeling prevail among the students online shopping have certain risks, the delivery time is longer and the shopping sites lack sufficient information about the products and services. As compared to females the males appear to be more positive towards online shopping. For the students from urban background perceptions like online shopping is useful is most considerable whereas for the students from rural background online shopping saves time is most considerable. On the other hand online shopping is risky has been found to be least considerable by both the groups. Both age groups have shown mean values above average for all statements on online shopping indicating higher agreement with these. All the groups irrespective of the education qualification feel that online shopping is easier and saves time. The effect of respondents gender on mean difference between perceptions has been noted to be significant for only one statement i.e , the information given about the products and services on the internet is not sufficient, effect of residential status/ background has been found to be significant for statements, online shopping us useful, shop at any time of the day, online shopping is easy, online shopping is and for long time for delivery of products and services, the effect of age has been significant for the statement, shopping on the internet saves time and that of educational qualification has been found to be significant for the statement, it is a great advantage to be able to shop at any time of the day on the internet.

The most important factor that influences the online buying behavior of respondents is the delivery time followed by quality, reputation of the company. However, comparatively lesser importance is given to, not being able to touch the products and risk of not getting what customers pay. For males delivery time, reputation of the company while for females good description of goods and delivery time were considered most important that influence the buying behavior. Since modern era is of digitization and majority of customers have shifted to online purchasing there is need of improvement in quality of internet connection. There is a lack of information among people regarding online shopping, so there is a need to organize information campaigns at various areas. Complexities to which the consumer came across while purchasing needed to be addressed. The methods used for money transactions must be easy and secure.

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