

# A STUDY ON CONSUMER PREFERENCE AND SATISFACTION TOWARDS ONLINE SHOPPING IN COIMBATORE CITY

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*Abstract* : Online marketing is growing all over the world and every company creates its online store or web store. Even the physical store has its own page to attract customers from different locations. The companies with www servers can track the number of visitors, the number of times they visit the store, the documents visitors download to their computer so the company could work to improvise on the company's website and strategies to attract the customers. As the needs and wants have emerged to a great extent due to globalization (1992), the consumers need for variety of goods has also contributed to the growth of e-commerce industries. Consumer preference has risen than ever before because of the variety of goods presented to them by the internet. Online shopping is one where the goods are purchased directly from the buyer. The transactions are made through the debit card or credit card or PayPal or other electronic mode. The products are delivered at the doorstep after the payment has been made. This is also called e-tailing or electronic retailing or web store. Consumers are fascinated by the idea that they needn't waste enormous amount of time, energy on shopping products through retail store and more money is wasted because the price comparison is nearly impossible and the consumer ends up buying a high priced product. Parking the vehicle becomes another pain for urban or metro dwellers.

**Key Words - Online Shopping, Consumer behaviour, Consumer Satisfaction**

## I. INTRODUCTION

The fast paced development in every sector is altering the trends present earlier or the traditional setup is completely eliminated. We shrunk time and distance to a great extent. The development in communication and transport is tremendous. As population exploded, everyone needs to communicate and travel faster to the rest of the world. Plastic money is more flexible and this suits our fast paced life.

Rapid technological breakthrough has transformed the society that new cultures, sub cultures, patterns, new kind of friendship and family systems are formed. The advancements had led to the formation of a mature society which is aware of the changes happening around the world. The society is more open to changes and accepts it as a part of life.

Commerce has also evolved over years. The easiest and reliable e-commerce has emerged and is developing rapidly. Since Smartphone users and internet users had doubled or tripled in India, the number of consumers who purchase products online has also increased considerably. The products are one click away in the most hectic life. It has become easy for marketers to learn about customers and the need and want of the market at present and create tailor made products. Access to customer database has become way too easy that targeting individual customer with the offers and discounts are designed to meet their specific needs.

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It is true that most of us hate standing in long queue. This was unavoidable earlier but with the advent of online shopping, the scenario has changed tremendously.

### 1.1 Top e-commerce players are

- Amazon
- Flipkart
- Myntra

·Jabong  
·Big basket  
·Snapdeal  
·Firstcry  
·Pepperfry  
·Urban ladder  
·EBay  
·Alibaba  
·Zivame  
·Nykaa  
·Bodyshop  
·Bake shake  
·Itsy bitsy.

### 1.2 STATEMENT OF PROBLEM

Every brick and mortar store is launching its own website so it could attract more customers, gain competitive advantage and increase the sales. The marketers are trying to find out the factors that motivate customers to shop online. Studying the consumer behavior online is challenging when compared to studying offline buying behavior. Though the product reviews are submitted by the customer, the marketers need to know the consumer preference regarding the product, shipping, mode of payment, packaging, return and exchange. There are demographic factors like age, gender, sex, income and education that affects the consumer buying behavior. The marketers need to discover the problems faced by consumers and expectations when shopping online. It's vital for marketers to understand the characteristics, differences, needs and problems of online shoppers to improve on their products and services.

### 1.3 OBJECTIVE OF STUDY

The present study is based on the following objectives

1. To find out social, demographic, cultural, personal/psychological, economic factors of consumer's towards online shopping.
2. To explore the factors influencing the preference towards an e-commerce store over the other.
3. To measure the customer satisfaction derived from online shopping.

### 1.4 NEED AND SCOPE OF THE STUDY

Internet shoppers have grown rapidly over last few years. The study helps the online retailers in identifying the expectations and needs of the online shoppers, online shopping trends and the areas on which the e-commerce companies need to concentrate. The study gives a deeper understanding about the consumer's attitude towards online shopping and the factors influencing the consumers to buy products online. The study thus helps the online retailers to a great extent in understanding consumers' attitude towards online shopping.

### 1.5 RESEARCH METHODOLOGY

This research is both descriptive and analytical in nature. The area of study for this research is Coimbatore city. Sample size is 230. The sample is selected that it becomes the representative of the population. The sampling technique used was convenient sampling. Convenience sampling is a non-probability sampling. Both the primary and secondary data was used for the study. Since the study was both descriptive and analytical in nature, the data collection was done through the primary source and the secondary source.

### 1.6 STATISTICAL TOOLS USED

Different statistical tools were used to analyze the data.

- Percentage Analysis
- Henry Garrett Ranking Method
- Weighted Average Method
- Correlation
- Regression analysis

### 1.7 LIMITATION OF THE STUDY

1. The study was restricted to a finite period.
2. The study was based on the responses to a comprehensive questionnaire from respondents who live in Coimbatore city.
3. The study was based on the data collected from 230 respondents.
4. The bias of respondents is inescapable and uncontrollable.
5. The conclusions and opinions of the study were based on the responses.

## 2. RESULTS AND DISCUSSION

Table 2.1. Demographic Profile of Online Consumer

| Gender                                      | Frequency  | Percentage   |
|---|------------|--------------|
| Male  | 164        | 71.3         |
| Female                                      | 66         | 28.7         |
| <b>Total</b>                                | <b>230</b> | <b>100.0</b> |
| Age   | Frequency  | Percentage   |
| Below 20 years                              | 41         | 17.8         |
| 21 to 30 years                              | 107        | 46.5         |
| 31 to 40 years                              | 57         | 24.8         |
| 41 to 50 years                              | 25         | 10.9         |
| <b>Total</b>                                | <b>230</b> | <b>100.0</b> |
| Marital Status                              | Frequency  | Percent      |
| Married                                     | 32         | 22.6         |
| Unmarried                                   | 178        | 77.4         |
| <b>Total</b>                                | <b>230</b> | <b>100.0</b> |
| Educational Qualification                   | Frequency  | Percent      |
| Diploma / Schooling                         | 5          | 2.2          |
| Under Graduate                              | 38         | 16.5         |
| Post Graduate                               | 161        | 70.0         |
| Others (Ph.D., M.Phil., Professional, etc.) | 26         | 11.3         |
| <b>Total</b>                                | <b>230</b> | <b>100.0</b> |
| Occupation                                  | Frequency  | Percent      |
| Student                                     | 16         | 7.0          |
| Housewife                                   | 78         | 33.9         |
| Employee                                    | 79         | 34.3         |
| Businessmen                                 | 57         | 24.8         |
| <b>Total</b>                                | <b>230</b> | <b>100.0</b> |
| Family Type                                 | Frequency  | Percent      |
| Nuclear Family                              | 189        | 82.2         |
| Joint Family                                | 41         | 17.8         |
| <b>Total</b>                                | <b>230</b> | <b>100.0</b> |
| Monthly Income                              | Frequency  | Percent      |
| Less than Rs.25,000                         | 125        | 54.3         |
| Rs.25,001 to Rs.50,000                      | 31         | 13.5         |
| Rs.50,001 to Rs.75,000                      | 53         | 23.0         |
| Rs.75001 to Rs.1,00,000                     | 4          | 1.7          |
| More than Rs.1,00,001                       | 17         | 7.4          |
| <b>Total</b>                                | <b>230</b> | <b>100.0</b> |

Table 2.1 shows Majority (71.3%) of the online consumers are male respondents. Less than half (46.5%) of the online consumers belong to the age of 20 to 30 years. Majority (77.4%) of the online shoppers are married. Majority (70%) of the consumers are post graduates, 16.5% are under graduates. Most (34.3%) of the shoppers are employees (public or private companies). Majority (82.2%) of the respondents are living in nuclear family. More than half (54.3%) of the online consumers are having income less than Rs.25,000.

Table 2.2 Garrett Ranking of Essential Products Frequently Preferred Through Online Store

| Essentials      | Garrett Score | Garrett Mean | Garrett Rank |
|-----------------|---------------|--------------|--------------|
| Grocery         | 15097         | 65.64        | 1            |
| Medicines       | 10193         | 44.32        | 6            |
| Personal care   | 10974         | 47.71        | 3            |
| Cosmetics       | 11475         | 49.89        | 2            |
| Clothing        | 10574         | 45.97        | 5            |
| Baking supplies | 10687         | 46.47        | 4            |

Table 2.2 shows Garrett ranking based on preference of essentials from online stores is presented based on the Garrett score and mean in order from first rank to sixth rank viz. Grocery, Cosmetics, Personal care products, Baking supplies, Clothing and finally medicines for which the Garrett mean are 65.64, 49.89, 47.71, 46.47, 45.97 and 44.32 respectively .

Table 2.3 Garrett Ranking Optional Products Preferred By Shoppers from Online Store

| Optional Products                 | Garrett Score | Garrett Mean | Garrett Rank |
|-----------------------------------|---------------|--------------|--------------|
| Books / Music / DVDs              | 12528         | 54.47        | 1            |
| Art /craft supplies               | 11564         | 50.28        | 4            |
| Electronic goods                  | 12051         | 52.40        | 3            |
| Sports / fitness supplies         | 12165         | 52.89        | 2            |
| Hotel Reservations                | 11028         | 47.95        | 6            |
| Railway / Airline / Movie tickets | 10619         | 46.17        | 7            |
| Furniture                         | 10507         | 45.68        | 8            |
| Baby Products                     | 11308         | 49.17        | 5            |

Table 2.3 explains preference of optional products by the shoppers from online stores are presented in the highest to lowest order of Garrett score and mean by its ranks viz. Books / Music / DVDs (GM=54.47), Sports / fitness supplies (GM=52.89), Electronic goods (GM=52.40), Art /craft supplies (GM=50.28), Baby Products (GM=49.17), Hotel Reservations (GM=47.95), Railway / Airline / Movie tickets (GM=46.17) and finally, Railway / Airline / Movie tickets, 46.17 and Furniture (GM=45.68).

Table 2.4 Garrett Ranking on Factors Considered before Shopping Online

|                                 | Garrett Score | Garrett Mean | Garrett Rank |
|---------------------------------|---------------|--------------|--------------|
| Product Rating                  | 13670         | 59.43        | 1            |
| Product Review                  | 12590         | 54.74        | 2            |
| Reference of friends            | 10270         | 44.65        | 4            |
| Site reliability and reputation | 9490          | 41.26        | 5            |
| Site refund and return policies | 11480         | 49.91        | 3            |

Table 2.4 shows Garrett ranking on factors considered before shopping online by the respondents shows Garrett score, mean and rank in highest to lowest order viz. Product Rating, Product Review, Site refund and return policies, Reference of friends and Site reliability and reputation and the Garrett mean are 59.43, 54.74, 49.91, 44.65, 41.26 respectively.

Table 2.5 Satisfaction of Online Shoppers

| Satisfaction              | Highly Dissatisfied | Dissatisfied | Neutral | Satisfied | Highly Satisfied | Wtd. Mean and Rank |
|---------------------------|---------------------|--------------|---------|-----------|------------------|--------------------|
| Quality of products       | 15                  | 0            | 20      | 90        | 105              | 4.174<br>(III)     |
|                           | 0.065               | 0.000        | 0.261   | 1.565     | 2.283            |                    |
| Information Availability  | 14                  | 13           | 11      | 83        | 109              | 4.130<br>(V)       |
|                           | 0.061               | 0.113        | 0.143   | 1.443     | 2.370            |                    |
| Packaging                 | 9                   | 17           | 15      | 102       | 87               | 4.048<br>(VII)     |
|                           | 0.039               | 0.148        | 0.196   | 1.774     | 1.891            |                    |
| Promotion                 | 7                   | 7            | 9       | 68        | 139              | 4.413<br>(I)       |
|                           | 0.030               | 0.061        | 0.117   | 1.183     | 3.022            |                    |
| Refund and Return options | 9                   | 4            | 37      | 71        | 109              | 4.161<br>(IV)      |
|                           | 0.039               | 0.035        | 0.483   | 1.235     | 2.370            |                    |
| Variety of products       | 12                  | 9            | 8       | 96        | 105              | 4.187<br>(II)      |
|                           | 0.052               | 0.078        | 0.104   | 1.670     | 2.283            |                    |
| Security                  | 25                  | 18           | 31      | 70        | 86               | 3.757<br>(VIII)    |
|                           | 0.109               | 0.157        | 0.404   | 1.217     | 1.870            |                    |

Shoppers agreement towards satisfaction of shoppers purchasing online is computed using weighted mean is presented in the Table 2.5 with the highest weighed score to lowest weighed score in order of satisfaction attributes followed by mean scores viz. Promotion, Variety of products, Quality of products, Refund and Return options, Information Availability, Packaging and Security with respective mean scores of 4.413, 4.187, 4.174, 4.161, 4.13, 4.048 and 3.757. Though all the satisfaction values have achieved the mean score above four except security that have registered marginally below four however found to have no significant negative effect to disturb the level of satisfaction of the surveyed respondents in Coimbatore. Therefore, it is concluded that there is a high level of satisfaction among shoppers through online in Coimbatore.

CORRELATION

Table 2.6 Inter-Correlation between Satisfaction, Preference and Safety In Online Shopping

|              |                     | Satisfaction | Preference | Safety |
|--------------|---------------------|--------------|------------|--------|
| Satisfaction | Pearson Correlation | 1            | .237**     | .223** |
|              | Sig. (2-tailed)     |              | .000       | .001   |
| Preference   | Pearson Correlation |              | 1          | .164*  |
|              | Sig. (2-tailed)     |              |            | .013   |
| Safety       | Pearson Correlation |              |            | 1      |
|              | Sig. (2-tailed)     |              |            |        |

Inter correlation between constructs safety and preference as independent variable while satisfaction as dependent variable computed in Table 2.6 Preference have significant positive correlation with satisfaction (r=0.237, Sig.0.000). Safety have significant positive correlation with satisfaction (r=0.223, Sig.0.001). Safety have significant positive correlation with Preference (r=0.164, Sig.0.013). Statistical significance positively observed between all three constructs safety, preference and satisfaction.

REGRESSION ANALYSIS

Table 2.7 Model Measuring Preference, Safety and Satisfaction during Online Shopping

| 1st Model | Corr-'R' | Power | Adj. Power | Std.Err. |
|-----------|----------|-------|------------|----------|
|           |          | R2    | R2         |          |
| 1         | .302a    | .091  | .083       | 5.57434  |

Model summary in Table 2.7 predicting satisfaction based on safety and preference in online shoppers explained variance between independent and dependent factors at 9.1% followed by the model summary presented in ANOVA table.

Table 2.8 ANOVA Predicting Fitness of the Model

| Fitness of model | S S value | Df  | MS values | F-ratio | Pval.of sig |
|------------------|-----------|-----|-----------|---------|-------------|
| Regression       | 706.634   | 2   | 353.317   | 11.370  | .000a       |
| Residual         | 7053.631  | 227 | 31.073    |         |             |
| Total            | 7760.265  | 229 |           |         |             |

Computation of ANOVA predicting fitness of the model between preference, safety and shoppers satisfaction as dependent shows F(2,227)=11.370 (0.000) statistically significant. The equation is 14.301+ 0.259 (Preference) + 0.129 (Safety)

Table 2.9 Coefficient Measuring Relationship between Preference, Safety and Satisfaction during Online Shopping

| Model |            | β (Unstandardized) |       | B (Standardized) | T Stat. | Sig. of P |
|-------|------------|--------------------|-------|------------------|---------|-----------|
|       |            | B                  | S.E   | Beta             |         |           |
| 1     | (Constant) | 14.301             | 3.154 |                  | 4.535   | .000      |
|       | Preference | .259               | .081  | .206             | 3.208   | .002      |
|       | Safety     | .129               | .044  | .190             | 2.956   | .003      |

In conclusion, positive significant correlation followed by positive significant relationship between preference and satisfaction in online shopping and also safety and satisfaction during online shopping are found positive that proves, no safety issues have

significantly affected the preference ultimately leading to prefer and purchase of products through online by consumers in Coimbatore.

### SUGGESTIONS

- The lack of security is the most important drawback of e-commerce sites. The users are advised by companies to create firewall to protect sensitive information from getting leaked to others as the Internet is always considered as an open communication medium. The creation of encryption software could considerably reduce such problems.
- The consumers should use a virus free mobile and computer to purchase products from an online store.
- The companies must invest in a good 'site search technology' so that it is easy to look into the needs of the consumer during the online shopping. Site search remains a neglected part of the customer journey. Search queries and results clicks [provide] user feedback, [which can be] used to drive a more personalized experience in the future.
- The government and policy makers should make stringent laws to safe guard the personal information of the online users.
- The e-commerce companies needs to ensure that the site loads quickly, whether on a computer or a mobile device. The biggest threat than a competitor (to the e-commerce companies) is the back button. If the website is slow, the consumer will look for other buying options.
- The consumer gains satisfaction when they receive the same product that was ordered. Thus high quality photographs of products should be uploaded on the site with the ability to zoom in and see multiple angles and views of products (if relevant).
- Quality of packing during online dispatches shall get better to avoid physical damage of products during delivery to customers which can significantly improve the overall image of the company.
- Few respondents felt ordered brand and supplied quality did not match as expected, therefore, judgment in virtual quality shall be matched during they receive products physically which are all the challenges to overcome to satisfy online shoppers.
- After sales service is a concern for online shoppers, because once the goods are delivered, the link becomes more feeble that it becomes difficult to find a person who will answer consumer's queries or solve the issues. Thus the e-commerce companies should have better grievance redressal schemes.

### CONCLUSION

Online shopping continues to offer both promise as well as many challenges to consumers. Its most ardent apostles still envision a time when the online stores will replace brick and mortar stores. However many hold a more realistic view. Though so many firms run online store successfully, this will remain as one important and powerful approach to marketing but this can never replace a traditional brick and mortar store where the consumers are more attached to deeper.

The large number of studies has been performed by researchers, marketers exploring factors that affect consumer perception and satisfaction towards online shopping. This research work attempts to explore factors affecting consumer perception and satisfaction towards online shopping in Coimbatore city.

When the online retailers concentrate to overcome issues like fraudulent activities, security for money, safety of product ordered and delivered shall eliminate the fear among consumers to prefer purchase products through online. It is obvious that e-marketing and online shopping will reach greater heights when the cyber security is at the maximum and failures are very much minimum. Therefore, the study concludes that there is a significant relationship between consumer preference and satisfaction during online shopping. Also, there is a positive relationship between security and satisfaction which means customers considered for the study have marginally complaint about security and risk factors which is a good sign of growth for the e-marketing industry.

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