

Customer Discernment about Online Shopping

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Abstract : Online shopping has evoked the physical transaction of buying and selling of goods and services. Online customers have the access to the Internet and a valid method of payment in order to complete a transaction. The paper examined the views of different online users about online shopping. Primary data in the form of questionnaire is prepared and filled by 60 males and 40 females from Muktsar. Descriptive statistics is used for the study. The study highlights that online shopping is common from last 3 years and the people got the information about online products through social media. Further, the most common mode of payment used by males and females for online shopping is also identified. There are different issues involved in online shopping which are also studied.

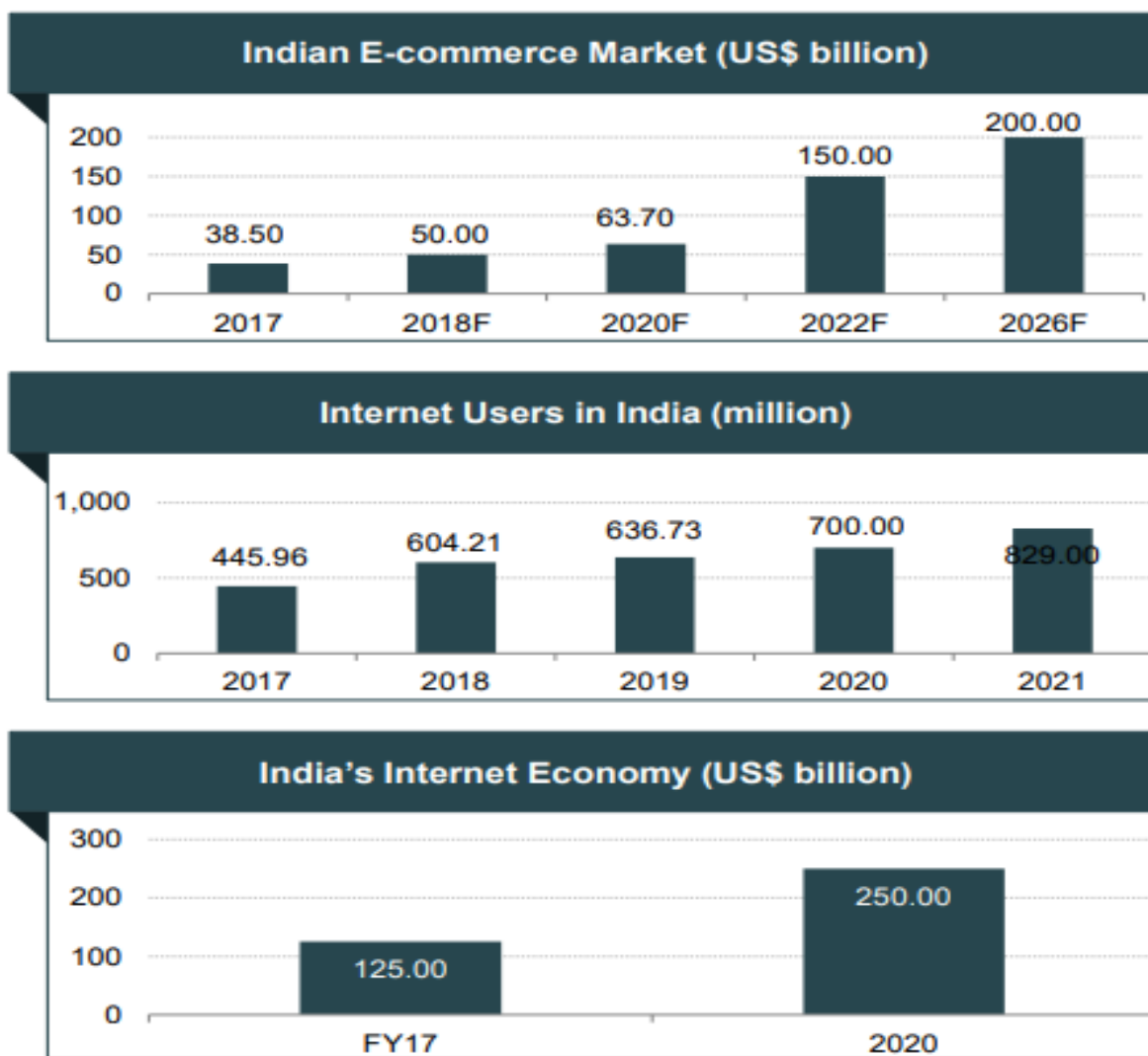
I. INTRODUCTION

In this modern era, explosive growth can be seen in the field of online shopping as it provides more economic and convenient method for purchasing the products as compared to traditional shopping. Online shopping helps the customers to buy the goods and services over the internet with the help of various web browsers such as Internet explorer, Google Chrome, Mozilla Firefox etc. Initially transition from traditional method to modern method of online shopping created a sense of concern among the customers as they had fear of online fraud, leakage of personal information, mismatch between desired quality and quality of the ordered product, but today this level of concern has reduced to much lower level as customers have understood the various advantages of online shopping. Customers can purchase anything, anytime, anywhere without actually going to store. The online stores help the customers to search the features of specific brands or models of the items. In addition to this, they can easily do the comparison of the price rates of various products by visiting different websites. The online banner ads or online promotion helps to attract the attention and create interest in the mind of customer for purchasing the product. So today Online shopping or Etailing is becoming a trend and it has led to increase in number of buyers in India. The various websites that can be used for doing online purchase include flipkart, amazon, myntra, snapdeal, jabong etc.

The shopping experience of the customer influences the behavior of the customer such as intention of repurchase, intention of store revisit. So Customer satisfaction is the biggest challenge of online shopping. The main motive of a company is to deliver good service experiences to its customers, which will increase the chances of repurchase and loyalty towards the firm. In order to do it high service quality is required.

As compared to traditional products whose physical appearance determines their appeal, online services depends on the information rich content which is of great importance to online shoppers. Online shoppers can get annoyed by over customization or under customization. Over customization occurs when online shoppers receives information which is not required by them and Under customization occurs when online shoppers get to receive less information than what is expected by them. Thus customer satisfaction can be increased by avoiding these sorts of under-customisation and over-customisation.

The trends in Indian Ecommerce are showing upward growth trajectory and it is expected that India will surpass US and will become second largest e-commerce market by 2034. It is expected that Ecommerce market will reach upto US \$200 Billion by 2026, which was US \$38.5 Billion in 2017. With the explosive growth of Internet, it is expected that the number of users in India will increase from 445.96 million in 2017 to 829 million in 2021. In December 2018, reports reveal that number of internet subscribers in India were 604.21 million. Every single month approximately 10 million daily active users are added by Indian internet community and it is found that it is the highest rate of growth of internet users in the world. By 2025 it is expected that number of online shoppers in India would be 220 million. It is expected that digital transaction would reach US \$ 100 billion by 2020. The Digital India campaign started by Indian Government aimed to create trillion dollar online economy by 2025.



Source: Media sources, BCG – The \$250 billion Digital Volcano, BCG – Digital Consumer Spending in India, Kalaari Capital - Imagining Trillion Dollar Digital India

II. REVIEW OF LITERATURE

A literature review is a selected analysis of existing research which is relevant to the topic, showing how it relates to the investigation. It explains and justifies how the investigation may help answer some of the questions or gaps in this area of research.

Burke, R.R. (2002) concluded that the factor that determines the success of Business to Consumer (B2C) online transactions is trust. The research identified that safety and sales promotion stimulates the customer to purchase online. Previous researchers have examined several critical factors that influence trust in the context of online shopping.

Stephen, A. (2003) examined the design and behavior of consumer while purchasing online. Latest facilities have affected marketplace as well as human behavior. Researchers have hypothesized various subject matters like web usability, marketing channels and other factors affecting online purchase behavior.

Kamineni, R. (2004) concluded that World Wide Web can change human behavior and human interactions to a very large extent. This study analyses the different web based shoppers from different parts of the world and analysed that web based shopping behavior is one major example to point out the trends in this direction.

Gabriel, I.J. (2007) examined the various risk involved in online shopping. A master list of online hazards and activities, perceived risk and desired level of risk is identified. Further the regulations associated with them is also studied.

Sinha, J. (2010) analysed that online buyers are increasing with the passage of time. The number of people involved in online shopping is increasing day by day but not proportionate to that of offline shopping.

Shrivastava, A. and Lanjewar, U. (2011) conducted empirical analysis to study the four parameters namely attitude, motivation, personality and trust for online buying. It was analysed that online buying is relatively low in India as compared to other countries and further suggested that measures should be taken to increase it.

III. RESEARCH METHODOLOGY

A structured questionnaire was used to collect the necessary data. It serves as a primary data to answer the research questions and objectives pertaining to online shopping in India.

In view of time and cost constraints as well as the large population of internet users in the country, convenience sampling was used to collect data from the current internet users in India, which has the highest concentration of internet users.

Even though the sampling method adopted has limitations in terms of generalisability compared to other sampling methods, it is assumed that the sample represents the whole population of internet users in India. The survey was conducted via face to face interview.

IV. NEED OF STUDY

While the internet already had considerable impact on the consumer marketplace, further consumer adoption of the internet for conducting online purchases may be slowed considerably if significant concerns- whether based on actual or perceived risks- are present regarding the privacy and security issues surrounding online shopping. Thus, for marketers, policymakers and consumer advocates, a key goal should be to understand consumer risk perceptions regarding online shopping, and those perceptions relate to internet users experience and purchase behaviors This research paper aimed at finding out customer's perception regarding satisfaction levels of online shopping.

V. RESEARCH OBJECTIVES

- To study attitude of customers towards online shopping.
- To find out the preferences of the consumer regarding the attributes of online shopping website.
- To identify the issues faced by the user while online shopping.
- To give suggestions based on findings.

VI. UNIVERSE AND SAMPLE OF STUDY

Sample Design

Sample Unit- For the purpose of study, samples constituting 100 persons (60 male 40 female) from (Sri Muktsar Sahib) has been taken.

Sample Media-The respondents in the samples are reached through personal interview.

Sampling Methods- Non-probability sampling method

Sample Size- Sample from 100 respondents (60 male 40 female) has been taken for study

Research Place-Sri Muktsar Sahib

Sample Design- Descriptive research design is used for the study.

Statistical Tool- To analyze the questionnaire, tables has been used to study the various objectives.

Data Collection

Both primary and secondary data is used for the study.

Primary data:

Primary data has been used in the form of questionnaire. The questionnaire is filled by the respondents. In this study, the questionnaire is based on the objective of the study and the title of the study. The questionnaire contain the questions, which are simple and understandable to the respondents.

Secondary data:

It is collected to add the value to the primary data. Different websites, magazines and books are studied to collect and record the data.

VII LIMITATIONS

- One limitation caused in the research is that the research is limited to study the consumer perception towards online shopping and not the dealers, wholesalers or retailers' perception towards online shopping which acts as an agent to the online retail industry to support its business operations.
- Time is the major limitation, which has affected the inferences drawn in the study.
- Some of the respondents were reluctant to share the information with the researcher.
- As only one city was surveyed, it does not represent the overall view of the Indian market.

VIII DATA ANALYSIS AND INTERPRETATION

Table 1 explains that the questionnaire is distributed to 75 males and 75 females, out of which 60 males and 40 females do online shopping and responded the questionnaire. 15 males and 25 females do not do online shopping. So the study is based on the data provided by 60 males and 40 females.

Gender Wise data			
Gender	Total	DO Online Shopping	Don't Do
Males	75	60	15
Females	75	40	25

Table 1

Table 2 depicts that most of the males and females are doing online shopping from last 3 years. It shows that online shopping is a common practice among both males and females. 32 males and 26 females got the information about online products through social media and the most common website they use for online shopping is amazon.com. 10 males and 6 females prefer snapdeal and myntra for online shopping. 26 males and 17 females prefer clothes and shoes for online shopping. 8 males prefer to purchase watches and 10 males prefer mobile phones for online shopping while 5 females out of 40 prefer jewellery for online shopping. They both purchase online to save time. Lack of security and quality mismatch is the major issue faced by the males. 24 females faces issue of quality mismatch The most common mode of payment used by males for online shopping is through Debit/Credit card while 28 females out of 40 prefer cash on delivery for payment.

Time period for using online shopping		
Time Period	Males	Females
Less than 1 year	6	4
1-3 years	12	8
3 and above years	42	28
Source of information about products purchased online		
Source	Males	Females
Friends	22	10
Advertisement	6	4
Social Media	32	26
Favorite Site for Online Shopping		
Sites	Males	Females
Flipkart.com	14	6
Amazon.com	28	24
Paytm.com	8	4
Others	10	6
Products purchased online		
Products	Males	Females
Electronics	8	5
Clothes and shoes	26	17
Households	8	13
Others	18	5
Reason for purchasing online		
Reason	Males	Females
Saves Time	49	32
Price	5	6
Superior selection	6	2
Issues in online shopping		
Issues	Males	Females
Customisation	7	3
Quality mismatch	20	24
Complicated navigation	12	6
Lack of security	21	7
Mode of payment		
Mode of payment	Males	Females
Paypal	16	4
Cash on delivery	20	28
Debit/Credit card	24	8

Table 2

IX FINDINGS OF THE STUDY

- The findings show that Internet usage has increased over the past few years due to increased network coverage and cheaper internet packs and it is leading to an increase in online shopping.
- Advertisements and friends do not influence customers much but social media plays a major role in online shopping. With the increase in social media, there is increase in online shopping.
- It is found that amazon is the most preferred website for shopping online than Flipkart due to their best customer services and less delivery time and cost.
- It is found that majority of the people purchase clothes and shoes online whereas people purchase electronics online less due to expensive product. People are afraid of shopping electronics online.
- It is also found that in today's busy schedule everyone has less time, so time is the main reason why people shop online. Price is not a major reason for shopping online.
- It is found that cash on delivery is still females favorite mode of payment. Credit/debit cards is popular among males.

X RECOMMENDATIONS & CONCLUSION

The advancement in the field of internet and multimedia technology has led to increase in the trend of online shopping, as it saves time and access to internet is available everywhere at any time. But there are certain points that needs to addressed in order to generate higher revenues. Some of the points are discussed as follows.

- The research and development (R&D) department of India should focus on innovative ideas in order to address the security issues related to online shopping.
- The online websites should have attractive look and should be user friendly so that the customers can easily and quickly move to final shopping cart page instead of being irritated by series of redundant clicks from one webpage to other.
- Perceived Risk greatly influences the decision of consumer's online purchase. So companies should focus on various risk reduction activities. A certificate of Authenticity demonstrating the genuineness of the product and its risk free nature must be provided with the product.
- The people feel that returning of faulty product is a matter of concern and it also affects their decision of online purchase. So companies must ensure try and buy facility at customer doorstep along with return facility.
- The information design, features, privacy and security should be effectively implemented by online stores as it acts as a marketing tool for generating trust towards website.

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