

“A STUDY ON POPULARITY OF ONLINE PURCHASE BEHAVIOR WITH REFERENCE TO STUDENTS IN BANGALORE CITY”

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ABSTRACT

Today, the Internet is premium hotspot for advancing business. There has been a quick ascent in the number of internet users since most recent couple of years. Hence Internet is the rewarding spot to advance the business. Online marketing is the act of utilizing online channels to spread a message about a company's brand, products, or services to its potential customers. The strategies and procedures utilized for online marketing incorporate email, online networking, show promoting, website improvement, Google AdWords and the sky is the limit from there. The target of promoting is to arrive at potential customers through the channels where they invest their reading, searching, shopping, and socializing online. Online shopping is an ongoing period that has climbed in the space of E-Business and is unquestionably going to be the eventual fate of shopping on the planet. Everybody has entered the smartphone world so it is anything but difficult to get to applications as indicated by their solace and improve their life. At present, there are a large number of mobile applications similarly their applications for wellbeing, games, booking tickets, music, social networking, travel, banking, news, wellness, schedules and many more. 25, 000 apps are adding to app store every month. Consumers shop when and where they need, where they are OK with the products and the decision of shopping. The expansion in innovation gives great chances to the seller to arrive at the customer in a lot quicker, simpler and in a monetary way. India is penetrated by 373.88 million smartphone users as of 2019. The paper indicates consumer behavior is influenced by some factors while online purchasing as well as its contribution to Digital India.

Keywords: Online-Shopping, Market Penetration, Consumer Behavior.

INTRODUCTION

So as to contact the greatest number of individuals for the base cost, Marketing is done. In prior days promoting relied upon customary media like TV, radio, handbills, bulletins, paper, magazines and so on. Be that as it may, presently a day's Internet has become the essential hotspot for the business. It is considered as a rewarding spot for business advancement as the number of internet users is tremendous. As defined by the American Marketing

Association, “marketing is the activity, set of institutions and processes for creating, communicating, delivering, and exchanging offers that have value for customers, clients, partners, and society at large”. The online retailer is enchanted with brief conveyance and impeccable installment systems building trust in purchasers. Indeed, even online classifieds have made fruitful progress online with occupations and marital leading the pack. Online retailers are currently pushing a bigger number of classifications, for example, gadgets and white products. In these rising models, intangible assets, for example, relationships, knowledge, people, brands, and systems are becoming the overwhelming focus. The internet is a problematic mechanical advancement yet buyers wherever are awakening to shopping on the online. The effect on retailing has been significant and subsequently, numerous organizations are changing the channels they use to sell their products and services. In certain pieces of the world, retailers have been quick on the spot in building up their own independently marked online business stores, while in different parts the e-commercial center commands.

Online marketing in India

The Indian retail industry has risen as one of the most powerful and quick-paced enterprises because of the passage of a few new players. According to Brand Equity foundation report Total consumption expenditure is required to reach almost US\$ 3,600 billion by 2020 from US\$ 1,824 billion in 2017. It represents more than 10 percent of the nation's Gross Domestic Product (GDP) and around 8 percent of the work. India is the world's fifth-biggest worldwide goal in the retail space. E-tailing business has changed the manner in which business is done in India. The Indian internet business advertises is relied upon to develop to US\$ 200 billion by 2026 from US\$ 38.5 billion starting in 2017. Much development of the business has been activated by expanding the internet and smartphone infiltration. The continuous advanced change in the nation is relied upon to expand India's absolute internet users base to 829 million by 2021 from 604.21 million as of December 2018. India's web economy is relied upon to twofold from US\$125 billion as of April 2017 to US\$ 250 billion by 2020, significantly upheld by internet business. India's E-business income is relied upon to hop from US\$ 39 billion out of 2017 to US\$ 120 billion every 2020, developing at a yearly pace of 51 percent, the most noteworthy in the world. Moved by rising smartphone penetration, the launch of 4G arranges and expanding consumer wealth, the Indian e-tailing business showcase is relied upon to develop to US\$ 200 billion by 2026 from US\$ 38.5 billion out of 2017 Online retail deals in India are required to develop by 31 percent to contact US\$ 32.70 billion of every 2018, drove by Flipkart, Amazon India, and Paytm Mall. During 2018, the electronics are at present the greatest supporter of online retail deals in India with a portion of 48 percent, pursued intently by clothing at 29 per.

Review of Literature

(Qureshi Riyaz Ahmed, 2019) Internet usage is more into a new area of life. One of the most impacted groups of the virtual world is young people because they grew up in an environment open for personal computers the internet and mobile technology. Advance technologies made a major change in the behavior of today's world. How these young people spend their free time is influence on their purchase behavior. Today's e-tailing providing consumers with the opportunity to purchase products from all over the world without leaving home. Internet is one of the major factors which is influencing in people. The e-tailors should understand behavioral consequences and they should build relationships with in consumers through the virtual world.

(Kavya Shree K.M., 2018) There is an exponential growth in the number of online consumers due to many benefits of internet. Now a days consumer prefer online purchasing compare to conventional shopping due to technological interventions from the past few years consumer behavior change drastically because of technological interference. Technology had made an impact on consumer behavior and there is a need to develop a consumer behavior model with respect to Indian context. Internet cost of internet acted as an information agent, helped for evaluation of alternatives and facilitated for easy purchase. Technology helped in better decision making and overall it is impacted on purchasing behavior.

(Neha Gupta, 2017) Online shopping is a revolution and it influenced on society. Customer service, uniqueness, convenience are the three factors which influence and customers to prefer internet shopping today there is a radical change everything in today's world is E-prefixed like E data interchange, e- mail, e business & e commerce. In India technology revolution is in fast movement. This use of technology is opened new doors and opportunities that support for and more convenient life style today. Online purchasing is a rapid growing technology. If it is providing safe and secured transactions it will be thrive competitive and dynamic environment. In India internet is referred as borderless market but still there are some barberries to overcome

(Dr. Mohan Kumar TP, 2016) In their study titled "consumer behavior towards online marketing" increase internet penetration is creating easy shopping environment and high level of net suaveness in Indian shopping customers in the same time companies also should reduce risk when online consumers do shopping show more options when any consumer opens online websites. E-tailers should educate the online buyers when they do online purchase feedback of online buyer should be capture to identify drawback of service delivery. In recent e-commerce models like cash on delivery and consumer centric payment options will boost overall sales. In Indian e-commerce market still there is huge untapped and under tapped potential markets has to be tapped to customized service offering. Smartphones have been increasing day by day it is a huge advantage for both marketers as well as customers to full fill their needs and wants

(Ranjit, 2016) The study is made particular geographical region to know whether people aware of digital channels irrespective of educational qualifications and monthly income most of the people prefer online

shopping to buy electronic goods because of convenience. People are satisfied with the goods what they have purchased it shows a positive sign for the growth of digital channels. The influence of digital channels is not supporting opinion of consumer towards purchasing of products and service.

Need of the Study

Online Marketing has gotten bewildering changes the manner by which the marketer market the product and the manner by which the customer is purchasing the equivalent. The purchasing behavior of an individual is impacted by numerous factors and these factors constantly influence the marketer to coordinate the need of the consumer generally and students specifically. So, it is understood that there is a need to study the popularity of online purchase behavior of students.

Statement of the Problem

In the improvement of science and technology, the present advancement becomes outdated tomorrow. The preferences and inclinations of the buyers are likewise changing at a fast rate. The advertisers are thinking that it's hard to adapt up to the changing need of the customers. These adjustments in the desires for the consumers are because of numerous reasons, yet one of the principle reasons is changing purchasing behavior. Purchasing behavior changes are more observed among the youth than the more youthful kids and mature age individuals. The purchasing behavior of more students impacts their individual purchasing behavior, yet additionally it impacts the purchasing behavior of the family. As an advertiser one needs to understand the changing needs of the consumer and produce the goods and services as needs be.

Objective of the study

- ❖ To study the behavior of the students and factors influencing while they do online purchasing

HYPOTHESIS

H₀: there is no significant difference in online purchase behavior of respondents on the basis of factor's influencing

H₁: there is significant difference in online purchase behavior of respondents on the basis of factor's influencing

Research Methodology

Sources of Data For the present study researchers use both primary and secondary data. Primary data is collected through the questionnaire. Such secondary sources are drawn from the published articles, research papers, census survey, published general reports, sources through related websites etc.

Sample Design

The present study is the research-oriented study. Researchers use both primary and secondary data for this study. Simple random sampling technique has been used to select the sample from Bangalore city.

Sample Size

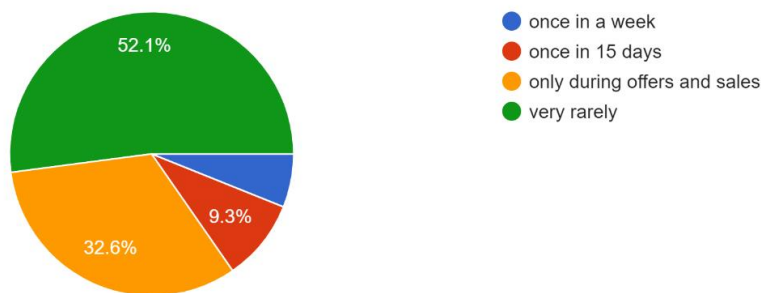
For fulfilling the objectives of the study a random sample of 313 students from Bangalore city.

Data Analysis and Discussion

1. How often do you do online shopping?

Options	Respondents
Once in a week	19
Once in 15 days	29
Only during offers or sale	102
Very rarely	163
Total	313

How often do you do online shopping
313 responses



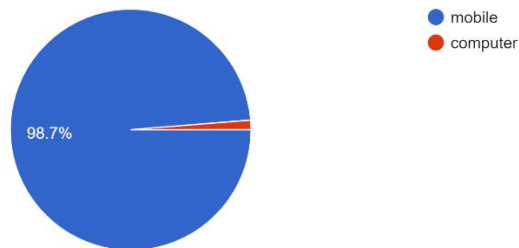
Sources: primary data

Interpretation: out of 313 respondents questioned, 163 respondents rarely shop, 102 respondents that shop only during when offers or sales, and 29 respondents said that they shop once in 15 days, 15 others stating they shop once in a week.

2. How do you shop online?

Options	Respondents
Mobile	309
Computer	4
Total	313

How do you shop online
313 responses



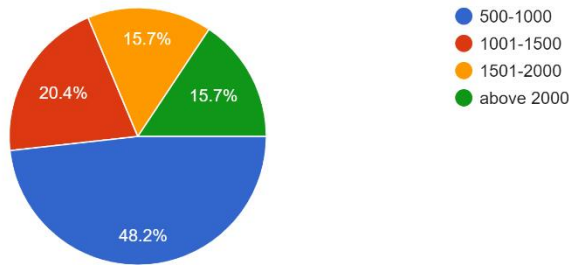
Sources: primary data

Interpretation: Being respondent 309 do online shopping through using mobile and only 4 respondents use computer for online shopping.

3. How much do you usually spend on online shopping?

Options (in rupees)	Respondents
500 – 1000	151
1001 – 1500	64
1501 – 2000	49
Above 2000	49
Total	313

How much do you usually spend on online shopping
313 responses

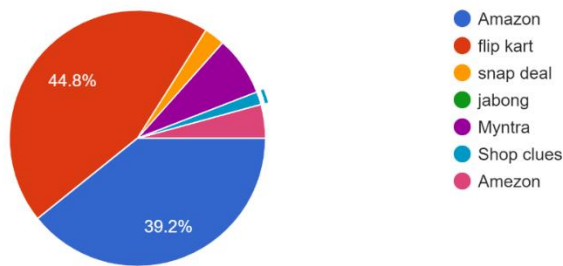


Sources: primary data

Interpretation: since the respondents are students spending for online shopping is always vital part for them. The above chart shows that 48.2 % of the respondents spend 500-1000 rupees, followed by 20.4% in a range of 1001-1500, 15.7% spend 1500-2000 and same percentage of respondent spend in a range of above 2000 rupees.

4. Which website do you usually spend on online shopping?

Which website do you usually spend on online shopping
306 responses



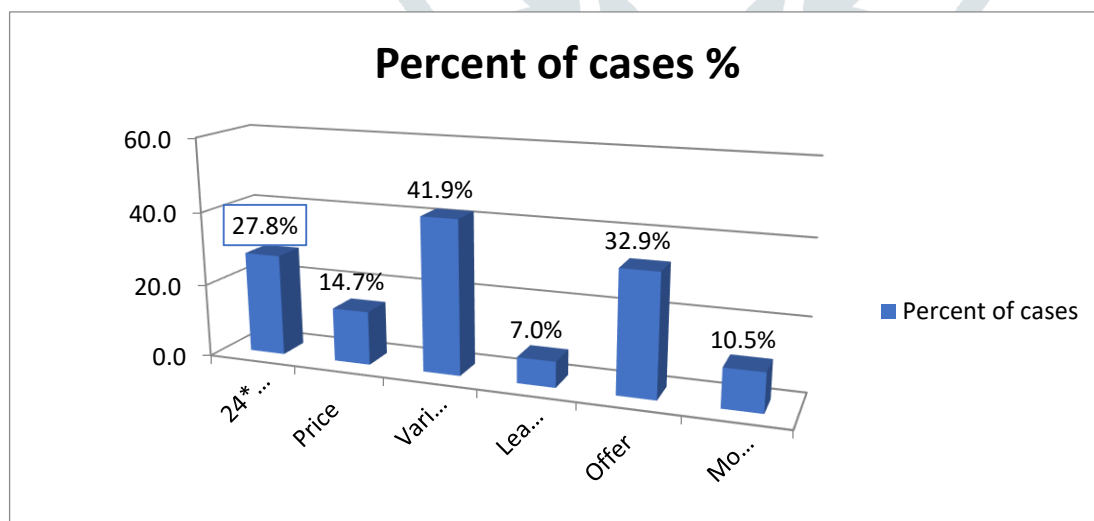
Options	Respondents
Amazon	133
Flipkart	137
Snap deal	08
Jabong	00
Myntra	23
Shop clues	05
total	313

Sources: primary data

Interpretation: out of leading e-commerce website flip kart ranks first by taking 44.8% of respondents, followed by Amazon 43.4% and rest of the respondents settled with 4.2% for online shopping.

5. What is the best thing you like about shopping online?

Options	Respondents	Percentage of cases (%)
24*7 purchase	89	27.8
Price range	46	14.7
Variety of product	137	41.9
Lead time (time between order and delivery of product and services)	22	7.0
Offers/discounts	104	32.9
Mode of payment	34	10.5
total	313	



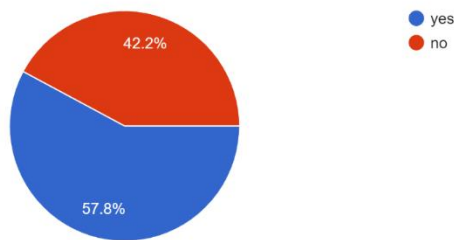
Sources: primary data

Interpretation: the above chart clearly shows that variety of products (41.9%) is the first stimuli that influence them while do online shopping. Second is offers and discounts (32.9%), while 24*7 purchase (27.8%) takes third place, price is taking the next place (14.7%), (17.5%) respondents feel remaining are act as last stimulus for them.

6. Do you wait for festival seasons for shopping online?

Options	Respondents
Yes	181
No	132
Total	313

do you wait for festival seasons for shopping online
313 responses



Sources: primary data

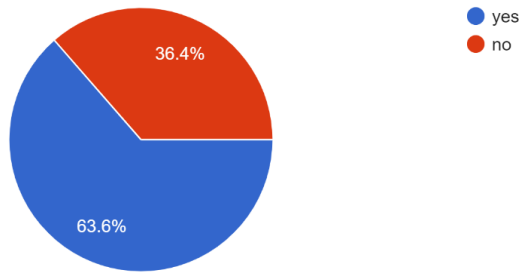
Interpretation: 181 respondents saying that they do wait for festive seasons as it brings lot of offers for e.g.: big billion day in flip kart, great festival sale in amazon. 132 respondents said they don't wait for such seasons for shopping.

7. Is the product the same as it's shown on the App or website?

Options	Respondents
Yes	199
No	114
Total	313

Is the product the same as its shown on the App or website

313 responses



Sources: primary data

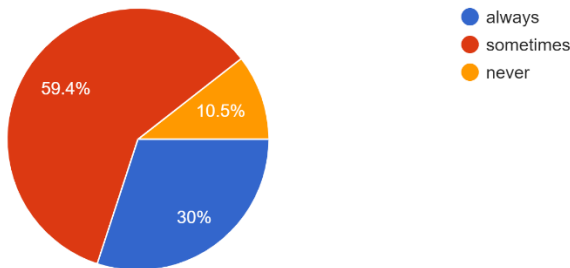
Interpretation: the above chart shows that 63.6% of the following respondents said that products were the same as shown in website. 36.4% said they were delivered fake products.

8. Do you compare prices with other shopping Apps or sites before buying?

Options	Respondents
Always	94
Sometimes	186
Never	33
Total	313

do you compare prices with other shopping Apps or sites before buying

313 responses



Sources: primary data

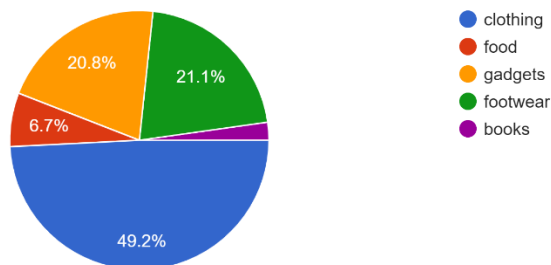
Interpretation: it comes as a surprise that out of 313 respondent’s majority of the respondents (59.4) said they do check and compare prices with other shopping applications sometimes only, (30%) have said they

always compare price with other shopping applications and (10.5%) said they don't compare price while they do online shopping.

9. What do you buy the most among the following items through online?

Options	Respondents
Clothing	154
Gadgets	65
Footwear	66
Books	7
Food	21
Total	313

what do you buy the most among the following items through online
313 responses



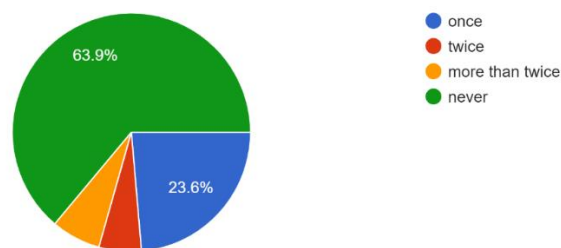
Sources: primary data

Interpretation: 49.2% of the students said that they shop clothing, 21.1% said that they buy footwear, 20.8% they buy gadgets, 8.9% they shop food items and books.

10. Have you ever experienced fraud while paying online?

Options	Respondents
Once	74
Twice	18
More than twice	21
Never	200
Total	313

Have you ever experienced fraud while paying online
313 responses



Sources: primary data

Interpretation: majority of the respondents said that 63.9% they never experienced any fraud, while 23.6% said they have experienced it once, 5.8% respondents said that they have experienced twice and 6.7% respondents experienced fraud more than twice.

Hypothesis Testing

To test the goodness of fit for all the factors drawn among the target group, the hypothesis being, Ho: there is no significant difference in online purchase behavior of respondents on the basis of factors drawn.

Table: Chi Sq. Test using Advanced excel

Factor	Frequency (O _i)	E _i	(O _i -E _i) ² /E _i
24*7 Purchase	87	70.3333	3.949465
Price	46	70.3333	8.418622
Variety	131	70.3333	52.32868
Lead Time	22	70.3333	33.21482
Offer	103	70.3333	15.17223
Mode of Payment	33	70.3333	19.81672
Mean	70.33333333	Chi Sq.	132.9005
		p value	The P-Value is < .00001. The result is significant at p < .10.

The calculated value of chi square is 132.9005 which are greater than the table value 9.24 at 5 df and 10% level of significance and hence the null hypothesis is rejected. Thus, there is a significant difference in online purchase behavior of respondents on the basis of factors drawn.

Findings of The Study & Suggestions of The Study

- ❖ 52.1% of students purchase rarely and 48.1% students spend only 500- 1000 it shows students are not earning money hence they can't spend more money and they can't do online shopping regularly.
- ❖ Indian e-tailer Flip kart has been ranked first since its arrival. However, the survey shows Amazon is also not way behind.
- ❖ Variety of product plays an important role. Offers, discounts as well as Festive seasons are a big hit which has maximum footfalls.
- ❖ Clothing and footwear are the highest buying products online
- ❖ The respondents face major problems on theft of credit card information, and lack of security on online payments. Implementing precautionary steps to solve these problems shall create consumer confidence on online shopping.
- ❖ A special traditional of shopping can be created in view of students by giving offers, discounts, etc.
- ❖ To test the hypothesis formed chi square test was applied which lead to rejecting the null hypothesis proving that there is a significant difference in online purchasing behavior of respondents on the basis of factors influencing.

Conclusion

After extensive research and analysis, we have drawn to the following conclusions. Yes, online shopping is pretty popular among the young Indian blood. Many teenagers are now using the online marketing for fulfilling their shopping desires. Most of them are completely aware of all the pros and cons of online shopping. Most users are shopping very rarely through the web with spending ranging from rupees 500 to 1000 monthly. Clothes, Footwear and Gadgets lead as the most demanded goods online followed by Food and Books. The most visited and trusted sites are Flip-kart and Amazon according to the survey. Hypotheses testing results revealed that the factors have great significance on the online purchase behavior of the students and also it is seen that variety of product, offers/discounts and 24*7 purchases have been the three significant factors that contribute to the online purchase behavior of the students. After this analysis we conclude that India has a huge potential for growth of a multibillion-dollar industry of E-Commerce as the top players of the market are having more than 100% growth year on year and their valuations are crossing billions of dollars.

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