CONSUMER BEHAVIOR TOWARDS ONLINE SHOPPING OF ELECTRONIC GOODS (WITH SPECIAL REFRENCE TO INDORE CITY)

Dr.Rekha Lakhotia, Associate Professor, IPS Academy, Indore

Abstract

Online shopping provides a good example of the business revolution. E-commerce has made life simple and innovative of individuals and group; consumer behavior in online shopping is different from the physical market where he/she has access to see the product. The purpose of this research was to study the consumer behavior in online shopping of electronic goods especially in Indore city of Madhya Pradesh. Primary data was collected through the questionnaire survey.

In this study Customer- oriented factors 'time saving', 'product quality', 'product price', 'convenience', 'accessibility', 'shop anywhere and anytime' are the main specific factors influence customers attitudes towards electronic product online shopping. The technology oriented factors, 'guaranteed quality', 'cash on delivery' and 'discounts and promotions' are the main specific factors influence customers attitudes toward electronic product online shopping.

Keywords

Online shopping, Internet shopping, Trust, Shopping experience, Service Experience, Product quality.

Introduction

The term Internet is as a business tool for companies and individuals. Internet became a new mediator between companies and their customers. Today, the Internet is a public, cooperative and self-sustaining facility accessible to hundreds of millions of individuals worldwide. Nowadays; Internet accepted as a significant effective communications channel challenging with traditional ones, such as Radio, Magazines and TV. The Internet shop offers dissimilar ways of online communications with communication differences tools that need a better decision of their effect on customer communications.

Internet technology advancement allows for the expansion of online shopping options beyond traditional methods, which may be more time wasting. With a growing number of individuals turning towards the internet and the world of e-commerce to shop, enterprise, make payments and carry out online banking, new technological advancements will have to come out to make these transactions secure. The growth of individuals are gravitating towards more exhaustive use of the Internet as technology convenience, information availability and the capability to interact through the Internet increase and develop.

Consumer Behavior

"Consumer behavior is the study of individuals, groups or organizations and the processes they use to select, secure and dispose of products, services, experiences or ideas to satisfy needs and the impacts that these processes have on the consumer and society". Consumer behavior of every individual is different from other depending on buying choices which is influenced by buying habits and choices. The decision making may vary from person to person, place to place and focusing on the past experiences of the consumers; we can predict the future trends by bringing profitable products and services into the market. In this modern world,

the popularity of interactive media like the World Wide Web is increasing day by day with rapid pace of two main factors. They are:

1) Most of the companies are doing their business online and make their website as showroom of their product and services.

2) Fast increment of consumer segments due to increase needs and demand including online shopping as well.

E-Commerce/Online Shopping

Internet makes life simple and innovative. People are doing business online and trade has become more easy and fast. Internet provides new ways to promote business. Website becomes the essential part of online business as to show their services and products. Internet gathers all competitors and consumers in one place. It brings new lane to promote, advertise products and services in market.

Online consumers are always seeking new products, new attractiveness and the most important thing being price compatibility with their budget. The internet is the best way to save time and money through purchasing online with their range of budget anywhere and anytime. Online consumers don't have limits to online shopping. They also use internet for comparison of prices of goods and services, news, visit social networks and search information and so on.

Need of the Topic

The purpose of the study is to understand the consumer behavior towards online shopping of electronic goods, so as to find the acceptability of online retail of electronic goods.

Objectives

- To know the consumer behavior towards online shopping of electronic goods.
- To know which gender is satisfied more to do online shopping.
- To know the various factors which motivate a consumer towards online shopping?
- To find out what is majority of consumer's level of education.

Research Methodology

The main purpose of study was to study the consumer behavior that purchases electronic goods in Indore city with the help of internet. This research is based on primary and secondary data both. The primary data was collected through a questionnaire designed exclusively for the study. Secondary data was taken from research papers, Journals and websites.

Data Analysis

This chapter presents all the empirical findings from the study. It mainly includes the findings from primary data which was collected by conducting in a quantitative method of a questionnaire among 40 respondents . The chapter is divided according to the research questions, meanwhile it also make the findings according with the research model of online shopping behavior for electronic product. The first section illustrates the demographic of respondents which provide the general information about the respondents including their gender, age and monthly income. The second section presents the findings for the questions "how customer's attitude towards online shopping electronic products does influences their intention of starting/continue to buy electronic product online".

Table 1: Age Analysis

Age group	Frequency	Percentage
18-25	29	72.5
26-35	7	17.5
36-45	2	5
46&above	2	5
Grand Total	**40**	**100**

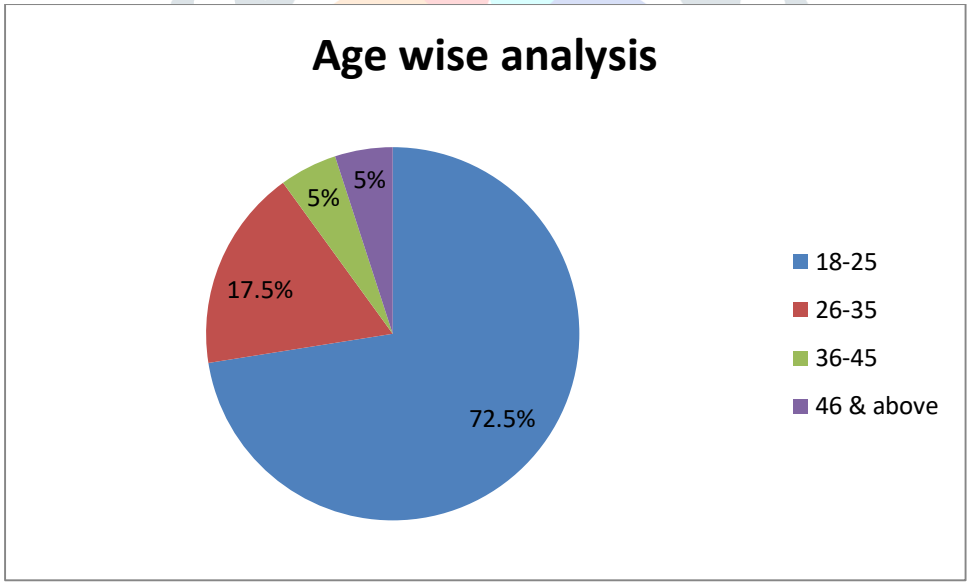

Figure 1: Age Analysis

From the above figure, it is clear that in this survey we have 29 people in the age of 18-25 with percentage 72.5% which is the highest percentage among other age distribution. In the age of 26-35 we have 17.5% and 5% fall in 36-45 age and rest 5% fall in more than 45 years old respondents.

Table 2: Education Analysis

Education Background	Frequency	Percentage
Intermediate	8	20
Bachelors	25	62.5
Masters or above	7	17.5
Grand Total	**40**	**100**

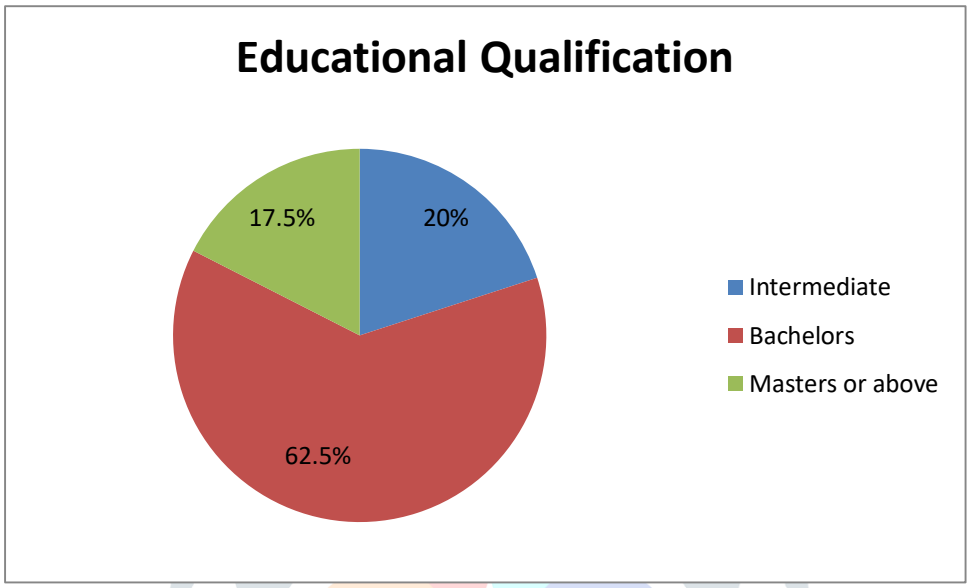

Figure 2: Educational Background of respondents

The highest frequency 62.5% among the respondents fall under the category of Bachelors or above level followed by the 17.5% who has the Masters or above degree. A very nominal percentage of almost 20% categorized in the intermediate level of studies.

Table 3: Income Distribution among respondents

Income Per Month	Frequency	Percentage
Less than Rs10,000	21	52.5%
Rs10000-30000	10	25%
Rs30000-50000	5	12.5%
More than Rs50000	4	10%
Grand Total	**40**	**100%**

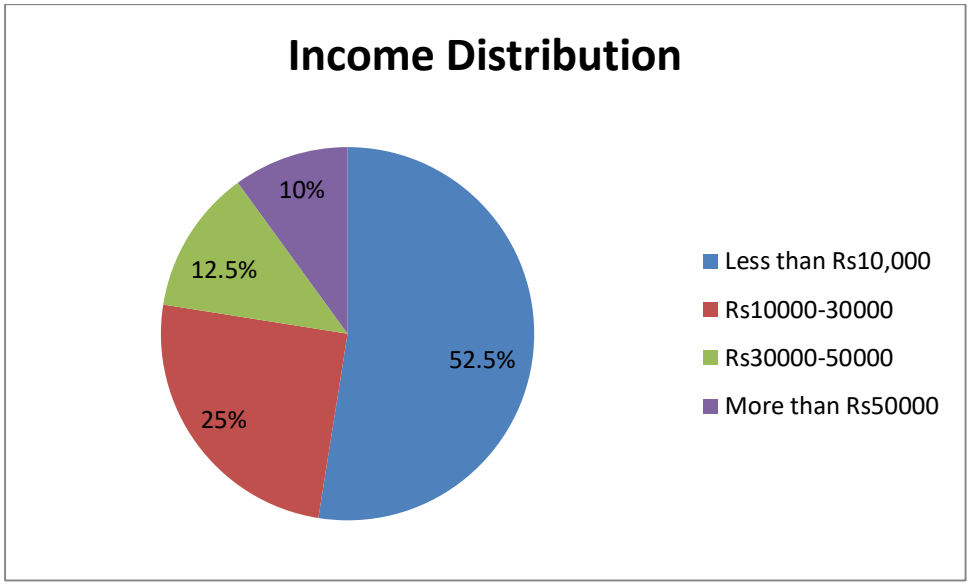

Figure 3: Income Distribution among respondents

From the above chart it was analyzed that the highest frequency 52.5% in income distribution falls under less than 10000 pm and 25% fall under 10000-30000 and 12.5% fall under 30000-50000 pm and smallest frequency 10% falls under more than 50000.

Table 4: Frequently shop online

How frequently do you shop online?	Frequency	Percentage
Never	3	7%
At least once a week	10	25%
At least once a month	12	30%
At least once in six month	13	33%
At least once a year	2	5%
Grand Total	**40**	**100**

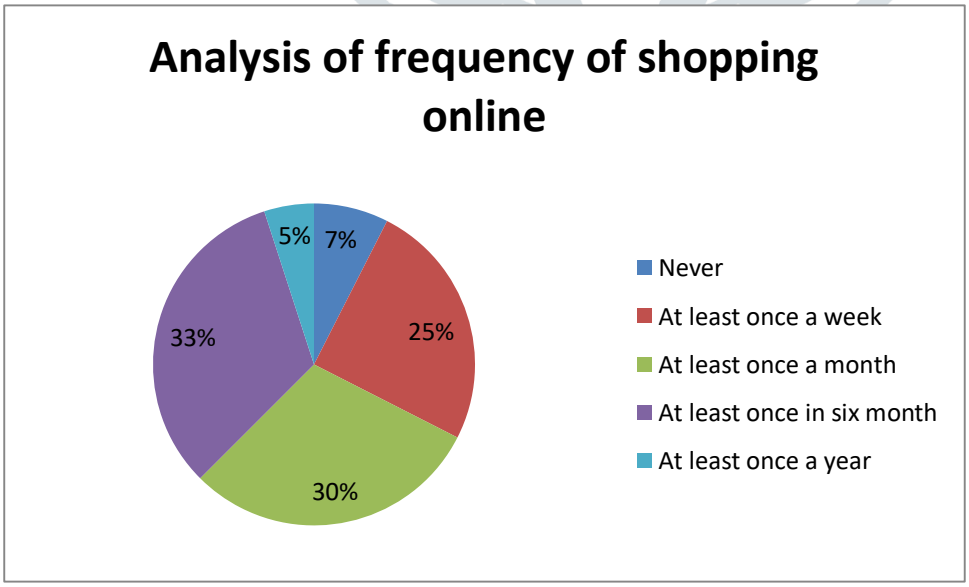

Figure 4: Analysis of frequently shop online

Majority of the 33% of respondents bought online at least once in six month, 5% of respondents have bought things online once a year, 30% respondents bought online things once in a months and 25% lies under the category of respondents who buy at least once a week and 7% lies under the category who never shop online. It is clear from the data that majority of the people in Indore buying things at least once in six month.

From the above chart, it is clear that in Indore city there are 18 customers who like to purchase electronic goods and 22 customers who don't like to purchase electronic goods via E-shopping .

Table 5: On an average, how much time (per week) do you spend while surfing the net?

How much time do you spend while surfing the Net?	Frequency	Percentage
0-2 hours	10	25%
6-10 hours	14	35%
10-15 hours	7	17%
More than 15 hours	9	23%
Grand Total	**40**	**100%**

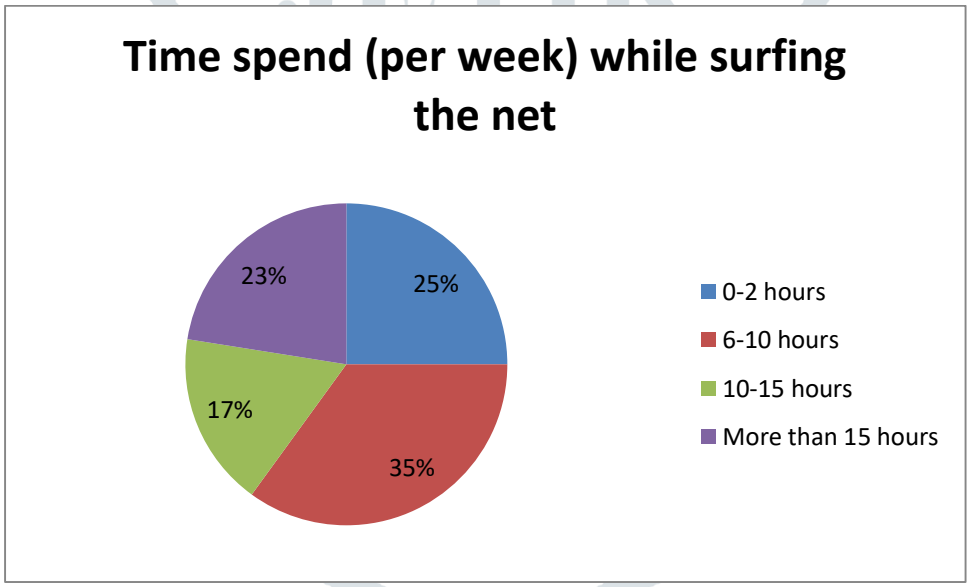

Figure 5: How much time (per week) do you spend while surfing the Net?

As per response, 25% people say that they spend 0-2 hours and 35% of respondents say that they spend 6-10 hours per week and 17% spend 10-15 hours while 25% more than 15 hours, it can be easily analyzed from sample of data that majority of the people spend 0-2 hours (per week) on net surfing.

Table 6: What is the average amount that you spend per purchase while shopping online?

Average amount that spend on per purchase while shopping online?	Frequency	Percentage
Less than Rs 1000	13	32.5
Rs 1,000-Rs5000	12	30
Rs5,000-Rs10,000	03	7.5
Rs 10,000-Rs 15,000	12	30
Grand Total	**40**	**100**

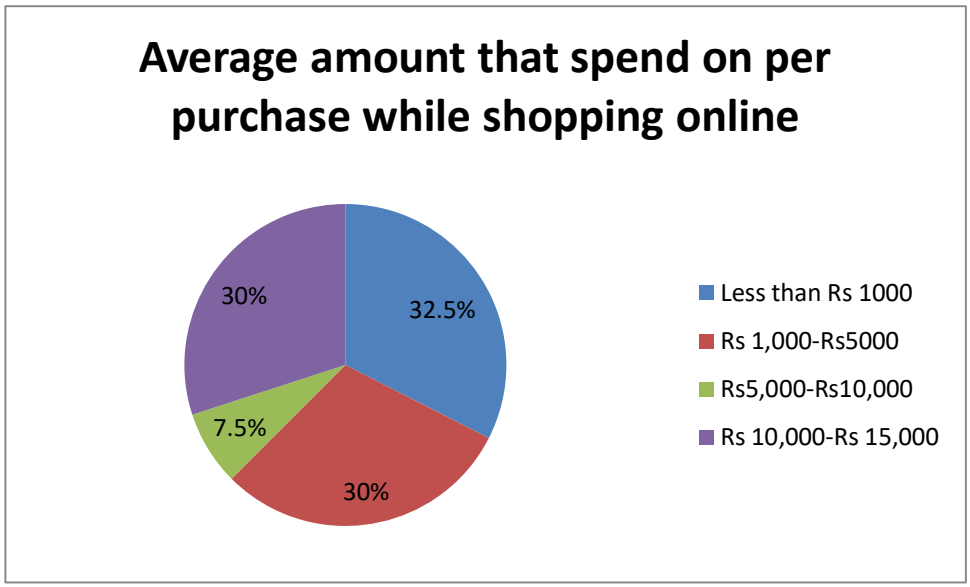

Figure 6: Average amount that spend on per purchase while shopping online?

The above chart shows that 32.5% respondents spend less than Rs 1000 on per purchase. It is the highest frequency followed by Rs1000-5000 and less Rs 10000 – 15000 spend by 30% of respondents. 7.5% respondents spend Rs 5000 – 10000.

Conclusion

Online shopping has become extremely popular over the last decade. The electronic products online market takes a high percentage of individuals shopping on it. From the above research it is concluded that the majority of customers are interested in online shopping of electronic goods. The attitude of consumers towards online shopping is different in Indore city. Therefore, this study is to investigate the consumer behavior towards online shopping of electronic goods in Indore city.

Suggestions

- Online shopping has brought an ease in everyone's life.
- Purchase of electronic goods via E-shopping is more suitable and it also saves time.
- Item should be available to most of the pin code as electronic items are available at limited pin code.
- More warranty of the product should be provided.
- Offer free shipping. Customers love free shipping.
- Best and convenient way of shopping.
- Online shopping should be encouraged amongst every class of the society.

References

- www.academia.edu
- http://www.scribd.com
- https://www.slideshare.net
- http://www.ijias.issr-journals.org/