PERCIEVED PRICING BEHAVIOUR OF STUDENTS TOWARDS E-COMMERCE

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ABSTRACT

The primary objective of this research is to study the perceived pricing behavior regarding E- commerce. A structured predefined questionnaire was prepared and a pilot study was led on a sample of 50 students. After a few additions and deletions, the questionnaire was administered to a sample of 344 students belonging to three educational institutions based in Jalandhar city. Simple Random Sampling technique was employed. The sampling unit was a student. then Statistical techniques like ANOVA were applied in the study. To gauge the factors effecting pricing perception level have been tested against certain factors such as frequency of using e-commerce, amount willing to spend, perceived product price expensiveness, perceived premium or discount offers the following hypotheses have been framed.

Key Words: E-Commerce, Perceived Behaviour, Students

INTRODUCTION

The Internet offers shoppers with new means that of getting helpful info and contains all selling and sales of product as well as services. E-commerce is presently drawing a good deal of interest. The analysis of consumer behavior is a fundamental feature for the success of an e-business. How consumers procure commodities, acquire services, information all needs to be surveyed. Businesses with the foremost expertise and success in mistreatment e-commerce square measure starting to understand that the strategic factors of succeeding or not aren't just computing device presence and low value however conjointly embody the electronic service quality. However, the behavior of shoppers within the web market transforms as they buy this expertise.

The perception of the pricing behavior of the consumers is the major factor affecting the purchase decision of the consumer. Every e-commerce website is charging different prices and as we are living in an era where people are price sensitive. Each consumer is having different capability to spend online. Perception

of every consumer is different to buy online because every customer is having different budget, so it depends on an individual that how much they are willing to pay and their spending will automatically relate to pricing behavior of the customer. Recurrence of their behavior speaks a lot about their favorable intents to buy a product. Buying online also enables shoppers to become a lot of aware of the net as a looking channel, to worth some aspects of the looking method a lot of extremely and to ignore sure characteristics which will are necessary within the early stages.

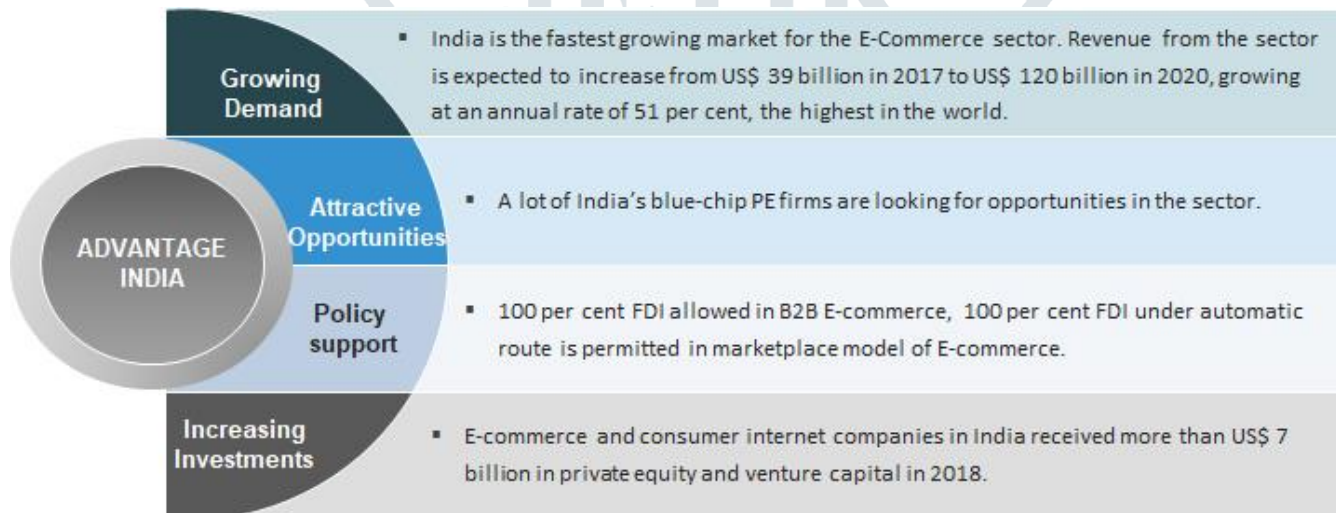**FIGURE: 1 Top E Commerce Websites in India**

Source:www.goodworkslab.com

TABLE 1: Popular E-Commerce Firms in INDIA

Amazon
Flipkart
Myntra
Nykaa
Zomato
Swiggy
Makemytrip
Shopclues
Bookmyshow

E-bay
Cleartrip
Kraftly
Cromastore
Groffers
Infibeam
Togoforgo.com
Smartshopper
IRCTC

FIGURE 2: E Commerce Industry in India

Source: Akemart.com

There are different factors that build the perception of a customer. Few of them being the product quality, price, service support, warranty quality, durability, tangibility, reliability and safety.

REVIEW OF LITERATURE

David Gefen (2000) examined the perspective of the E-commerce involved in acquiring books on the Internet and established that the online seller manipulated the respondents' intents to investigate about books, and their aims to acquire them. Anol Bhattacherjee (2000) examined human inspirations motivating distinctive recognition of B to C electronic commerce services. It was however, concluded that recognition is the crucial factor to the existence of firms in this powerfully aggressive industry. In his study came up with the notion that consumer perceptions were affected by the proportions of web page design,

dependability, receptiveness, and conviction. These factors effect the complete service superiority and customer contentment. In the light of the above review the objectives of the study were defined as under:

1) To study the effect of demographics on perceived pricing behaviour.

2) To identify the factors influencing the pricing perception towards E-Commerce.

RESEARCH METHODOLOGY

The primary objective of this research is to study the perceived pricing behavior towards E- commerce. A structured predefined questionnaire was prepared and a pilot study was directed on a sample of 50 students. After a few additions and deletions, the questionnaire was given to a sample of 344 students belonging to three educational institutions based in Jalandhar city. Simple Random Sampling technique was employed. The sampling unit was a student. then Statistical techniques like ANOVA were applied in the study.

To gauge the factors effecting pricing perception level have been tested against certain factors such as frequency of using e-commerce, amount willing to spend, perceived product price expensiveness, perceived premium or discount offers the following hypotheses have been framed.

Hypothesis testing Perceived Pricing Perceptions

The following hypothesis were framed for the conduction of the study;

H_{01}= *There is no significant relation between level of agreement scale on pricing perception towards E-Commerce.*

H_{01A} = *There is no significant relation between Amount willing to spend on pricing perception towards E-Commerce.*

H_{01B} = *There is no significant relation between Perceived product price expensiveness on pricing perception towards E-Commerce.*

H_{501C} = *There is no significant relation between Perceived premium or discount offers on pricing perception towards E-Commerce.*

ANALYSIS AND DISCUSSIONS

As the first objective of our study is to study the effect of demographics on perceived pricing behavior. ANOVA was used for the purpose of analysis.

TABLE: 1

Test of Homogeneity of Variances

		Levene Statistic	df1	df2	Sig.
Gender	Based on Mean	.871	3	339	.457
	Based on Median	.225	3	339	.879
	Based on Median and with adjusted df	.225	3	338.740	.879
	Based on trimmed mean	.871	3	339	.457
Age	Based on Mean	2.332	3	339	.074
	Based on Median	1.080	3	339	.358
	Based on Median and with adjusted df	1.080	3	134.947	.360
	Based on trimmed mean	1.358	3	339	.256
Programme	Based on Mean	4.530	3	339	.004
	Based on Median	3.960	3	339	.009
	Based on Median and with adjusted df	3.960	3	338.873	.009
	Based on trimmed mean	4.465	3	339	.004
School	Based on Mean	.581	3	339	.628
	Based on Median	.674	3	339	.569
	Based on Median and with adjusted df	.674	3	322.274	.569
	Based on trimmed mean	.633	3	339	.594
year	Based on Mean	1.995	3	339	.114
	Based on Median	.756	3	339	.519
	Based on Median and with adjusted df	.756	3	299.051	.519
	Based on trimmed mean	1.647	3	339	.178

The interpretation of this output, look at the column labeled Sig. The p value is .457 for gender and .628 for school and .457 is for age wise based on mean. As the p value is higher than the α level, we fail to reject H0 depicting that there is little evidence that the variances are unequal. This implies that they are affecting the pricing behavior perception on E-Commerce of students otherwise the other input like program and the year

of studying show that we reject null hypothesis which mean that majorly these demographical factors are affecting the perceived pricing behavior of the students.

TABLE: 2

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
please indicate your gender?	Between Groups	.159	3	.053	.225	.879
	Within Groups	79.818	339	.235		
	Total	79.977	342			
please indicate your programme?	Between Groups	.670	3	.223	.501	.682
	Within Groups	151.202	339	.446		
	Total	151.872	342			
please indicate your school?	Between Groups	191.521	3	63.840	1.843	.139
	Within Groups	11744.024	339	34.643		
	Total	11935.545	342			
please indicate your year?	Between Groups	6.332	3	2.111	1.972	.118
	Within Groups	362.887	339	1.070		
	Total	369.219	342			
Q2	Between Groups	16.059	3	5.353	7.238	.000
	Within Groups	250.694	339	.740		
	Total	266.752	342			

The within-groups estimate of variance determines the denominator of the F ratio. The degrees of freedom for the between groups estimate of variance is given by the number of levels which is available in the table above in Mean Square column. The significance is also showed as it's mentioned which mostly we reject null hypothesis which mean that majorly these demographical factors are affecting the perceived pricing behavior of the students.

TABLE: 3

Frequency Table

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	216	63.0	63.0	63.0
	Female	127	37.0	37.0	100.0
	Total	343	100.0	100.0	

Programme

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	UG	126	36.7	36.7	36.7
	PG	172	50.1	50.1	86.9
	Integrated	45	13.1	13.1	100.0
	Total	343	100.0	100.0	

year

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1st year	63	18.4	18.4	18.4
	2nd year	126	36.7	36.7	55.1
	3rd year	99	28.9	28.9	84.0
	4th year	43	12.5	12.5	96.5
	5th year	12	3.5	3.5	100.0
	Total	343	100.0	100.0	

The total number of respondents including males and females is 343. Males students are around 63% and females are 37%. From the other tables it can be observed that the years of experiencing E-commerce is a major factor in deepening the concept of advanced use of E-commerce of students especially that PG program is capturing 50.1% of the respondents and 36.7 %for the UG students and 13.1% for the integrated students, and it is also proved that the second year students have the highest valid percentage of 36.7%. It's also declining throughout the years afterward on the 3rd year 28.9% and the first year students of 18.4%.

TABLE: 4

School

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Business	61	17.8	17.8	17.8
	Computer Science And Engineering	32	9.3	9.3	27.1
	Mechanical Engineering	9	2.6	2.6	29.7
	Civil Engineering	53	15.5	15.5	45.2
	Electronics And Electrical Engineering	27	7.9	7.9	53.1
	Bioengineering And Biosciences	7	2.0	2.0	55.1
	Architecture And Design	13	3.8	3.8	58.9
	Hotel Management And Tourism	11	3.2	3.2	62.1
	Computer Application	14	4.1	4.1	66.2
	Pharmaceutical Sciences	21	6.1	6.1	72.3
	Agriculture	19	5.5	5.5	77.8
	School Of Design	7	2.0	2.0	79.9
	Journalism, Films And Creative Arts	1	.3	.3	80.2
	Chemical Engineering And Physical Sciences	2	.6	.6	80.8
	Law	10	2.9	2.9	83.7
	Polytechnic	3	.9	.9	84.5
	Physiotherapy And Paramedical Sciences	9	2.6	2.6	87.2
	Education	38	11.1	11.1	98.3
	Social Sciences And Languages	6	1.7	1.7	100.0
	Total	343	100.0	100.0	

According to the table give the highest percentages are from business , Civil Engineering ,and education with percentages of 17.8% ,15.5% and 11.1% but overall respondents were differently distributed in random manner which is not really a benchmark to judge that school can affect the perceived behavior of students studying in different schools which is also mentioned in ANOVA test.

TABLE: 5

liking of E-commerce

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	22	6.4	6.4	6.4
	Yes	280	81.6	81.6	88.0
	Maybe	41	12.0	12.0	100.0
	Total	343	100.0	100.0	

Overall frequency of the responses show that the trend that majorly students are following with the technology advancement that acceptance and ease od dealing with E-commerce is showing that the valid percentage of yes is 81.6% which is mostly overcome the no responses of 6.4% and maybe responses of 12%.

Identification of the factors influencing the pricing perception towards E-Commerce is the second main objective of the study which different measurements have been applied to determine the tables as follow

There are different factors that can influence the buying behavior of a student but to be more focused

TABLE: 6

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
expensive product	Between Groups	22.806	3	7.602	8.480	.000
	Within Groups	303.923	339	.897		
	Total	326.729	342			
paying preference	Between Groups	19.016	3	6.339	5.797	.001
	Within Groups	370.698	339	1.094		
	Total	389.714	342			
Methods	Between Groups	5.349	3	1.783	1.880	.133
	Within Groups	321.508	339	.948		
	Total	326.857	342			

The table depicts that the prime factor was determined to be about the monthly pocket money and the independent variables were the perception towards expensive products and the paying preferences into percentage of more money a student is ready to pay in order to get purchase a product online and the payment methods would a respondent would use.

The test applied is showing that the p value is less than or equal to α level for this test, then reject the H0.the sig outcomes are .000 , .01, and .133 .It means that the study is showing that there is a strong connection between the two variables and it's the price is strongly affecting the perceived buying behavior of a student according to the factors given.

TABLE:7

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
extra feature	Between Groups	11.947	2	5.974	3.802	.023
	Within Groups	534.163	340	1.571		
	Total	546.111	342			
problems	Between Groups	9.743	2	4.871	3.338	.037
	Within Groups	496.170	340	1.459		
	Total	505.913	342			

There is another point of view in independent variables such as the extra features that can make a student pay more and what are the problems that might face the buyer from E-commerce. Have been considered. The result of the test was sig values are .023 ,and .037 . Because of the sig values are less than the α level, we would reject the null hypothesis which is directly means that there is a relationship between the variance and they mainly affect the perceived pricing behavior of a student to deal through the E-commerce channels.

CONCLUSION

This study is different from other studies as previous studies are more focused only on behavior patterns and perceived pricing behavior of the students, but here we are focusing on pricing behavior and factors effecting pricing perception and also behavioral patterns. This study covers pricing perception of the students towards e-commerce buying along with behavior perception of students towards E-Commerce. It is evident from the findings that the maximum age group of people was below 25 years. Males students are around 63% and females are 37%. From the other tables it can be observed that the years of experiencing E-commerce is a major factor in deepening the concept of advanced use of E-commerce of students especially that PG program is capturing 50.1% of the respondents and 36.7 %for the UG students and 13.1% for the integrated students, and it is also proved that the second year students have the highest valid percentage of 36.7%. It's also declining throughout the years afterward on the 3rd year 28.9% and the first year students of 18.4%.

Moreover, the respondents having pocket money even less than Rs. 1000 also even buy online, even though everyone have their own spending capacity. Hence the research showed that there is positive impact of E-Commerce between students.

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