A STUDY ON CONSUMER'S SATISFACTION TOWARDS ONLINE PURCHASES AT ERODE DISTRICT OF TAMILNADU

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ABSTRACT: *The recent growth of e-commerce and the consumer's increasing interest in purchasing over the net have significantly changed the landscape of Indian retail market. Today customers are inclined to accept the changes and keep their eyes on the benefits they can obtain from online retailers. The business owners who use e-commerce as a distribution channel need a clearer understanding of who buys online, what they buy online, why they buy online, and how the non-Internet buyer can be transformed into an online buyer in order to increase online sale. The paper attempts to identify the determinants of online purchase intentions of different age groups in Indian context. Based on extensive literature review, factors affecting online purchase intentions, antecedents of service quality and consumer attitudes were identified and a structured-non-disguised questionnaire was prepared. The data was collected through survey of 150 peoples who visited in the Erode region of Tamilnadu.*

Key Words: Online Purchase, e-Commerce

INTRODUCTION

The industry should focus on the factors that affect the buying behaviour of Indian customers. Although many studies have shown that customer characteristics are important when it comes to online shopping, but majority of those researches are performed outside India. To fill this gap, the following research is proposed to examine how different customer characteristics affect customer purchase intentions while shopping online in India. Today, internet acts as a channel through which millions of people communicate, perform research, find entertainment and most recently buy and sell products and services. In fact, online shopping is one of the most popular activities that take place on internet. Here are some statistics to validate the above statement. The findings of the study indicate that customer online purchase intentions are significantly related to their gender, education, age, and technological familiarity. Consumer buying behaviour is also affected by product type, purchase frequency and expensiveness. Their purchase decisions are also found to be related with the online retailer's services like return, refund and delivery services.

OVERVIEW OF LITERATURE

The current literature on consumer online purchasing decisions has mainly concentrated on identifying the factors which affect the willingness of consumers to engage in Internet shopping.

Kotler& Armstrong, (2004): There are many factors influences and affect customers in related to how consumers make purchasing decision. The purchasing decision process starts long before actual purchase and continues long after. Usually in more routine purchases, consumers often reserve or skip some of purchase decision process.

Zhou, et al., (2007): On the other hand it has found that 'online shoppers are not necessarily more educated'. Online shopping has been considered as a easy activity, therefore education level has not a big effect on it. However educated people are more likely to accept innovations easily educated level may have an effect on decision process.

Vijay, Sai. T. &Balaji, M. S. (May 2009): revealed that Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. However, in spite of the convenience offered, online shopping is far from being the most preferred form of shopping in India. A survey among 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchase online while others do not. The results suggested that convenience and saving of time drive Indian consumers to shop online; while security and privacy concerns dissuade them from doing so.

NorazahSukiandNorbayahSuki (2009): Conducted a study on 'Cellular Phone Users' Willingness to Shop Online'. The study suggested that marketers should propose more on attractive promotion such as advertisements or discounts through the web.

Internet Retailer, (2011): The e-commerce sector has continued its growth in recent years. The numbers demonstrates that 'e- commerce is taking a bigger slice of the overall retail sales pie and is growing far faster than retail sales'.

Hillman et al (2012): Advances in wireless technology have increased the number of people using mobile devices. Nowadays, mobile devices have become a part of our lives. This trend has brought an opportunity to shop online form via mobile devices, such as Smartphone, e-readers, tablets, etc.

Kotler and Armstrong (2012): Due to technological innovations, the traditional way of shopping has become insufficient for individuals. Individuals now prefer easy ways to reach brands and stores and it can be said that 'The Internet has fundamentally changed customer's notions of convenience, speed, price, product information and service. As a result, it has given marketers a whole new way to create value for customers and build relationships with them'.

Today, internet has developed into a highly competitive market and in order to have an impact on customers and to retain them, it is the first step to identify certain influencing aspects when purchasing online, these can be regarded as factors. The proposed research will be focused on identifying and analyzing these factors.

STATEMENT OF THE PROBLEM:

In the Internet shopping market since there is no face-to-face contact, analysing and identifying factors that influence the consumer is vital. Moreover, consumers have new demands in the Internet medium. Therefore, it becomes more important to answer consumer's demands to retain the customer. The purpose of this research is to understand on what parameters does consumers purchase online and also their preference and what motivates consumers to shop online for different products.

OBJECTIVES OF THE STUDY:

- To identify the behaviour of consumer over online purchase preference.
- To identify the parameters that motivates the consumers to buy online instead of retail stores and super markets
- To study the impact of demographic characteristics of consumers on their online purchase pattern.

SCOPE OF THE STUDY:

This survey focus on the opinion of the respondents regarding online shopping. This research focuses on what are the benefits received and problems faced by the respondents and their attitudes towards the online shopping.

RESEARCH METHODOLOGY

SAMPLING DESIGN

Sample is the process of representative subset of a total population for obtaining data for study of the whole population. The subset is known as sample.

SAMPLE SIZE

Field survey techniques was employed to collect primary data from the 150 selected sample respondents in Erode District of TN.

SAMPLING TECHNIQUE

The sampling design used in the study was non-probability sampling. Convenience sampling techniques are used for collecting the data.

NATURE OF DATA

The present study used both primary as well as secondary data.

- **PRIMARY DATA:**

    The first hand information, which is being collected by the researcher, is called primary data. In this study, the primary data was collected through structured questionnaire.

- **SECONDARY DATA:**

    Besides the primary data, the secondary data was also collected for the study through websites, journals, magazines and newspapers.

TOOLS FOR DATA COLLECTION

    Questionnaire was the main and important tool for collection of the data. Hence, effort has taken to construct the questionnaire in a systematic way as to include adequate and relevant questions to ensure the research objectives.

DATA ANALYSIS

    The data collected from the primary source were arranged sequentially and tabulated in a systematic order in the master table.

TOOLS FOR DATA ANALYSIS

    Data collected through questionnaire were presented in a master table. From the master table, sub-table was prepared. For analysis and interpretation of the data simple statistical tools like chi-square test and percentage analysis were used.

- **PERCENTAGE ANALYSIS**

    Percentage Analysis refers to a special kind of ratio percentage is used in making comparison between two or more series of data.

    Percentage reduced everything to a common base their allow meaningful comparisons to be made.

$$Percentage = \frac{No.\,of\,Respondents}{Total\,No.\,of\,Respondents} \times 100$$

- **CHI-SQUARE TEST**

    The chi-square is a measure of actual divergence of the observed and expected frequencies and as such if there is no difference between observed and expected frequencies the value of chi-square is zero. Chi-square tests enable the researcher to find out whether the divergence between expected and actual frequencies is significance or not the following formula can be used for calculating chi-square value.

$X^2 = \sum \frac{(O-E)^2}{E}$ Where,   O = Observed frequency,   E = Expected frequency

> ➤ **WEIGHTED SCORE ANALYSIS**

The average rank analysis is performed to identify the priority of the different category of purpose of the investments of the investors. The average rank is calculated and the final rank is fixed based on the criteria lesser the average rank more is the priority on the various aspect relation personal factors.

$$Weighted\ Average = \frac{Total}{No.of\ items\ \times No.of\ Respondent}$$

Symbolically it represents as, $\overline{xw} = \frac{\sum wx}{\sum w}$ Where, $\sum wx$ = Total Score, $\sum w$ = Total Weighted score.

ANALYSIS AND INTERPRETATION

The analysis of data collected from primary sources presented in the form of tables and interpretation is given in description as required. Analysis refers to the course of finding out answers to the question that had arisen to the study. Interpretation finds out the relationship among the available data and the variables.

HYPOTHESIS:

> ➤ There is no significant relationship between gender and level of satisfaction towards online purchasing.
> ➤ There is no significant relationship between age and level of satisfaction towards online purchasing.
> ➤ There is no significant relationship between educational qualification and level of satisfaction towards online purchasing.

TABLE -1
PROFILE OF THE RESPONDENTS

S.NO	FACTORS	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE
1	Age	Below 20	44	29
		20-40	72	48
		40-60	30	20
		Above 60	4	3
		Total	150	100
2	Gender	Male	92	61
		Female	58	39
		Total	**150**	**100**
3	Monthly Income	Below Rs. 20000	12	8
		Rs. 20000 - Rs. 30000	29	19
		Rs. 30000 - Rs. 40000	47	31
		Above Rs. 40000	62	42
		Total	**150**	**100**
		Employed	23	15
		Business	42	28

4	Occupation	Student	18	12
		Professional	61	41
		Others	6	4
		Total	150	100
5	Residential Status	Urban	84	56
		Semi-Urban	39	26
		Rural	27	18
		Total	**150**	**100**
6	Educational Qualifications	School level	30	20
		Graduate level	66	44
		Post-graduate level	52	35
		Others	2	1
		Total	**150**	**100**

Source: Primary Data

From the above table reveals that 48% of the respondents belong to the age group of 20-40yrs, 20% of the respondents belong to the age group of 40-60yrs, 61% of the respondents belong to the category of Male and 39% of the respondents belong to the category of Female. The table also reveals that 20% of the respondents are School level, 44% of the respondents are Graduate level, 35% of the respondents are Post-Graduate level. 15% of the respondents are Employed, 28% of the respondents are Business, 41% of the respondents are Professional. 19% of the respondents have income level of Rs.20,000 – Rs.30,000, 31% of the respondents have income level of Rs.30,000 – Rs.40,000 and 42% of the respondents have income level of above Rs.40,000. 56% of the respondents are Urban, 26% of the respondents are Semi-Urban and 18% of the respondents are Rural.

TABLE -2

INVESTMENT PROFILE OF THE RESPONDENTS

S.NO	FACTORS	CATEGORY	NO.OF.RESPONDENTS	PERCENTAGE
1.	Source of awareness	Friends	93	62
		Relatives	8	5
		Medias	48	32
		Others	1	1
		Total	**150**	**100**
2.	Reasons for Preference	Easy access	47	31
		Time saving	82	55
		Convenient	20	14
		Others	1	1
		Total	**150**	**100**
3.	Product Preference	Cosmetics	17	11
		Dress materials	59	39
		Electronics and Electrical items	71	48
		Others	3	2

		Total	**150**	**100**
4.	Opinion towards the Services	Strongly agree	12	8
		Agree	92	61
		Neutral	41	27
		Disagree	4	3
		Strongly disagree	1	1
		Total	**150**	**100**
5.	Level of satisfaction	Highly satisfied	59	39
		Satisfied	83	55
		Dissatisfied	08	6
		Total	**150**	**100**

Source: Primary Data

From above table it reveals that 62 % of the respondents are getting awareness through friends, 32% of the respondents getting awareness through Medias.31% of the respondents are preferred for Easy access, 55% of the respondents are preferred for Time savings, 14% of the respondents are preferred for Convenient. 11% of the respondents are preferred to order Cosmetics, 39% of the respondents are preferred to order dress materials and 48% of the respondents are preferred to order Electronics and Electrical items. 8% of the respondents are Strongly agree the services of different web portal, 61% of the respondents are Agree, 27% of the respondents are having the opinion of Neutral regarding the services of different web portal.

CHI- SQUARE TEST

- ➢ To find the relationship between age and level of satisfaction the chi- square test has been applied.

TABLE- 3

AGE AND LEVEL OF SATISFACTION TOWARDS ONLINE SHOPPING

Age/Level	Highly Satisfied	Satisfied	Dissatisfied	Total	Chi-square Value	Table Value	Sig
Below 20	25(42%)	15(18%)	4(50%)	44			
20 to 40	21(36%)	49(59%)	2(25%)	72	41.365	12.6	Sig
40 to 60	12(20%)	17(21%)	1(13%)	30			
Above 60	1(2%)	2(2%)	1(12%)	4			
TOTAL	59	83	8	150			

Source: Primary Data

At 5% level of significance for 6 degree of freedom the table value is 12.6. Since the calculated value (41.36) is greater than the table value, so the null hypothesis is rejected. Hence there is significant relationship between age and level of satisfaction of on line shopping.

> To find the relationship between gender and level of satisfaction the chi- square test has been applied.

TABLE-4

GENDER AND LEVEL OF SATISFACTION TOWARDS ONLINE SHOPPING

Gender/Level	Highly Satisfied	Satisfied	Dissatisfied	Total	Chi-square Value	Tale Value	Sig
Male	36(61%)	54(65%)	2(20%)	**92**	16.515	5.991	Sig
Female	23(39%)	29(35%)	6(75%)	**58**			
TOTAL	**59**	**83**	**8**	**150**			

Source: Primary Data

At 5% level of significance for 2 degree of freedom the table value is 5.991. Since the calculated value (16.515) is greater than the table value, so the null hypothesis is rejected. Hence there is significant relationship between gender and level of satisfaction towards online shopping of investors.

> To find the relationship between educational qualification and level of satisfaction the chi-square test has been applied.

TABLE-5

EDUCATIONAL QUALIFICATION AND LEVEL OF SATISFACTION TOWARDS ONLINE SHOPPING

Educational qualification/Level	Highly Satisfied	Satisfied	Dissatisfied	Total	Chi-square Value	Tale Value	Sig
School level	12(20%)	17(21%)	1(13%)	30	22.115	12.592	Sig
Graduate level	31(53%)	29(35%)	6(75%)	66			
Post graduate level	15(25%)	36(43%)	1(12%)	52			
others	1(2%)	1(1%)	-	2			
TOTAL	59	83	8	150			

Source: Primary Data

At 5% level of significance for 6 degree of freedom the table value is 12.592. Since the calculated value (22.11) is greater than the table value, so the null hypothesis is rejected. Hence there is significant relationship between educational qualification and level of satisfaction towards online shopping.

WEIGHTED AVERAGE SCORE AND RANKING ANALYSIS

A comprehensive interview schedule is given to 150 respondents in order to know their priority according to the factors that influence the favorite online sites of on line shopping. These sample online sites are made to rank the reasons such as Filpkart.com, Ebay.com, Amazon.com, Jabong.com, Snapdeal.com .The ranks are assigned according to the problems. The ranks 1, 2, 3, 4 and 5 are assigned as per the weight of 5,4,3,2 and 1 respectively.

TABLE- 6

WEIGHTED AVERAGE SCORE AND RANKING METHOD FOR FAVORITE ONLINE SITES

Favourite online sites	Weighted average score	Rank
Amazon.com	613	I
Ebay.com	262	IV
Filpkart.com	368	III
Jabong.com	246	V
Snapdeal.com	556	II

Source: Primary Data

The above analysis shows the ranking factors influencing to the favourite online sites. It could be observed that maximum of respondents is ranked "Amazon.com" as the first with a weighted score of 613 points. The second rank was given to a "Snapdeal.com" with a weighted score of 556 points. The third rank was given to a "Filpkart.com" with a weighted score of 368 points. The fourth rank was given to a "Ebay.com" with a weighted score of 262 points. The fifth rank was given to a "Jabong.com" with a weighted score of 246 points. It is conclude from the above analysis that the maximum of the respondents are often and influenced by "Amazon.com".

FINDINGS OF THE STUDY

- ➢ The majority (48%) of the respondents belong to the age group of 20-40yrs.
- ➢ The majority (61%) of the respondents belong to the category of Male.
- ➢ The majority (56%) of the respondents are Urban.
- ➢ The majority (44%) of the respondents are Graduate level.
- ➢ The majority (41%) of the respondents are Professional.
- ➢ The majority (42%) of the respondents have income level of Above Rs.40,000.
- ➢ The majority (62%) of the respondents are Friends
- ➢ The majority (55%) of the respondents are Time saving.

SUGGESTIONS

- ➢ Transactions should be safe and proper security should be assured to the people making online purchase.
- ➢ Must improve the speed delivery, for delivering the products to the customers without delay.
- ➢ To delivery of products without any damage.
- ➢ More awareness to the rural area peoples about the online shopping.
- ➢ To improve online shopping, more advertisements are needed.
- ➢ To improve varieties of products in online shopping rather than electric and electronic items.
- ➢ Number of portals to be increased for covering large varieties of goods and services to the customers.

CONCLUTION

This research identifies the influencing factors of online purchases and measured the level of satisfaction towards the online shopping. The study reveals that, the majority of the respondents are satisfied with their online shopping. Creating awareness about the online shopping in rural area will improve the overall growth of online shopping.

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