

ONLINE SHOPPING BEHAVIOR OF IT EMPLOYEES – AN EMPIRICAL STUDY IN CHENNAI

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Abstract

Aim: Nowadays, internet has become a medium for exchange of goods and services between buyers and sellers and has provided a different dimension to commercial activities. Due to the 24*7 shopping services offered by online retailers magnetize customers from all over the world buy goods with it. The purpose of the research is to analyse the online buying behavior of employees of IT firms at Chennai city.

Research Design: Empirical research design was adopted for the study.

Data Collection: The primary data was collected through structured questionnaire with open and closed ended questions. Books, magazines, journals, thesis and websites were referred to collect secondary data.

Sampling technique: The data was collected from 100 employees based on stratified disproportional random sampling technique.

Statistical Analysis: Analysis namely reliability test, descriptives, multivariate ANOVA (MANOVA), correlation and Friedman test were used.

Findings: The study found that the online buying behavior of employees working in IT firms is good. It is also indicates that there is a significant association between employees' preferences towards online purchase and their buying behavior. Possible suggestions and conclusions were discussed.

Key Words: Online Shopping Behavior, IT Employees, Chennai City

I. Introduction

In this global world, internet plays a major role in international market which has impelled vast changes in the buying behavior of people in the society of India. Globally, e-commerce constituted about 2.29 trillion dollar market (John, 2018) and expected to reach 4 trillion dollar by 2020 (eMarketer, 2016) due to the double-digit global increase in sales (15%) and order (13%) (eMarketer, 2018) in all sorts of e-commerce such as business to business (B2B), business to consumer (B2C) (Zuroni & Goh, 2012). Owing this, online shopping has emerged and become dominant in the purchase preference of customers. It provides ample options for the customers by offering wide range of various goods and services anywhere they lives in. It focuses on all classes of people with their array of products of all brands, flexible payment avenues, EMI options, exchange offers, refund order, replacement option, immediate solution for queries and continuous touch with customers by updating their choice of products, striking promotional tools, customer care services etc. Through online shopping, customers get greater satisfaction by reading the fair reviews of consumers, product comparison options, usage demonstrations and online queries which is not obtained by traditional shopping. This research aimed to investigate the online buying behavior of employees of IT firms at Chennai city.

II. Problem Definition

As a result of substantial changes in information technology, internet is extensively used by people in the society for various purposes. In particular, after the introduction of smart mobile phones, apart for communication purpose, people use it for hearing music, playing games, shopping goods from online retailers namely Amazon, Flipcart, Mytra, Bigbasket, e-bay etc. In order to compete in the market, online retailers offer diverse benefits for the customers by selling all products at their webpage. On the other hand, due to the hectic work pressure, it is hard for the employees of IT companies to spend time for indoor shopping. They prefer to have convenient shopping and hence, they opt for online purchase which enables them to save their crucial time. However, the entry of many competitors in e-marketing confounds the customers to have faith towards it. The reviews made by consumers for purchased products, details, image and quality of the products offered by online retailers may vary when it is actually consumed by customers. Thus, it reduces the buying intention of customers through online. Hence, the research has been chosen to

identify the components that influence the employees of IT companies to prefer online shopping at Chennai city.

III. Review of Literature

Vidya, M., & Selvamani, P. (2019) analyzed the consumer behavior towards online shopping with due considerations with the product related dimensions. The sample size comprised was 412 which involve 188 samples from Erode territory and 224 samples from Trichy territory. Data were examined applying SPSS and tools like Chi-square, ANOVA and Correlation were applied. The results indicated that the online shoppers are satisfied with all the product dimensions and the variables like educational qualification, knowledge of online shopping, frequency of online purchases and preferred mode of payment had a significant relationship with the awareness level on online shopping.

Rahman, MA., et al. (2018) the study attempted the behavior of online customer through a self-composed questionnaire of 160 participants from Dhaka city. The research indicates that shoppers shop online to save time, and for accessible diversity of products and services. Both genders have the same type of behavior towards liking and disliking components; they like home delivery skill and dislike inability to touch and feel the product most. They acquire online shopping knowledge from websites particularly from the social network and purchase apparels, accessories mostly through cash on delivery method of payment. The most of the customers are concern about the security of the payment system, and their overall online buying satisfaction is mixed.

Kavitha, T (2017) analyzed the shopping behavior of consumer towards online Shopping and examined the problems of customer while preferring Online Shopping. The study is analytical in nature. The study collected data from respondents through well structured interview schedule method. The sample size of the study was 100 respondents and was chosen based on random sampling technique. The study found that timesaving, reasonable price and convenient and easy buying are the major important factor that motivates the customers to go for online shopping. In addition, they felt highly satisfied with the discount offered by online retailers. It also revealed that the poor quality, lack of touch and feel of product, receiving wrong or damaged products are the major problems faced by them through online shopping.

Lima, YJ., et al. (2016) determined the link between subjective norm, perceived usefulness and online buying behavior while mediating variable of purchase plan of students in University Malaysia Perlis. The sample size of the study was 660 students. The study found that subjective norm and recognized usefulness positively affected online shopping plan but subjective norm have negative influence on shopping behavior. It also indicates that buying intention significant positively impact online purchasing behavior.

Akbar, S., & Paul, T.J., James (2014) understands the elements that may impact customer's attitude and behaviors towards online buying. The aim of the study was to examine the association between nine independent variables and responsiveness to online buying. The study shows that all independent variables had certain statistical significant influence to Internet users to accept online buying. According to independent t-test investigation for gender, there was a significant difference between means of genders perception towards online buying malls and Auctions websites aspects to responsiveness on online buying. The study indicated that its results not only contributed to a better comprehension on what and how strongly the factors are included in online shopper purchasing decisions but also provides e-retailer's standpoint such the effectively manage and suggestions.

IV. Objectives of the Study

1. To study the socio-economic status of the employees working for IT companies at Chennai city.
2. To identify the respondents' buying behavior and their influencing factors to prefer online shopping.
3. To find out the association between respondents' preference and buying behavior towards online shopping.
4. To suggest possible measures to offer effective shopping services by online retailers.

V. Significance of the Study

The study deals with the preference of employees' towards online shopping that assist the online retailers to apply effective promotional tools in order to enhance the online purchase option of employees. It identifies the factors influencing online shopping behavior of employees working in IT firms at Chennai city, which support the online retailers to understand the influencing factors of IT employees to prefer e-buying and serve them accordingly. It finds out the significant difference between socio-economic factors and buying behavior of employees of IT companies that aid the online retailers to discriminate their selling strategy as stated in the study.

VI. Scope of the study

This study presents the online consumer behavior of employees working in IT firms at Chennai city. The influencing factors chosen to find out its effect on online consuming behavior are wide range of products, clear and in-depth product description, convenient shopping, affordable and fair price, offers and discounts, EMI facility, return policy, replacement policy, immediate solution for queries, reviews and product comparison to take pricing decision. The socio-economic factors considered for the study are gender, age, educational qualification, monthly income and marital status.

VII. Research Methodology

The study aims to identify the online buying behavior of employees working in IT firms at Chennai city. The study is empirical in nature. The study collects data both from primary and secondary sources. The primary data is collected through structured questionnaire with open and closed ended questions. Books, magazines, journals, thesis and websites are referred to collect secondary data. The data is collected from 100 employees based on stratified disproportional random sampling technique. Analysis namely reliability test, descriptives, multivariate ANOVA (MANOVA), correlation and Friedman test are used.

VIII. Conceptual Framework of the Study

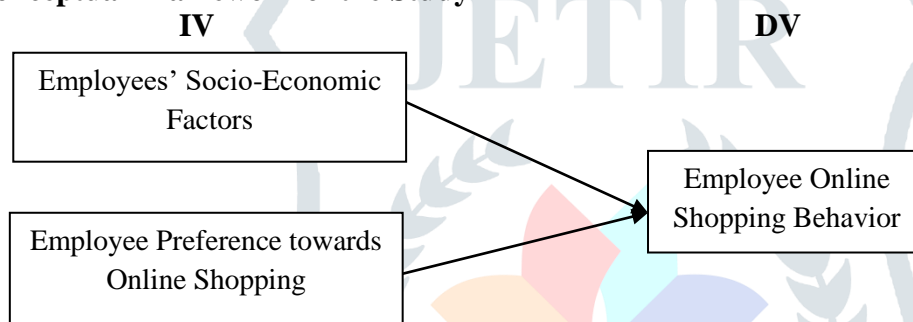


Figure1: conceptual frame work of the study

IX. Hypotheses of the Study

- H₁₁: There is a significant difference between employees' socio-economic factors and their preferences and behavior towards online shopping.
- H₁₂: There is a significant association between employee preferences for online buying and their online shopping behavior.
- H₁₃: There is a significant variation in the mean rank of factors that influences employee to prefer online shopping.

X. Data Analysis and interpretation

a. Cronbach's Alpha Reliability Test

In order to find out the internal consistency of data, Cronbach's Alpha Reliability Test is applied.

Table 10.1 cronbach's alphareliability test

Sl. No.	Scale	No. of Items	Cronbach's Alpha (α)
1.	Employee Preference towards Online Shopping	10	0.925
2.	Online Shopping Behavior of Employees	10	0.910

[Source: Primary Data]

From the above table, it is inferred that the Cronbach's Alpha value for the two variables are above 90% which means that the items in the variables are closely related to each other and have excellent internal consistency within them in a group.

b. Descriptive Statistics

In order to measure the level of employee preference and their online shopping behavior, descriptive statistics is applied.

Table 10.2 descriptive statistics

Sl. No.	Scale	Mean	Standard Deviation
1.	Employee Preference towards Online Shopping	3.70	0.903
2.	Online Shopping Behavior of Employees	3.65	0.924

[Source: Primary Data]

It is inferred from the above table that the mean value for the two factors are below 4.00, which means the employee preference towards online shopping (3.70) and their online shopping behavior (3.65) are good. Hence, it is concluded that there are few factors which resist the employee of IT companies to prefer online shopping.

c. Multivariate Analysis Of Variance (MANOVA)

In order to identify the significant difference between employees' socio-economic factors and their preferences and behavior towards online shopping, MANOVA is applied.

H₀₁: There is no significant difference between employees' socio-economic factors and their preferences and behavior towards online shopping.

H₁₁: There is a significant difference between employees' socio-economic factors and their preferences and behavior towards online shopping.

Table 10.3 employees' socio-economic factors and online shopping behavior

Socio-Economic Factors	Variables	F	P value
Gender	Employee Preference towards Online Shopping	7.145	0.001**
	Online Shopping Behavior of Employees	6.128	0.001**
Age	Employee Preference towards Online Shopping	10.311	0.006**
	Online Shopping Behavior of Employees	11.140	0.008**
Educational Qualification	Employee Preference towards Online Shopping	11.641	0.007**
	Online Shopping Behavior of Employees	12.701	0.006**
Monthly Income	Employee Preference towards Online Shopping	14.842	0.004**
	Online Shopping Behavior of Employees	13.673	0.003**
Marital Status	Employee Preference towards Online Shopping	4.330	0.001**
	Online Shopping Behavior of Employees	5.492	0.001**

[Source: Primary Data]

Note:** Denotes significant at one percent level

Since P value is less than 0.01, the alternate hypothesis is accepted at one percent level of significance. Hence, it is concluded that there is a significant difference among employees' socio-economic factors and their preferences and behavior towards online shopping.

d. Correlation

In order to find the significant relationship between employee preferences for online shopping and their online shopping behavior, correlation is used.

H₀₂: There is no significant relationship between employee preferences for online shopping and their online shopping behavior.

H₁₂: There is a significant relationship between employee preferences for online shopping and their online shopping behavior.

Table 10.4 relationship between employee preferences for online shopping and their online shopping behavior

Variables	Employee Preference towards Online Shopping	Online Shopping Behavior of Employees
Employee Preference towards Online Shopping	1	0.958**
Online Shopping Behavior of Employees	0.958**	1

[Source: Primary data]Note: ** Denotes correlation is significant at one percent level.

Since the P value is less than 0.01, the null hypothesis is rejected at one percent level of significance. Hence, it is concluded that there is a significant positive relationship between employee preferences for online shopping and their online shopping behavior (0.958). This implies as the level of preferences of employee towards online shopping increases, their level of buying behavior also increases.

e. Friedman Test

In order to find out the major factors that influences employee to prefer online shopping, Friedman test is applied.

H₀₃: There is no significant difference in the mean rank of factors that influences employee to prefer online shopping.

H₁₃: There is a significant difference in the mean rank of factors that influences employee to prefer online shopping.

Table 10.5 factors influencing employee to prefer online shopping

Factors	Mean Rank	Chi-square value	P value
Wide Range of Products	1.82	584.215	0.007**
Clear and In-Depth Product Description	11.43		
Convenient Shopping	6.80		
Affordable and Fair Price	2.76		
Effective Advertisement	5.64		
Offers and Discounts	3.42		
EMI Facility	4.74		
Return Policy	7.15		
Replacement Policy	8.34		
Immediate Solution for Queries	10.91		
Reviews and Product Comparison	9.46		
Timely and Safe Delivery	12.61		

[Source: Primary data] Note: ** Denotes significant at one percent level.

Since P value is less than 0.010, the null hypothesis is rejected at one percent level of significance. Hence, it is concluded that there is a significant difference among the factors that influences employee to prefer online shopping. Based on mean rank, the most significant factor that influences the employees to prefer online shopping is Wide Range of Products (1.82), followed by Affordable and Fair Price (2.76), Offers and Discounts(3.42), EMI Facility (4.74), Effective Advertisement (5.64), Convenient Shopping (6.80), Return Policy(7.15), Replacement Policy (8.34), Reviews and Product Comparison (9.46), Immediate Solution for Queries (10.91), Clear and In-Depth Product Description (11.43) and Timely and Safe Delivery (12.61).

XI. Findings

It is understandable from the descriptive statistics that the employee preference towards online shopping and their online shopping behavior are good. Based on MANOVA, it is clearly learnt that there is a significant difference among employees' socio-economic factors and their preferences and behavior towards online shopping. The results if the correlation proves that there is a significant positive relationship between employee preferences for online shopping and their online shopping behavior. Based on the Friedman test, it is clear that "Wide Range of Products" is the major factor that influences the employee to prefer online shopping, followed by Affordable and Fair Price, Offers and Discounts, EMI Facility, Effective Advertisement, Convenient Shopping, Return Policy, Replacement Policy, etc.

XII. Suggestions

The new technology has radically changed the tradition way of doing online Shopping business. Online shopping strengthens their sale bases and financial resources by developing their webpage to serve with assortment of goods and service which suits the changing needs of people in the society. The study revealed that the employee preference towards online shopping and their online shopping behavior are good. Hence, it is suggested for the online retailers to modify their services as per the expectations and preference of consumers. The study found that there is a significant positive relationship between employee preferences for online shopping and their online shopping behavior. Therefore, it is advised for the e-marketers to

identify the factors that insist the consumers to prefer online shopping in order to enhance their buying behavior. Based on the Friedman test, it is proven that “Wide Range of Products” is the major factor that influences the employee to prefer online shopping. Consequently, it is suggested for the e-sellers to offer all sort of products (local & international) with fair price, attractive promotional tools, ease payment avenues etc to improve the online buying behavior of customers.

XIII. Conclusion

This study highlights the online buying behavior of employees of IT firms at Chennai city. The study revealed that there is a positive relationship between employee preferences for online shopping and their online shopping behavior. It is also identified that there is a significant difference between employees’ socio-economic factors and their preferences and behavior towards online shopping. The study concluded that online shopping should strengthen its advertising and service strategies to increase consumer awareness of information technology services and create positive perception to boost the level of online shopping use with high satisfaction rates. This provides the customers with a forum to analyze the feedback and review the items that create a strong positive outlook for consumers in preferring goods and services.

XIV. Limitations of the Study

1. The study is limited to online buying behavior of employees working in IT firms at Chennai city.
2. The study is limited to 100 employees.
3. The study does not consider other factors affecting employee buying behavior namely psychological, cultural factors etc.

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