

LEVEL OF SATISFACTION AND FACTORS INFLUENCING THE CUSTOMERS TO USE ONLINE SHOPPING WITH SPECIAL REFERENCE TO KARUR TOWN

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ABSTRACT

Shopping is one of the very essential parts of our daily life. We are using different types of shops to shop different kinds of things every day. Today we can divide our life into two parts 1. Physical life, 2. Virtual life. In physical life, we meet each other physically. But, in virtual life we are using digital technologies to meet with other peoples. Today virtual life is also very true as our real life; we are doing almost everything in our virtual life like chatting, communicating, entertainment, business, banking, playing, shopping, etc.

Keywords

Virtual life, e-tailors, shopping behavior, shopping boom, consumer tracks

1.1 HISTORY OF ONLINE SHOPPING

Online shopping was started at 1994 by pizza Hut. In the same year a German company Intershop Communication introduced world's first online shopping system. After that Amazon (1995) and eBay (1996) was launched one by one. Now online shopping is so much popular that E-commerce B2C product sale in USA touched around \$200 billion, it is almost 1/10 of total retail product sale in USA. Research says that online retailer in USA will worth around \$300 billion by 2015. Not only in the USA, online shopping is now becoming too popular to all nations and all kinds of people.

1.2 ONLINE CONSUMER'S BUYING BEHAVIOUR

Everybody in the world is the consumer. Consumer behavior is very complex and is determined to a large extent by social and psychological factors. Consumer behavior can be defined as those acts of individuals directly involved in obtaining, using and disposing of economic goods and services. The relevance and importance of understanding consumer behavior is rooted in modern marketing. The needs

of not even two consumers are the same. Therefore they buy only those products and services which satisfy their wants and desires. To survive in the market, a firm has to be constantly innovating and understanding the latest consumer needs and tastes. It will be extremely useful in exploiting marketing opportunities and in meeting the challenges that the Indian market offers.

Online consumer behavior parallels that of offline consumer behavior with some obvious differences. The stages of the consumer decision process are basically the same whether the consumer is online or offline. But the general model of consumer behavior needs modification to take into account with new factors.

1.3 STATEMENT OF THE PROBLEM

Customer need to provide full name, email address, phone number, credit card and billing address details when creating an account. Customer can login to the system to maintain his account information, such as changing phone number, address, and credit card details, and check the status of his orders. Upon order received, the sales staff will process the order by charge to customer's credit card. Once the order has been charged, he will then mark the order as paid and pass to Online shopping to customer. If the items customer ordered is out of stock, then the order will mark as on hold. Once the item(s) arrived, the order will pass to Courier Company for delivery. Courier company will pack the item with standard packaging, but if the order is marked as gift, then the items will pack as gift. If the items arrived with damage, customer can return it by register in the online shop.

1.4 OBJECTIVES OF THE STUDY

- To study about the customer's preference towards online shopping.
- To shop with convenience at door steps.
- To study about the factors relatively to convenience on using online shopping.
- To identify the customer's expectation fulfilled through online shopping.
- To find out the level of satisfaction and factors influencing on online shopping in Karur town.

1.5 SCOPE OF THE STUDY

Purchasing and selling products and services over the internet without the need of going physically to the market is what online shopping all about. Online shopping is just like a retail store shopping that we do by going to the market, but it is done through the internet in the area wise Karur town. Online shopping has made shopping painless and added more fun. Online stores offer product description, pictures, comparisons, price and much more. Few examples of these are Amazon.com, ebay.com, flipcard.com and the benefits of online shopping is that by having direct access to consumer, the online stores can offer products that cater to the needs of consumer; cookies can be used for tracking the customer selection over the internet or what is of their interest when they visit the site again.

1.6 RESEARCH METHODOLOGY

A research design is purely and simply the framework of plan for a study that guides the collection and analysis of data. The research design would be simple random sampling are using for the study. The sample size of respondents in this study is 100 respondents with primary data through questionnaire.

CHI-SQUARE TEST

The research used chi-square test to find the relationship between the independent variables.

$$\text{Chi-square} = \frac{\sum (O_i - E_i)^2}{E_i}$$

O_i = Observed frequency E_i = Expected value

WEIGHT AVERAGE METHOD:

The weighted average method can be calculated by the following formula

$$X_w = \sum wx / \sum X$$

X_w = Weighted average, X = variable, W = Weightage given to the variable.

1.7 LIMITATIONS OF THE STUDY

1. The study period was very short period, and the analysis is limited to consumers of Karur town only.
2. The research was conducted with the users of online shopping customers.
3. Some respondents were unskilled about the complete usage of applictaions.

1.8 HISTORY

Entrepreneur Michael Aldrich invented online shopping in 1979. His system connected a modified domestic TV to a real-time transaction processing computer via a domestic telephone line. He believed that videotex, the modified domestic TV technology with a simple menu-driven human-computer interface, was a 'new, universally applicable, participative communication medium — the first since the invention of the telephone.' This enabled 'closed' corporate information systems to be opened to 'outside' correspondents not just for transaction processing but also for e-messaging and information retrieval and dissemination, later known as e-business. His definition of the new mass communications medium as 'participative' [interactive, many-to-many] was fundamentally different from the traditional definitions of mass communication and mass media and a precursor to the social networking on the Internet 25 years later. Online shoppers commonly use a credit card or a PayPal account in order to make payments. However, some systems enable users to create accounts and pay by alternative means, such as:

- Billing to mobile phones and landlines
- Cash on delivery (C.O.D.), Cheque, Debit card, Direct debit in some countries
- Electronic money of various types, Bit coin or other crypto currencies
- Gift cards, Postal money order, Wire transfer/delivery on payment
- Invoice, especially popular in some markets/countries, such as Switzerland

1.9 DATA ANALYSIS AND INTERPRETATION

The table shows the analysis of the relationship between the Occupation and usage of internet shopping often.

TABLE No. 1.1
OCCUPATION AND USE FOR INTERNET SHOPPING OFTEN
CHI – SQUARE ANALYSIS

Occupation/ Often used	Student	Government employees	Private employees	Business/ Professional	Total
Very often	8	4	17	5	34
Often	6	3	12	4	25
Sometimes	7	3	14	4	28
Rarely	3	1	7	2	13
Total	24	11	50	15	100

(Source : Primary Data)

NULL HYPOTHESIS

H₀: There is no significance relationship between the Occupation and usage of internet shopping often.

ALTERNATIVE HYPOTHESIS

H₁: There is significance relationship between the Occupation and usage of internet shopping often.

TABLE No. 1.2
CALCULATION OF CHI- SQUARE VALUE

Particulars	O	E	(O – E) ²	(O – E) ² /E
R ₁ C ₁	8	8.16	0.03	0.003
R ₁ C ₂	4	3.74	0.07	0.019
R ₁ C ₃	17	17	0	0
R ₁ C ₄	5	5.1	0.01	0.002
R ₂ C ₁	6	6	0	0
R ₂ C ₂	3	2.75	0.06	0.022
R ₂ C ₃	12	12.5	0.25	0.02
R ₂ C ₄	4	3.75	0.06	0.016
R ₃ C ₁	7	6.72	0.08	0.012
R ₃ C ₂	3	3.08	0.006	0.002
R ₃ C ₃	14	14	0	0
R ₃ C ₄	4	4.2	0.04	0.009
R ₄ C ₁	3	3.12	0.01	0.003
R ₄ C ₂	1	1.43	0.18	0.126
R ₄ C ₃	7	6.5	0.25	0.038
R ₄ C ₄	2	1.95	0.002	0.001
Total				0.273

$$\text{Chi – Square } \chi^2 = \sum (O - E)^2/E = 0.273 \quad \text{Degrees of freedom} = (r-1)(c-1) = (3)(3) = 9$$

$$\text{Level of significance} = 5\% \quad \text{Calculated value} = 0.273 \quad \text{Table value} = 16.919$$

RESULT:

Since the calculated value is less than the table value. So we accept the Null hypothesis. There is no significance relationship between the Occupation and usage of internet shopping often.

The table shows that the relationship between occupation of the respondents and usage of internet shopping often.

**TABLE No. 1.3
CORRELATION**

X	Y	XY	X ²	Y ²
24	34	816	576	1156
11	25	275	121	625
50	28	1400	2500	784
15	13	195	225	169
ΣX=100	ΣY=100	ΣXY=2686	ΣX²=3422	ΣY²=2734

$$r = \frac{\sum XY}{\sqrt{(\sum X^2)(\sum Y^2)}} = \frac{2686}{\sqrt{(3422)(2734)}}$$

$$r = \frac{2686}{3058.71} = 0.87$$

This is a positive correlation. There are relationship between occupation of the respondents and usage of internet shopping often.

**TABLE No. 1.4
LEVEL OF SATISFACTION WITH ONLINE SHOPPING
WEIGHTED AVERAGE**

Factors	Highly Satisfied	Satisfied	Dissatisfied	Highly Dissatisfied	Neither Satisfied	Total
Price of Product	32	33	15	6	14	100
Time Consumption	38	36	12	4	10	100
Home Delivery Facility	40	34	9	5	12	100
Branded Products	39	33	13	4	11	100
Quality of Products	35	38	8	5	14	100
Package	30	34	12	8	16	100

$$\text{Weighted average} = \frac{\sum wx}{\sum w}$$

W – Respondents X - Weighted value $\sum w$ – Total respondents

TABLE No. 1.5
WEIGHTED AVERAGE TABLE

Factors	HS X5	S X4	D X3	HDS X2	NS X1	$\sum WX$	Weighted score= $\frac{\sum WX}{\sum W}$	Result
Price of Product	160	132	45	12	14	363	3.63	Dissatisfied
Time Consumption	190	144	36	8	10	388	3.88	Dissatisfied
Home Delivery Facility	200	136	27	10	12	385	3.85	Dissatisfied
Branded Products	195	132	39	8	11	385	3.85	Dissatisfied
Quality of Products	175	152	24	10	14	375	3.75	Dissatisfied
Package	150	136	36	16	16	354	3.54	Dissatisfied

INFERENCE:

From the above table, based on weighted average method the factors determined above is dissatisfied by the customers who are using online shopping.

1.10 FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

- Majority 24% of the respondents are purchasing online shopping goods on rarely.
- Majority 17% of the respondents prefer to purchase cloth materials through online.
- Majority 18% of the respondents are influenced by time saving factor.
- Majority 33% of the respondents face the problem of damages in the product.
- Majority 33% of the respondents are satisfied for price of product, 40% for time consumption, 40% is highly satisfied with home delivery, 39% are highly satisfied with branded products, 38% of the respondents are satisfied with the quality of products, 34% of the respondents are satisfied with the package of products.

SUGGESTIONS

- Online service should be given more importance and can be made more preferably used by customers.
- The online service has to design the strong distribution channels to capture e-banking sector.
- It may provide good margins compared to other services.
- Online service is the most attractive and reliable with day to day service activity.
- The customers must be aware of unexpected problems.
- The online shopping has given many credit policies to the regular customers.

CONCLUSION

Online banking is a great new way of performing everything that we do at the bank; on our computer. Although some customers don't have an online banking account as they think that it reflects with fraud and theft, it is easy and simple way to Pay bills, Switch money from one account to the other, Keeping up to date with all of our latest cheque payments and doing all of the other things people do at banks in the comfort of their own home.

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