

RECENT TRENDS AND BEHAVIOR OF YOUTH IN THE FIELD OF ONLINE SHOPPING

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Abstract: The increase in usage of internet among the youth has increased the dependency of them on using internet for various purposes. This has led to a large group of people who prefer to use internet for their shopping activity. Thus, it is important for the retailers to know what the current trends in market are and what steps should be taken by them to meet the demand of the consumers. Here, we have conducted an online survey on 100 people and tried to analyse the various trends and factors affecting online shopping behaviour of youth. The results prove that Discounts and various offers and Good delivery of service attracts the consumers towards online shopping. Furthermore, it has also been found that Clothes and shoes are items that people purchase most online. Several other results and conclusions have also been made based on the data collected by the survey. Correlation and regression analysis has also been done on the data from the survey leading to us finding new results. The results and data hence collected will surely help the companies and organizations in preparing their marketing strategies and improving their existing services in order to gain more profit and sales.

Index Terms: Marketing, Buying Behavior, Youth, Survey, Online Shopping.

INTRODUCTION

Shopping is an integral part of our day to day lives. Online shopping is the new trend in town nowadays where people select commodities displayed on websites and place order where payment is made by either net-banking, cash on delivery, debit cards etc. This system is gripping the youth particularly, where due to lack of time they are not able to spare time to go for shopping. Youth nowadays prefer the mantra of doing everything online as it is time saving, faster and accurate. As far as online shopping is concerned, it's the appeal of a product and transparency in methods that compel a person to buy the product online.

Online Shopping or e-shopping (Wikipedia, 2001) (Simonaroberts) is a form of purchasing of products allowing consumers to buy goods and services directly from sellers all over the Internet using a web browser or an application on a PDA (Personal digital assistant). It is a form of electronic commerce which helps general public to directly interact to the seller of the product bypassing all the intermediaries and thus saving both time and money. Some alternative names for Online Shopping are e-web store, e-shop, e-store, web- store, online store and virtual store (Wikipedia, 2001) (Simonaroberts). A subset of e-shopping is Mobile commerce or m-commerce

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which describes the process of purchasing of goods or services from an online retailer's mobile app or website (Wikipedia, 2001).

Online Shopping is currently the new trending method of shopping in the world. It is rapidly changing the game in the field of shopping. By providing people both large variety and convenience, it is rapidly winning the hearts of people.

Thus, there is a lot of interest around the usage of Online Shopping and the preference pattern of the people must be studied. The main aim is to bring out some comment rends and future fore casts in the field of Online Shopping through a survey conducted among 200 people. Factors influencing online shopping, Number of products bought per month and Discomforts of Online Shopping were some of the factors researched into when the form was made.

Additionally, people were asked about their frequency of purchases, the products bought frequently and their preferred mode of payment. From this, our aim is to bring to light the possible correlation between the various factors affecting online shopping and the various services and marketing strategy the various companies should target upon in order to gain more customers and increase their sales.

As the process of online shopping induces the physical likeness of purchasing products or services at a shopping center (Simonaroberts), the procedure is called business-to-consumer (B2C) online shopping. Furthermore, in cases of a business buying from another business, the process is referred to as business-to- business (B2B) online shopping. Among the largest of these online retailing companies are Amazon, eBay, Snapdeal and Flipkart. (Wikipedia, 2001) They have proved that retail success is no longer all about having physical or 'kirana' stores. This is easily seen because of the sudden rise in retailers now offering online portals for customers. With a rapid growth in e-shopping come a lot of new market openings for stores that can appropriately cater to the demands of the offshore market and service requirements of the customers (Simonaroberts) (Vanishree Pabalkar, 2014).

LITERATURE SURVEY

It is a known fact that Michael Aldrich, a rich English entrepreneur invented online shopping in the year 1979. In his system, he linked a modified domestic TV to a real-time transaction processing computer via a domestic telephone line. He always thought that a device named videotext (Simonaroberts), the combination of a 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 the 'closed' corporate information systems to be released to 'outside' people not just for the use of transaction processing but also for purpose of e-messaging, information retrieval and dissemination. Later on, it came to be known as e-business (Videotex, 1982). His explanation of the new mass communication medium as 'participative' [interactive,

many-to-many] was essentially different from the conventional definitions of mass communication and media. It also was a precursor to the social networking on the Internet 25 years later.

In March 1980, he went on to launch Redifon's Office Revolution, which allowed consumers, customers, agents, distributors, suppliers and service companies to be connected on-line to the corporate systems and allow business transactions to be completed electronically in real-time. (Wikipedia, 2001)

Dr. Nadeem Ehsan and Sana Naseer from Pakistan (Sana Naseer, 2010) conclude that complete loyalty is vital part of enterprise promoting strategy. The study relies on the factors influencing youth of Asian nation in their loyalty towards bound brands. The results of the study highlight that production quality of clothes doesn't have an effect on the loyalty of shoppers. However, the constructs of novelty, service and marketing have are bust impactation the brand loyalty development.

Wang Xiang and Wu Xu from China (Wang Xiang, 2012) concentrated on the design method of survey questions and also the analysis techniques of survey results from the facet of E-business market research. They deliberated on the methodology of survey of on-line purchases and analysis of survey results by various methodologies. Among them were different methods of describing design of survey objects, an explorative style of survey, designing of the survey projects and information assortment etc. They also performed the managerial and statistical analysis of the survey results with expectations to offer guidance and reference for the entrepreneurs coming up in the field of E-shopping etc.

Huang Suping and Chen Liping from China (Huang Suping, 2013) tried to analyze the factors influencing the Youth's perspective to cluster shopping for websites. They administrated a form survey to the undergraduate students in several universities. Within the survey, various variables were involved, together with the costs of commodities or services, social influence, fears of self-interest so on. The results show that Social influence could be an extremely vital issue that effects whether or not the youth use group-buying web sites or not. Service quality is additionally vital to the method and there's mediating impact between social influence and user sattitudes toward group-buying websites by service quality.

RESEARCH METHODOLOGY

For our project, we inquired various students, faculties in the college and other friends in nearby colleges to know about their preferences and thinking about online shopping behavior.

Initially, we had made a rough questionnaire of about 12 questions. We did a classroom survey to find out which questions are important and which questions are redundant and unimportant or uninteresting to people. We then took the feedback from the same students and asked them their feedback. On the basis of their replies,

we framed new questions and merged them with the important ones and thus prepared a final questionnaire for our survey.

After this, we prepared an online interactive form which we circulated on the internet. The form had some pre-prepared answers to it but it also allowed the user to add his/her own answer if he/she did not find any answer suitable to him/her. We got about 200 replies to it. The replies were evaluated and regression and correlation analysis was done on some of the values. For other data, we analyzed them carefully drew various types of conclusions. The results were also tabulated and displayed on various types of charts.

DISCUSSIONS

The Figure 1 presents that seventy two percent of those who are between the ages of fifteen to thirty prefer online shopping more as compared to rest of the categories. The reason is that most teenagers and young youth who fall in this category are attracted towards recent technologies and consider it as fashion, basically like to be attracted and choosing a new brand. The people above the age of thirty also prefer online shopping but not to the extent as much as the age group of 15-30.

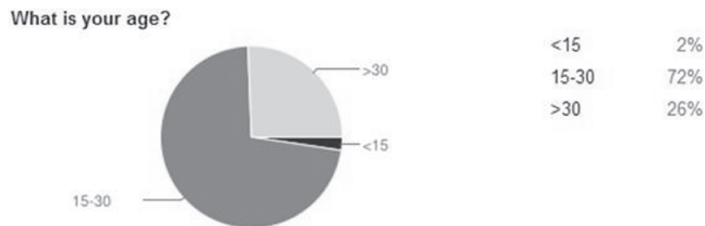


Figure 1: Age

Thus the companies and marketing sector should target the section from 15-30 years. This is because the youth have started to explore new technologies and try new things and thus the companies should try to conduct public relations campaigns and show try various marketing strategies to in order to popularize the method and make the youth addicted to it. But that does not mean that other age groups of the society are not supposed to be considered. Market should be segmented in as many ways as possible.

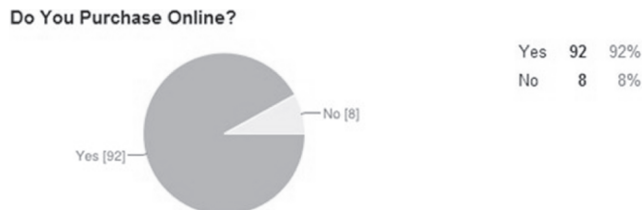


Figure 2: Do you purchase online

As per the study presented, 92% of youth buyers prefer to buy online. This is a very encouraging trend for the companies that the people especially youth which comprise of 430 million of population in India prefer to buy products online.

This is mainly due to the improved economic condition and awareness about technology but also due to lack of time. Furthermore, the variety, convenience and discounts provided by the various companies in online shopping has also attracted various customers to it.

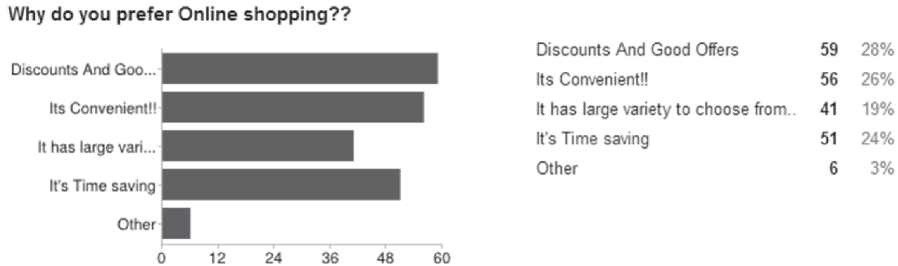


Figure 3: Why do you prefer online shopping

Discounts and good offers hold the majority when it comes to the reason for online shopping in youth as per given in the Figure 1.3. Also one of the most common reasons is “Its Convenient!!” which is the second priority with 26% of people choosing this reason. The time saving feature of online shopping also stands in the third position with 24%. The other reasons found were the presence of large variety of products in online shopping. Thus, it can greatly help companies in recognizing the most preferred reason of customers and working on it.

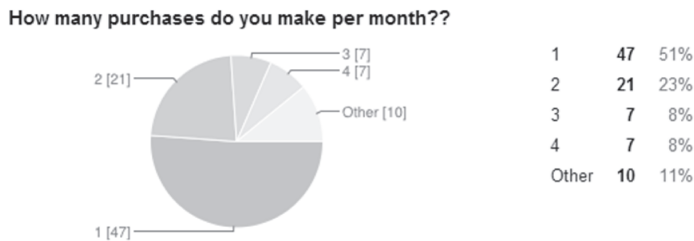


Figure 4: Purchases made per month

As per the Figure 1.4 51% of the customers make only 1 purchase per month online. However, 23% of users make 2 purchases per month. This is followed by others (people making more than 4 purchases per month.) This statistics really shows that companies need to educate the people more and inform them about the advantages of online shopping in order to increase their sales.

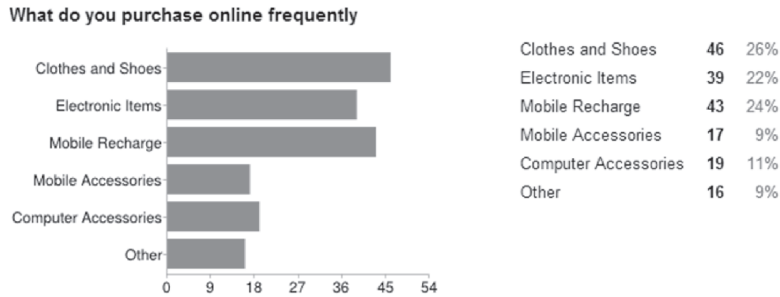


Figure 5: Frequently purchased online items

This question shows a very surprising trend with 26% of people preferring to buy clothes and shoes online. This was closely followed by Mobile recharges with 24% and Electronic Items with 22%. Remaining 28% is almost evenly distributed between Computer Accessories (11%), Mobile Accessories (9%) and others (9%).

This shows that people have started to use online shopping as an alternative to conventional shopping in areas like Clothes and shoes, Mobile shopping and Electronic Items. The companies should also concentrate on these areas in order to capitalize on the interest shown by the public.



Figure 6: Products people avoid purchasing online

As per the study, 37% of the people avoid buying food items online. This is followed by 24% people avoiding buying clothes and shoes online. 18% people avoid buying cosmetics online and 16% avoid buying electronic items online. Only 4% people classify the products they avoid buying as others. This means that there is a clear indication that customers find it inconvenient and problematic to buy these items online. This study shows the companies where they need to work on and which areas should be improved to increase the sales in online shopping.

As per the study, 70% of youth buyers prefer to buy online from a particular site. This is good news for the companies that the people, especially the youth, which comprise of more than half of the population in India, prefer to buy products online from a specific site.

Do you use a particular site frequently??

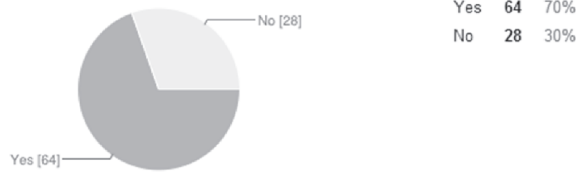


Figure 7: Usage of a particular site frequently

Why do you use a particular site frequently??

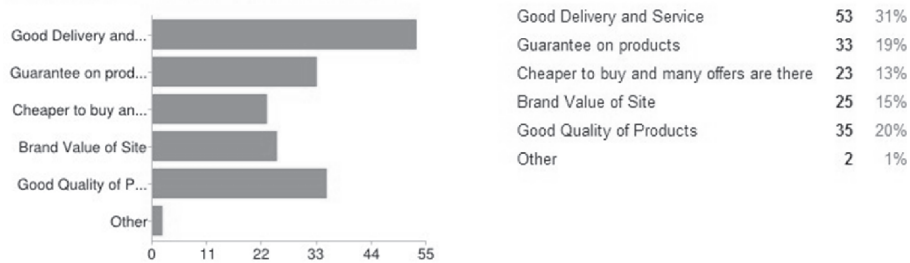


Figure 8: Reasons for using a particular site frequently

The reasons for the sites used frequently are primarily Good delivery and service with 31% of users choosing this reason. This is followed by Good quality of products (20%), Guarantee on Products (19%), Brand value of site (15%) and Cheaper to buy and offers (13%.) The companies should focus on these reasons such that they can gain maximum customers for them.

Which site do you use frequently for shopping??

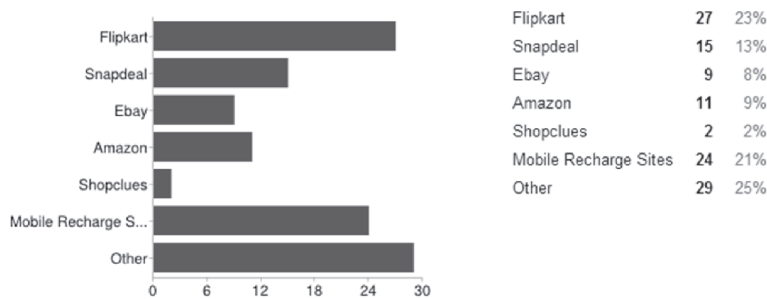


Figure 9: Online site used most frequently for online shopping

The study presents that most of the people use a variety of sites for online shopping (Different internet sites apart from those given in the list) (25%) as the most frequently used site for online shopping. A common name which came up here was Myntra.com which is the current trending site for shopping of clothes. This was closely followed by Flipkart with (23%) and Mobile Recharge Sites

(21%) proving that these sites were among the most frequently used ones. The latter half consisted of Snap deal with 13%, Amazon with 9%, and Ebay with 8% and Shopclues with 2%.

What is your preferred mode of payment??

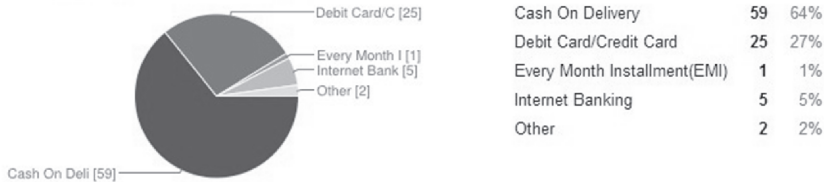


Figure 10: Preferred mode of payment

According to our survey, 64% of the people in the study prefer Cash on Delivery. This clearly proves the popularity of COD among the youth. Among the rest, 27% use Debit Card/Credit Card and the remaining 8% is distributed among Internet Banking (5%), EMI (1%) and others (2%).

This clearly proves that the youth are clearly favoring COD as their most preferred option among the choices given above. Companies and organizations should pay attention to the results and should ensure that they also provide the various options of Mode of Payment that is favorable and convenient to the customers.

Do you change your Mode of payment frequently??

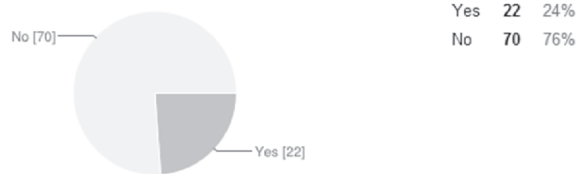


Figure 11: Change of mode of payment

The study shows that 76% of the people opt for keeping their mode of payment constant. Only 24% people prefer to change their Mode of Payment frequently.

Why is your reason behind not purchasing online??

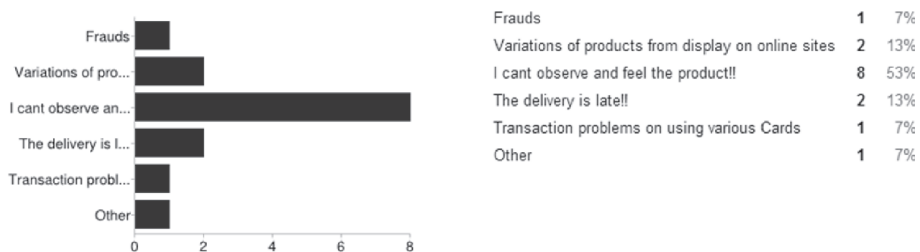


Figure 12: Reasons for not purchasing online

This question was for people who don't purchase online. The study shows that 53% of the people don't purchase online because they can't observe the product. Tangibility is also one of the most important factors that deters a customer to purchase online. Another important reason for people avoiding online shopping is "Variation of products from display on online sites" (13%) and late delivery (13%). Thus, the companies should work on these sectors in order to persuade more people to purchase online.

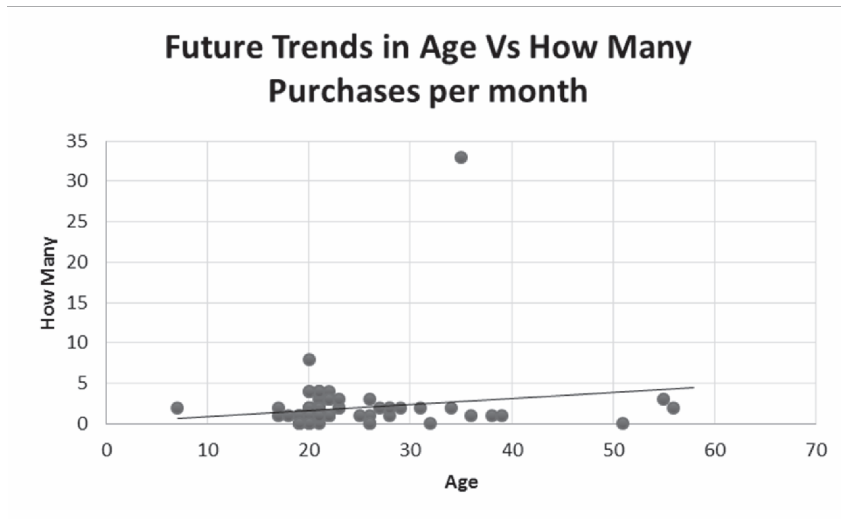
CORRELATION ANALYSIS

The correlation coefficient (a value between -1 and +1) tells you how strongly two variables are related to each other.

1. A correlation coefficient of +1 indicates a perfect positive correlation. As variable X increases, variable Y increases. As variable X decreases, variable Y decreases.
2. A correlation coefficient of -1 indicates a perfect negative correlation. As variable X increases, variable Z decreases. As variable X decreases, variable Z increases (excel-easy, 2010).

According to our calculations from the data we got from our research, the correlation coefficient between "Age" and "How many purchases per month" is 0.154287307.

This proves that there is no correlation between "Age" and "How many purchases per month."



REGRESSION ANALYSIS

It tells us if there is a relation between Variable 1 (Output) and Variable 2 (Input). In other words, it can help us to predict Variable 1 sold if we know Variable 2.

Regression Analysis between Age and Mode of Payment

The Intercept is 0.121226916 and coefficient of Age is 0.004776056. The regression line is:

$$y = \text{Chance of change of Mode of payment frequently.}$$

$$y = 0.121226916 + 0.004776056 \times \text{Age}$$

For each unit increase in Age, y increases with 0.004776056 units.

This is valuable information. We can also use these coefficients to do a forecast.

Regression Analysis between Age and using a Particular Site Frequently

The Intercept is 0.57587561 and coefficient of Age is 0.003322012.

The regression line is:

$$y = \text{Chance of using a Particular Site Frequently.}$$

$$y = 0.57587561 + 0.003322012 \times \text{Age}$$

For each unit increase in Age, y increases with 0.003322012 units.

Regression Analysis between Chance of Changing Mode of Payment Frequently and Chance of using a Particular Site Frequently

The Intercept is 0.212121212 and coefficient of Chance of using a particular site frequently is 0.029814272.

The regression line is:

$$y = \text{Chance of changing Mode of payment frequently.}$$

$$y = 0.212121212 + 0.029814272 \times \text{Chance of using a particular site frequently}$$

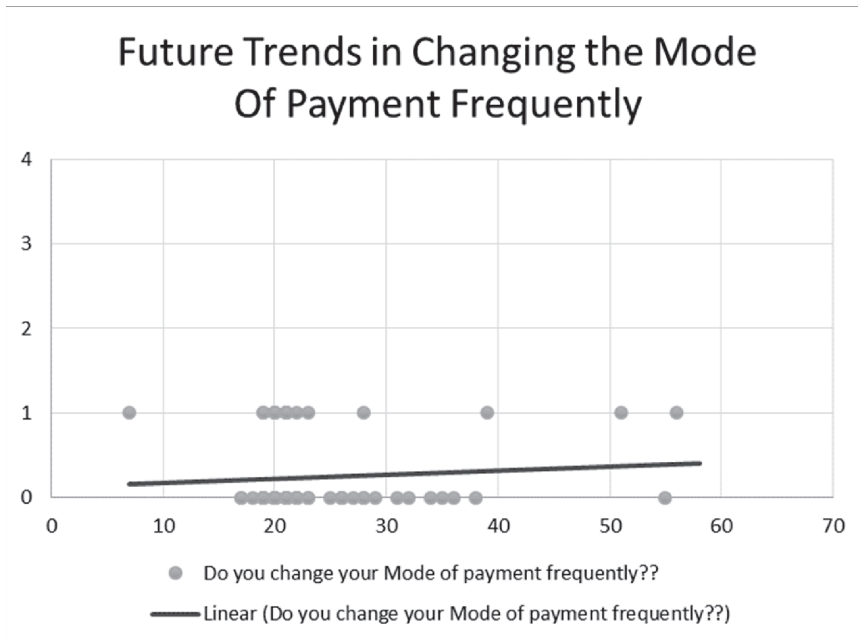
For each unit increase in Age, y increases with 0.029814272 units.

Regression Analysis between Amount of Purchase Online and Age

The Intercept is 1.520793444 and coefficient of Age is -0.001940093 .

The regression line is:

$$y = \text{Amount of Purchase Online.}$$



NOTE: YES = 1, NO = 0

RESULTS AND CONCLUSION

According to the survey done, Seventy two percent of those who are between the ages of fifteen to thirty prefer online shopping more as compared to rest of the categories. The reason is that most teenagers and youth who fall in this category are attracted towards recent technologies and consider it as fashion, likely to be attracted by new technologies and choosing a new brand.

Another positive result was that 92% of youth buyers prefer to buy online. This is a very encouraging trend for the companies that the people especially youth which comprise of 430 million of population in India prefer to buy products online.

This is mainly due to the improved economic condition and awareness about technology but also due to lack of time. Furthermore, the variety, convenience and discounts provided by the various companies in online shopping has also attracted various customers to it.

Discounts and good offers hold the majority when it comes to the reason for online shopping in youth. Moreover, one of the most common reasons is “Its Convenient!!” which is the second priority with 26% of People choosing this reason. The time saving feature of online shopping also stands in the third position with 24%. The other reasons found were the presence of large variety of products

in online shopping. Thus, it can greatly help companies in recognizing the most preferred reason of customers and working on it. 51% of the customers make only 1 purchase per month online. However, 23% of users make 2 purchases per month. This is followed by others (people making more than 4 purchases per month.) This statistics really shows that companies need to educate the people more and inform them about the advantages of online shopping in order to increase their sales.

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As per the study, 70% of youth prefer to buy online from a particular site. This is good news for the companies that the people, especially the youth, which comprise of more than half of the population in India, prefer to buy products online from a specific site.

The reasons for the sites used frequently are primarily Good delivery and service with 31% of users choosing this reason. This is followed by Good quality of products (20%), Guarantee on Products (19%), Brand value of site (15%) and Cheaper to buy and offers (13%.) The companies should focus on these reasons such that they can gain maximum customers for them.

The results of study also show that most of the people use other modes of payment (Different internet sites apart from those given in the list) (25%) as the most frequently used site for online shopping. A common name which came up here was Myntra.com which is the current trending site for shopping of clothes. This was closely followed by Flipkart with (23%) and Mobile Recharge Sites (21%) proving that these sites were among the most frequently used ones. The latter half consisted of Snap deal with 13%, Amazon with 9%, eBay with 8% and Shop clues with 2%.

Another result four study proves that COD (Cash on Delivery) is the most preferred mode of payment in Online shopping with 64% of the people preferring COD. Among the rest, 27% use Debit Card/Credit Card and the remaining 8% is distributed among Internet Banking (5%), EMI (1%) and others (2%).

The study also shows that 76% of the people opt for keeping their mode of payment constant. Only 24% people prefer to change their Mode of Payment frequently.

Among the people who don't buy online, the study shows that 53% of the people don't purchase online because they can't observe and feel the product. Another important reason for people avoiding online shopping is "Variation of products from display on online sites" (13%) and late delivery (13%). Thus, the companies should work on these sectors in order to persuade more people to purchase online.

Another result which we got from the analysis done on the results is that there is no correlation between "Age" and "How many purchases per month" as the correlation coefficient was found to be very low.

In all, we can say that the companies should be more focused on the convenience of the customer and should make the customer feel at ease while shopping online. The user interface of the online shopping sites should be simple enough for first time users to make shopping a memorable experience for all customers.

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