

“A Study on Online Shopping Behavior” An Empirical Study

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Abstract : Now a day’s consumer focuses more on online shopping rather than using traditional way of shopping through retail stores. It could be because of any time accessibility, universal reach and cost factor, effortless & joyful shopping experience. This paper focuses on demographic variables, its correlation with consumer behavior. With the help of correlation the relationship between gender, employment, marital status and monthly income has been established where the high degree of correlation in case of gender and employment as a factor is 0.858. In case of marital status it has been observed as 0.794 and 0.871 as monthly income as a factor. Online retailers are now offering a wide variety of product range to its online customers. It is not only confined to books, clothes, and other accessories rather included all household items like electronic appliances, kitchen appliances and different type of furniture too. Customer care is the top priority as with leading online companies. It is identified that online customers have lots of information about different products there features, price and there utilities so they are more difficult to retain. The results generated will definitely help the marketers to design better policies and strategies to capture more market share.

Keywords : Online shopping, consumer behavior, purchase decision, demographic factors, consumer satisfaction, online retailers, shopping personality.

1. INTRODUCTION

In the traditional business model people use to go for shopping from a local store located somewhere in a congested market place. They use to face lots of problems like inadequate parking space, long queues, weather conditions, restricted product choices, limited payment options, etc. people use to feel very uncomfortable in sharing their personal detail in using credit cards. All this leads to faster development of online shopping not only in India but across the globe. Throughout the world online buying has grown exponentially. Certain policies like faster order processing, free delivery, online information, easy return options have made online shopping more convenient. This motivates the consumers to go for online shopping with the additional advantages of cash back guarantee offers, flexible payment methods like cash on delivery are the other benefits of shopping online. The market has opened up with innovative initiatives from eBay, Future bazaar, Deals and you, Rediff shopping, Yebhi and so forth have escalated the interest and expectations of compulsive shoppers.

Due to vast increase in the use of internet there is lot of change in the consumer shopping behavior which has caused a downfall in the traditional shopping. Online shopping & traditional shopping have to deal with issues which are related to security, advertisement and providing a better service through convenience as of the main factor. E-shopping and consumer behavior are directly connected which helps to create understanding that what motivates consumers. Online marketers have a pretty difficult time identifying the correct way to attract the attention of the consumers. The consumer behavior study will make the marketer to understand the mind set of online

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customer, that will help them to understand what tastes are there & preferences about the product, what are the factors of buying online. So that will help them to design better products which are in demand and more effective marketing strategies.

2. REVIEW OF LITERATURE

Ruckman R.K (2012), suggested that internet research becomes increasingly important tool during the purchase process.[1][6]

Waghmare (2012), pointed out internet is the main driving force behind rapid expansion of e commerce business in India. In 21st century its going to open opportunities for both large corporate houses as well as small business enterprises. (2)

Kim, D., & Ammeter, A.. (2008). *Says that if anyone wants to go for online shopping, he must know the basics of computer as well as know how to access the internet. Online retailers have specific target age group, which is called as net generation. It is the group of individuals who have born between 1977 and 1997. This is the first generation that come across with internet and media. Online shopping is a new experience specifically for those who are born before 1970. They are less familiar with the computer and internet technology. So online retailers have to focus more on net generation to become successful in the market* [3][7]

Gagandeep Nagr & R Gopal (2013), *in his study mention that demographic factors like age, gender, family size and income has direct influence on online shopping and plays a very important role.*[4][8]

Mohammad Hossein Moshref Javadi1 , Hossein Rezaei Dolatabadi1 , Mojtaba Nourbakhsh1 , Amir Poursaeedi1 & Ahmad Reza Asadollahi1(2012), pointed out that financial risk and non-delivery risk have negative effect on the online shoppers. Whereas attitude effects positively on online shopping behavior. Finding also shows that people suggest e-shopping among each other, which shows that word of mouth publicity plays a very important role for adopting online shopping method.[5]

3. METHODOLOGY

Data-collection

Data will be collected mainly from primary and secondary sources. Data from secondary sources would be collected by conducting comprehensive literature survey and collection of data from published information, reports, and records etc[9].

Primary Data Collection (Field-survey methodology)

A combination of the following survey techniques is planned to be employed for conducting the field survey[10]

Questionnaire

For primary data, structured questionnaire will be circulated to the respondents residing in Noida region and direct interviews will also be conducted[11][12]. Few dichotomous questions are used to make the respondent comfortable to give his/her opinion.

Personal interview

As a follow up on the data collected through the questionnaire, personal interview shall be conducted to get information about their feelings, belief and attitude with reference to online shopping.

Sample and data collection

Data for this study was collected from the primary sources, using a well designed questionnaire having relevant questions. Questionnaires were circulated to all the respondents under study. Responses were analyzed and find that 43.3% were females where as 56.7% were male respondents. One of the most interesting aspect of this study was that 53.3 % of the respondents were lying between the age group of 18 to 30 years of age, which is v. very important.

Data compilation and analysis

The proposed study intend to analyze the primary data using statistical tools like correlation & t test is used. The data would be compiled in the format that would facilitate its analysis and drawing of conclusions towards meeting the objectives set out for the research. The data after collection has to be processed and analyzed in accordance with the proposed hypothesis.

Hypothesis development

H₀ : Insignificant relationship exists between consumer behavior and online shopping.

H₁ : Significant relationship exists between consumer behavior and online shopping.

After processing the data as editing, coding, classification and tabulation of collected data, analysis work would start. Appropriate statistical analysis techniques and modeling packages commensurate with quantum and quality of available data and objective of research would be utilized. The possible analysis tools may be used as SPSS package etc However, the required modifications shall be made according to the findings of the research.

In this study a structured questionnaire is used wherein the information has been revealed by 30 respondents

4. RESULT AND FINDINGS

Table 1. Demographic characteristics of respondents

<i>Name</i>	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
Abhinav	1	3.3	3.3	3.3
Amrit Pa	1	3.3	3.3	6.7
ANKITA V	1	3.3	3.3	10.0
Anshul	1	3.3	3.3	13.3
ARAVIND	1	3.3	3.3	16.7
ashu	1	3.3	3.3	20.0
Dhruv Kh	1	3.3	3.3	23.3
Diksha S	1	3.3	3.3	26.7
geeta	1	3.3	3.3	30.0
harsh gu	1	3.3	3.3	33.3
kanika	1	3.3	3.3	36.7
kuldeep	1	3.3	3.3	40.0
Valid Madhvi	1	3.3	3.3	43.3
Mukti tr	1	3.3	3.3	46.7
nandini	1	3.3	3.3	50.0
neha	1	3.3	3.3	53.3
Neha	1	3.3	3.3	56.7
Piyush	1	3.3	3.3	60.0
rahul	1	3.3	3.3	63.3
ramesh	1	3.3	3.3	66.7
ritesh p	1	3.3	3.3	70.0

<i>Name</i>	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
rohit	1	3.3	3.3	73.3
Shanky A	1	3.3	3.3	76.7
Shreeya	1	3.3	3.3	80.0
soham	1	3.3	3.3	83.3
sonal mi	1	3.3	3.3	86.7
sonia	1	3.3	3.3	90.0
Suhrid S	1	3.3	3.3	93.3
urvashi	1	3.3	3.3	96.7
vyom	1	3.3	3.3	100.0
Total	30	100.0	100.0	

Table 2. Gender

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
male	17	56.7	56.7	56.7
Valid female	13	43.3	43.3	100.0
Total	30	100.0	100.0	

Table 3. Age

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
1	16	53.3	53.3	53.3
2	12	40.0	40.0	93.3
Valid 4	2	6.7	6.7	100.0
Total	30	100.0	100.0	

Table 4. Employment

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
self employment	5	16.7	16.7	16.7
practicing professionals	16	53.3	53.3	70.0
Valid private sector employee	7	23.3	23.3	93.3
govt. service	2	6.7	6.7	100.0
Total	30	100.0	100.0	

Table 5. Marital status

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
married	17	56.7	56.7	56.7
Valid single	13	43.3	43.3	100.0
Total	30	100.0	100.0	

Table 6. Monthly income

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
less than 5000	2	6.7	6.7	6.7
5000-10000	9	30.0	30.0	36.7
Valid 10001-25000	12	40.0	40.0	76.7
25001-50000	7	23.3	23.3	100.0
Total	30	100.0	100.0	

Table 7. Time spend a day on usage on internet

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
less than an hour	9	30.0	30.0	30.0
one hour to four hours	11	36.7	36.7	66.7
Valid four to six hours	10	33.3	33.3	100.0
Total	30	100.0	100.0	

Table 8. Reaction to online shopping

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
positive	21	70.0	70.0	70.0
negative	6	20.0	20.0	90.0
Valid indifferent	3	10.0	10.0	100.0
Total	30	100.0	100.0	

Table 9. Online shopping content

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
interest you	20	66.7	66.7	66.7
Valid bore you	7	23.3	23.3	90.0
annoy you	3	10.0	10.0	100.0
Total	30	100.0	100.0	

Table 10. Would you buy an online product

		<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
	Yes	27	90.0	90.0	90.0
Valid	No	3	10.0	10.0	100.0
	Total	30	100.0	100.0	

Table 11. Would you buy an online product from the local store

		<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
	Yes	24	80.0	80.0	80.0
Valid	No	6	20.0	20.0	100.0
	Total	30	100.0	100.0	

Table 12. Demographic characteristics of respondents Correlation

		<i>gender</i>	<i>employment</i>	<i>marital status</i>	<i>monthly income</i>
Gender	Pearson Correlation	1	.034	.050	-.031
	Sig. (2-tailed)		.858	.794	.871
	N	30	30	30	30
Employment	Pearson Correlation	.034	1	-.136	.106
	Sig. (2-tailed)	.858		.474	.576
	N	30	30	30	30
marital status	Pearson Correlation	.050	-.136	1	-.262
	Sig. (2-tailed)	.794	.474		.161
	N	30	30	30	30
monthly income	Pearson Correlation	-.031	.106	-.262	1
	Sig. (2-tailed)	.871	.576	.161	
	N	30	30	30	30

With the help of correlation the relationship between gender, employment, marital status and monthly income has been established where the high degree of correlation in case of gender and employment as a factor is 0.858.

In case of marital status it has been observed as 0.794 and 0.871 as monthly income as a factor.

Table 13. One-Sample Test.

	<i>Test Value = 0</i>					
	<i>T</i>	<i>df</i>	<i>Sig.</i> <i>(2-tailed)</i>	<i>Mean</i> <i>Difference</i>	<i>95% Confidence Interval</i> <i>of the Difference</i>	
					<i>Lower</i>	<i>Upper</i>
reaction to online shopping	11.366	29	.000	1.40000	1.1481	1.6519
time spend a day on usage on internet	13.771	29	.000	2.03333	1.7314	2.3353
online shopping content	11.564	29	.000	1.43333	1.1798	1.6868
Would you buy an online product	19.746	29	.000	1.10000	.9861	1.2139
Would you buy an online product from the local store	16.155	29	.000	1.20000	1.0481	1.3519
Do you read the terms and conditions mentioned in the online shopping	17.954	29	.000	1.13333	1.0042	1.2624
How does the actual product compare to the online product	16.155	29	.000	1.20000	1.0481	1.3519
What is the value of product that you would buy based on online shopping	12.234	29	.000	2.26667	1.8877	2.6456

5. CONCLUSION

Now a day’s more and more customers are interested to purchase online. It could be because of convenience or availability of more choices to the customers. By considering the major shift, many organizations too wish to gain larger market share with the help of operating online business. Thanks to the advanced technology that identifies the way consumers behave when they are involved in any commercial activities. That information plays a very vital role to the marketing managers as well as channel partners in designing innovative marketing strategies and offer better shopping services to its online customers. This customer segment has certain traits which need to be handled very carefully. Marketers need to understand various demographic factors and their relationships with the buying behavior. With the help of correlation the relationship between gender, employment, marital status and monthly income has been established where the high degree of correlation in case of gender and employment as a factor is 0.858. In case of marital status it has been observed as 0.794 and 0.871 as monthly incomes as a factor.

All these inputs will not only help the marketing professional to make better sales planning rather will guide them in understanding the different ways of attracting and motivating the online shoppers.

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