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A Consumer Perception Towards Online Shopping

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ABSTRACT

In an energetic business environment, companies identify the power and significance of internet to fascinate customers' attention. An effective communication tool is used as the internet for generating value for customers and companies. The foremost objective of the study is to know about the consumer perception towards online shopping. The primary data were collected by administering the questionnaire by following cluster random sampling. The data were collected from 150 respondents residing in Trichy in Tamil Nadu. The collected data were analyzed with the help of SPSS package by using Percentage Analysis and ANOVA single factor. The study revealed that the respondents mostly prefer to buy once in every 3-6 months in online and mostly urban people prefer online shopping. Many respondents prefer the e-tailor who provides a positive virtual atmosphere with more products in large varieties and the ease of finding a product with discounts.

Keywords: Online shopping, consumer perception, experience, web sites and purchases.

1. INTRODUCTION

The web is over inflated soon since get along two decades, and mutually pertinent digital simplicity that is intent by information retrieval besides over advanced worldwide. After an arts and science of net, which soon increased web users, some polished technology also has been developed which details for net emerging, those handle to firms can defend and gain images of output and services over the website. Therefore, a diversity of products available at the hand of the site, bill of the yield requirement of the product, equivalent analysis of the products categories by the brand, prices, specification and features fascinate to move offline customers directed toward online customers. Online shopping is buying over an electronic medium where a

well-known can figure purchases from one end to the other the net at any point of time. In another residue, consumer behaviour conversion is all locked up trend, and thus twist their marketing strategy.

The internet offers a diverse kind of ease to customers. Customers do not require to go out looking for product details, as online site helps to search over the internet. Comparative analysis of prices and features helps to analyse the various kind of products as sit in the home itself. It helps to saves the customer time to travel outside, getting details from the salesman, avoid confusion about choosing the good products and bargaining the prices. In online, they know the customer wants and needs, based on that they can collect and give the information with a mixture of images, sound and very detailed description helps to choose the suitable product. Products which they can buy over the internet, retail store and over the phone. Online retailing plays an important role to attract the more number of customers.

Nowadays everybody wants to store online what is coming to one to its benefits, a well-known as freedom, usefulness, ease-of-use, agile services, 24/7 availability then on. There are many online portals like Amazon.com, e-bay, Jabong.com, flip kart, Myntra, snap deal etc. which offers a wide range of products for the consumers The rapid growth of online marketing has changed the customer shopping experience. Nowadays everybody desires to purchase through online which gives more welfares like accessibility, usefulness, ease-of-use, quick facilities, 24/7 availability and so on.

2. RESEARCH OBJECTIVES

The current paper focuses on understanding the perception of Indian consumers with regard to online shopping. The objectives are as follows:

- To know what are all the commodities are bought through online, retail store and over the phone
- To know what are all the facilities attracted by customers when shifting from online shopping into offline shopping

3. LITERATURE REVIEW

The literature review has been done to know the customer perception and its factors influencing customer perception towards online shopping.

Arjun Mittal (2013) the design displays that web customer faith and perceived risk have wealthy influences on their spending conclusions. He proposes at which point the E-commerce companies create marketing plans through data and analysing result. Shuchi Singhal, Shashi Shekhawat (2015) thus the customer satisfaction has always been an important field for academicians and practitioners from past 3 decades as customers are the primary source of firm's revenues. Dr. M. M. Goyal (2014) online shopping is catching up in India due to several reasons. Several studies have been conducted in different countries to discover the facilitators of online shopping and issues related to it. The current study explores research related to online shopping. The focus is on India and growth of e-retailers in India. Growth and innovations by online retailers have created tough competition for the offline players. It explores various challenges and facilitators of online shopping. Khaled Hassanein, Milena Head (2007) has investigated about the electronic commerce regularly needs human warmth and amiability, since it is more generic, unknown and

mechanized than conventional up close and personal trade. Sonja Grabner-Kraeuter (2002) has analysed about the situations of e-commerce which are pertinent for the creation of trust problems and their activities are described. These activities are characterised that Internet firms can use to found and retain trust. Hans Van Der Heijden (2003) have discovered factors that influence customer's targets to buying online at an e-commerce website and definitely investigated about the online acquisition intention using two different perceptions: a technology-oriented perspective and a trust-oriented perspective. Anders Hasslinger, Selma Hodzic, Claudio Opazo(2011) explained that Online retailers should identify the needs of the customers to their demands and compete in the online market. Nikhashemi et. al (2013) found out internet shopping provides customers with quality of the product, easiness, observed safety and online payment process have noteworthy positive result on increasing customer satisfaction towards internet shopping.

4. STATEMENT OF THE PROBLEM

Schiff man defines perception as “the process by which an individual selects, organizes, and interprets stimuli into a meaningful and coherent picture of the world.” The term customer perception means, “A marketing concept that encompasses a customer's impression, awareness or consciousness about a company or its offerings. Customer perception is typically affected by advertising, reviews, public relations, social media, personal experiences and other channels.” Consumer perception of price, value, quality are the pivotal determinants of shopping behaviour. The customer perception may be varied according to the products they can buy online from offline. The problem when we go for online shopping is we can't even touch the products, the appearance of the product may be varied when we order something as when we receive something, services and installation of the products are not available in online shopping as much as offline shopping.

5. RESEARCH METHODOLOGY

This study is based on various kind of investigation, where review of the literature and various facts about online consumer perception has been explored out to give the recent study. The paper represents an empirical study conducted on a sample of 150 respondents from Trichy in Tamil Nadu. The average age of respondents is around 25 years. Thus the study will present a view of the Indian youth towards online shopping. The data has been collected through a well-structured questionnaire via e-mail and google forms link. The collected data has been analysed with the help of SPSS package by using Percentage Analysis, ANOVA single factor.

6. RESULTS AND FINDINGS

The primary data were collected from the respondents through questionnaire and the same were analysed using the statistical tools like One-Way ANOVA which were interpreted in the following tables.

Demographic factors

The data has been collected about 150 respondents based on gender, age groups, amount spend on online, time spend by online, products prefer to buy online and which are the favourite website respondents go through. The majority of the respondents were female. Students and employees of private organizations

were the main respondents. The age of the respondents lies between 20 and 39 years, which indicates that youth was the target audience.

Table 1
Gender basis survey

<i>Gender</i>	<i>No. of respondents</i>	<i>Percentage to total (%)</i>
Male	44	29.3
Female	106	70.7
Total	150	100.0

Source: Primary data

From the above table shows that, Most of the respondents are female.70.7% are in the group of female.29.3% are in the group of the male.

Table 2
Age of the respondents

<i>Age (in years)</i>	<i>No. of respondents</i>	<i>Percentage to total (%)</i>
Less than 20	14	9.3
20-39	136	90.7
Total	150	100.0

Source: Primary data

The above table depicts that, Majority of the respondents group falls in the age group of 20-39 years. 90.7% respondents are in the age group of 20-39 years, 9.3% in the age group of less than 20. This shows that the respondent group is comprising of youngsters who are generally tech savvy and internet friendly.

Table 3
Occupation basis

<i>Occupation</i>	<i>No. of respondents</i>	<i>Percentage to total (%)</i>
Student	87	58
Worker	58	38.7
Others	5	3.3
Total	150	100.0

Source: Primary data

From the above table shows that, Most of the respondents are students, because they fall in age group between 20-39, 58% respondents are students.38.7% respondents are workers, very low 3.3% falls into other categories.

Bad Experience While Online Shopping:

If a customer has a bad experience while online shopping, it falls 40% over people. The higher range exhibits about 60% respondents haven't had any kind of bad experience while Online shopping.

Table 4
Range of bad experience

<i>Bad experience</i>	<i>Percentage to total(%)</i>
Postponement in delivery	13.3
Low-cost quality of product	16.7
Product harm	13.3
Non-delivery	2.7
No bad experience	54.0
Total	100.0

Source: Primary data

The above summarised data indicates that, No bad experience falls on 54%.It reveals that customer seek to move from offline shopping into online shopping with no differences. Cheap quality of the products plays a high range of bad experience while online shopping, it falls 16.7%.It shows that the appearance of the product may vary while customer sees in online rather than we touch the product and buy in offline. Product damage and delay in delivery both are in the same percentage that is 13.3%. Non delivery of the product is comparatively less.

Times Spent in Online Shopping

One of the important ways to make customer engaged is by using company's all online platforms to attract customers' attention.

Table 5
Times spent in online shopping

<i>Frequency of usage</i>	<i>Percentage to total (%)</i>
Daily	0
Weekly	13.3
Monthly	26.0
Once in 3-6 months	60.7
Total	100.0

Source: Primary data

The above table shows that, Once in 3-6 months falls on a higher percentage, that is 60.7%.It shows that respondents aren't often used. Weekly falls on 13.3%.Monthly falls on 26.0%

Amount of Time Spent on Every Visit

E-commerce market in India was value about \$3.9 billion in 2009, it went up to \$12.6 billion in 2013. the e-retail segment was worth US\$2.3 billion. About 70% of India's e-commerce market is travel related. According to Google India, there were 35 million online shoppers in India in 2014 Q1 and is expected to cross 100 million marks by end of the year 2016. CAGR vis-à-vis a global growth rate of 8–10%. Electronics and Apparel are the biggest categories in terms of sales.

Table 6
Amount of time spent on online shopping

<i>Amount of time spent</i>	<i>No of respondents</i>	<i>Percentage to total (%)</i>
10-30 min	81	54.0
I do it all day	4	2.7
1-3 hours	65	43.3
Total	150	100.0

Source: Primary data

From the above table shows that, 10-30 minutes falls on the higher percentage, that is 54.0%. Do it all day refers comparatively less than others. So respondents spend less amount of time only in online shopping.1-3 hours falls on 43.3%

Products Prefer to Buy Online

Electronic gadgdets play a vital role in nowadays. It occupies the first position, that falls into 48.7%. Electronic gadgets include mobiles, computers, tablets and accessories, which helps to digitalise the world. Kindle, eReaders, eBooks and books occupy the second position, which is 29.3%.It helps to analyse most of my respondents are chose to read as a hobby. Jewellery, handbags and footwears occupy third place, which is comparatively less than above two categories.

Table 7
Product prefer to buy online

<i>Products</i>	<i>No of respondents</i>	<i>Percentage to total (%)</i>
Kindlle, eReaders & eBooks	4	2.7
Electronic gadgets	73	48.7
Home, Kitchen & Pets	5	3.3
Sports, Fitness & Outdoors	5	3.3
Clothing & Accessories	44	29.3
Jewellery, Watches, Handbags & Foot wears	19	12.7
Total	150	100.0

Source: Primary data

Amount spent on online purchase per year

Table 8
Amount spent per year on online shopping

<i>Amount spend/year on online purchasing</i>	<i>Percentage to total(%)</i>
Less than 1000	28.7
1000-5000	39.3
5000-10000	19.3
10000-20000	9.3
Above 20000	3.3
Total	100.0

Source: Primary data

Most of the percentage (39.3%) occupies in the position of ₹1000-5000 amount spent per year. It helps to analyse the most of the respondents are ready to spend on online shopping in the range of ₹1000-5000.28.7% occupies the amount spent on online shopping is less than ₹1000. ₹5000-10000 occupies the percentage of 19.3% which clearly shows that those respondents are rich and they mostly prefer to buy online for every basic need.9.3% shows that respondents ready to spend online in the range of ₹10000-20000, who are very rich and they are not that much wish to visit and buy the product through offline, they are saving time while standing in long queue. Respondents, who are above ₹20000 are very less.

Level of Agreement on Online Shopping

An attempt is made to study the relationship between age of the respondents with factors influencing the level of agreement in online shopping by using ANOVA single factor.

The following hypothesis is framed to test the relationship between age of the respondents with factors influencing the level of agreement in online shopping.

Null Hypothesis (Ho) – There is no significant influence of age of the respondents with factors influencing customer level of agreement in online shopping.

Table 9
Relationship between Age and Customer level of agreement in online shopping- ANOVA single factor

<i>Variables</i>	<i>Significance</i>	<i>Result</i>
Shopping through internet keeps time	.773	Accepted
It is the greatest benefit to be able to shop at anytime	.709	Accepted
Select traditional/conservative shopping to online shopping	.005	Accepted
Online shopping is unsafe	.034	Accepted
Online shopping will eventually supersede traditional shopping	.335	Accepted
Choice of goods accessible on the online is very broad	.533	Accepted
The narrative of products revealed on the website is very accurate	.065	Accepted
The comparability information given about the product on online is adequate	.206	Accepted
Online shopping is as secure as a traditional shopping	.140	Accepted
Hesitate to give my credit card number	.075	Accepted
Internet reduces the monetary cost of traditional shopping	.065	Accepted
Requirement of having a bank account/credit card makes difficulty	.115	Accepted
Payment on cash on delivery rather than using debit card/credit card	.065	Accepted
There is the provision of home delivery	.064	Accepted
Hopefully buying discount products	.169	Accepted

Source: Primary data
(At 5% level of significance)

The above table shows whether there is an influence of age and customer level agreement in online shopping. Swinyard and Smith (2003) found that consumers like to do to online shopping so that they feel more comfortable as it is private and save energy through door delivery. Moreover, prior studies find that factors, such as accessibility, lower price of products, Internet experience, and also influence the consumer's

decision to purchase the goods through the internet. The result shows that the age does not influence the factors like Shopping on the internet saves time, shop at any time, prefer traditional/conventional shopping, risky, description of products shown on the website, comparability information, credit card number, payment on cash on delivery, home delivery, buying discount products in online shopping, products delivered at home. When compared to traditional retail shopping, online shopping enables consumers to compare product features, price, and availability more efficiently and effectively which does not influences the age of the respondents and take the decision to shop through the Internet.

7. RECOMMENDATIONS AND CONCLUSION

Online shopping is buying through an electronic medium where one can make purchases over the internet at any point of time. The current paper focuses on understanding the perception of Indian consumers with regard to online shopping. The objectives are achieved that knew the what are all the commodities are bought through online, retail store and over the phone, what are all the facilities attracted by customers when shifting from online shopping into offline shopping, observed the factors in refraining customers from shopping on the internet. Studies reveal that youngsters are more prone to technological changes and use more tech-enabled shopping.

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