



A Study on Consumer Perception Towards Online Shopping and its Impact on Retail Sector

Rajeswari. S.P.

DOS in BA, PBMMEC, Mysore

Dr Y Poornima

Professor, Department of Management Studies, CMR university , Bangalore

ABSTRACT

India has more than 100 million internet users out of which one half opts for online purchases and the number is rising sharply every year. The growth in the number of online shoppers is greater than the growth in Internet users, indicating that more Internet users are becoming comfortable to shop online. The capability of purchasing without leaving your place is of great interest to many consumers. Not only does online shopping offer really good deals, but also brings optimum convenience to the consumers.

The study is to know about the consumer perception and retail trade growth and online trade impact on retail sector. The Major objective of the study was to find whether online trade does impact negatively on retail trading so in order to find this we have used statistical tools as hypothesis, ration analysis, and chi-square testing. As per the study, Researcher reveals that there is no significant difference in retail trading just because of online trading.

KEYWORDS :

INTRODUCTION

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Like e-web-store, e-shop, e-store, Internet shop, web-shop, web-store, online store, online storefront and virtual store. Mobile commerce (or m-commerce) describes purchasing from an online retailer's mobile optimized online site or app. The categories of e-commerce are B2B, B2C, and C2C and so on. B2B e-commerce is a transaction between two businesses online, while B2C includes retail transactions of products or services from businesses to individual customers, and is also call E-tailing. Retail involves the process of selling consumer goods or services to customers through multiple channels of distribution to earn a profit. Demand is created through diverse target markets and promotional tactics, satisfying consumers' perceived wants and needs through a lean supply chain.

The Indian retail industry has experienced high growth over the last decade with a noticeable shift towards organized retailing formats. The industry is moving towards a modern concept of retailing. The size of India's retail market was estimated at US\$ 435 billion in 2010. Of this, US\$ 414 billion (95% of the market) was traditional retail and US\$ 21 billion (5% of the market) was organized retail. India's retail market is expected to grow at 7% over the next 10 years, reaching a size of US\$ 850 billion by 2020. Traditional retail is expected to grow at 5% and reach a size of US\$ 650 billion (76%), while organized retail is expected to grow at 25% and reach a size of US\$ 200 billion by 2020.

REVIEW OF LITERATURE

According to Sharma and Mittal (2013), conducted a study on "Prospects of e-commerce in India", mentions that India is showing tremendous growth in the Ecommerce. Undoubtedly, with the population of millions of people, online shopping shows unlimited potential in India. Today E-commerce is a common word in Indian society and it has become an integral part of our daily life. There are websites providing a number of goods and services. Then there are those, which provide a specific product along with its allied services. Multi-product ecommerce-These Indian E-commerce portals provide goods and services in a variety of categories. To name a few: Apparel and accessories for men and women, Health and beauty products, Books and magazines, Computers and peripherals, Vehicles, Software, Consumer electronics, Household appliances, Jewelry, Audio/video, entertainment, goods, Gift articles, Real estate and services.

Dholakia & Zhao (2010), the purpose of this paper is to identify website characteristics that affect customer evaluations and satisfaction with online stores at two interaction points when the order is placed and after the order has been fulfilled. Using data collected by bizrate.

com, data collected from customers of thousands of online stores, the analysis focuses on the changes in the relationships between website characteristics and customer ratings. Data for two-time periods, 15 months apart, are used to determine the stability in the observed relationships. Order fulfillment variables, particularly on-time delivery, dominate the effects on overall customer evaluations and satisfaction. The statistical significance of other online store attributes, however, changes as differences are observed between 2003 and 2004. The online environment is dynamic and the paper captures some of the changes in the relationships between website attributes and customer satisfaction. This requires continuous monitoring of the online environment. Since the paper relies on secondary data collected by bizrate.com, the research is limited by specific website attributes and measures of customer satisfaction adopted by a commercial enterprise. Online retailers must be strategic about fulfillment variables. When online stores compete with each other, it is easier to copy certain attributes like "shipping options" than other attributes such as "on time delivery." This suggests that the most creative, interactive, and vivid online site will not compensate for weak fulfillment and customer support capabilities. No other paper has looked at these data, collected from real customers making purchases at actual merchant sites, over two time periods. The results provide insights regarding stability of findings.

OBJECTIVES

Followings are the major objectives of the study:

- To analyze the Indian Consumers 'Retail shopping perception.
- To analyze the Indian Consumers' online shopping perception.
- To understand the online trade impact on retail sector.

METHODOLOGY

Research design: Descriptive research

Source of Data Collection

The data has been collected by the following method.

Primary Data: The primary data has been collected through the questionnaire survey. Here 70 sampling have been collected.

Secondary Data: Secondary data has been collected through online, newspapers, journals, and articles.

Sample size: 70

Sample method: Random sampling

DATA ANALYSIS AND INTERPRETATION:

Demographic Data:

Gender	No of Respondents	Percentage
Male	36	51.4
Female	34	48.6
Age		
Less than 18	2	2.9
18-25	36	52.9
25-35	16	22.7
35 and above	16	21.5
Occupation		
Business	10	14.3
Government service	6	8.6
Private job	38	54.3
Student	14	20.0
Unemployed	2	2.9
Monthly income		
Less than 10000	24	34.3
10000-20000	16	22.9
20000-30000	18	25.7
More than 40000	12	17.1

H1: There was no significant difference in respondent's preference on online trading and retail trading.

H2: The perception of the respondents towards online trading follows Uniform distribution.

To test H1, Percentage analysis was used, and from the analysis made above, the researcher finds below outputs.

The researcher observed that only 57% respondents were using internet for sometimes and 37% of respondents were using internet more than 4 hours.

48.6% of respondents were preferred retail stores for their shopping and 42.9% of respondents were preferred online for their shopping there by the researcher was concluded that there is no much demarcation line between online shopping and retail stores shopping.

77.2% of respondents were gave their opinion that there is no decline in retail trade just because of online trading, assuming that retail stores are customer friendly hence hypothesis was accepted.

To test H2, first construct the Norm table for the Perception of the respondents and then Chi-square test was used. The computations made were tabulated below.

AGREEMENT GROUP:

Table 81					
AGREEMENT GROUP					
σ-level	Level	Frequency	Per-cent	Valid Percent	Cumulative Percent
	Below Average	19	27.1	27.1	27.1
	Average	41	58.6	58.6	85.7
	Above Average	10	14.3	14.3	100.0
	Total	70	100.0	100.0	

Calculated Chi-square value = 19.48

Table Chi-square value = 5.991

Since calculated Chi-square value was greater than table value, test was significant at 5% levels. I.e. of 70 respondents 19 (27.1%) were at below average level of Agreement on Online trading, 41 (58.6%) were at average level of Agreement on Online trading, and 10 (14.3%) were at above average level of Agreement on Online trading and it was found to be statistically significant at 5% levels.

REFRAINING GROUP:

Table 82					
REFRAINING GROUP					
σ-level	Level	Frequen-cy	Per-cent	Valid Percent	Cumu-lative Percent
	Below Average	16	22.9	22.9	22.9
	Average	38	54.3	54.3	77.1
	Above Average	16	22.9	22.9	100.0
	Total	70	100.0	100.0	

Calculated Chi-square value = 12.81

Table Chi-square value = 5.991

Since calculated Chi-square value was greater than table value, test was significant at 5% levels. I.e. of 70 respondents 16 (22.9%) were at below average level of Refraining on Online trading, 38 (54.3%) were at average level of Refraining on Online trading, and 16 (22.9%) were at above average level of Refraining on Online trading and it was found to be statistically significant at 5% levels.

CONCLUSION: According to the research study, the present scenario in online trading is running very successfully and effectively, and another hand retail trading is also running at good situation however as per the study objective concluded that there is no significant difference in the retail trading at the same time online trading does not have any negative impact on retail trading as usually retail trade have good name in the minds of consumer.

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