Online spending dynamics of working women professionals in Bangalore City

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ABSTRACT *Online shopping behavior refers to the process of purchasing products or services via the Internet. While online shopping has been picking up slowly in India, web's influence on buying decisions is growing rapidly. This survey has been conducted to evaluate the working women professionals' attitude towards online shopping and the factors affecting it, to assist the marketers and managers to plan appropriate strategies in order to make it a more profitable venture. The study is based on a convenience sample of 250 working women professionals living in the city of Bangalore. Main objective of the study is to identify the online shopping trend among working women professionals in the city of Bangalore and to identify whether demographic variables of these working women are the key factors that influence online purchasing behavior for them. Research questions contain all information to online spending patterns amongst working women in Bangalore and their reasons for preferences for online buying as compared to traditional retail buying. The questionnaire also includes statements which record the demographic characteristics of the respondents (age, education, income etc) and its impact on their buying behavior.*

INTRODUCTION

Online Shopping Behavior: An Empirical Study

With India turning net savvy, online shopping has become the latest fad in India with most of the net surfers recommending internet shopping. The innovation of e-commerce has affected not only the marketplace through the facilitation of the exchange of goods and services, but also human behavior in response to the mechanisms of online services. For Internet buyers, gender, marital status, residential location, age, education, and household income were frequently found to be important predictors of Internet purchasing. The consumer's willingness and preference for adopting the Internet as his or her shopping medium was also positively related to income, household size, and innovativeness.

Online shopping in India: It is a fact that a great online shopping revolution is expected in India in the coming years. If we observe the growth of Internet Subscribers, it is getting doubled year by year. This is also getting increased day by day as the costs of computers are decreasing and net penetrations increasing. The cost of internet usage is also getting lower, with good competition among the providers. This will increase the usage as it goes more on wireless internet. Indians are proving every time that they can beat the world when it comes to figures of online shopping. More and more Indians are going to online shopping and the frequency of India's online buying is crossing the overall global averages. There are about 200 million of middle- class population good spending powers. These people have very little time to spend for shopping. Many of them have started to depend on internet to satisfy their shopping desires.

Why study working women's online buying behavior? In 2000, women represented the major online holiday season buyer (Rainne, 2002; Sultan & Henrichs, 2000). According to a report by the Pew Research Center (2001), the number of women (58%) who bought online exceeded the number of men (42%) by 16%. Among the woman who bought, 37% reported enjoying the experience "a lot" compared to only 17% of male shoppers who enjoyed the experience "a lot". Akhter (2002) indicated that more educated, younger, fe-

males, are more likely to use the Internet for purchasing. Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. Trust is a key factor that determines the success of Business to Consumer (B2C) e-commerce transactions. This research focuses on available security measures which assure online shoppers safety and great sales promotions and online deals which stimulate customers to shop online.

OBJECTIVE OF THE STUDY

- Main objective of the study is to identify the online shopping trend among working women professionals in the city of Bangalore
- To identify whether demographic variables of these working women are the key factors that influence online purchasing behavior for them.
- To study the factors important while doing the online shopping by working women professionals.
- To study the Satisfaction level of online working women shoppers.

RESEARCH DESIGN
SAMPLE DESIGN:

A Sample Design is a definite plan for obtaining a sample from a given population. It refers to the technique to the procedure adopted in selecting items for the sampling designs

THE SAMPLE SIZE AND COLLECTION PROCESS

The study is based on a convenience sample of 250 working women professionals in the city of Bangalore. 250 self-administered questionnaires were administered on the participants and they were briefed about the purpose of the study, and given enough time to fill out the questionnaire

SAMPLING METHOD:

Non-probability sampling method: Convenience Sampling

SAMPLE TECHNIQUE

- Percentage analysis
- Tabulation
- Average mean
- Statistical t-test

CLASSIFICATION OF RESPONDENTS SURYEVED ACCORDING TO AGE GROUP

AGE GROUP	PERCENTAGE %
18 to 25 years old	19
26 to 35 years old	42
36 to 45 years old	32
46 to 60 years old	7

DATA COLLECTION
The study was conducted by the means of personal interview with respondents and the information given by them were directly entered in the questionnaire.

COLLECTION TECHNIQUE:
- Primary Data
- Questionnaire method
- Secondary Data
- Existing reports
- Books
- Journals and magazines
- Websites

RESEARCH TOOL USED FOR THE STUDY
The required data for this study was collected by means of a self administered questionnaire. It was measured on a five point Likert scale of agreement.

LIMITATIONS OF STUDY
- Some were reluctant to share the information, which they thought was personal
- Many of the surveyed respondents did not reply all the questions.
- The sample size may not represent the entire population of Indian working women to draw a conclusion.

DATA ANALYSIS
• Usage level of internet
Out of the total 150 million Internet users in the country, around 60 million women in India are now online and use the Internet to manage their day-to-day life, according to a new report by Google India. It noted that women who are online are relatively more affluent and younger—more than 50% are in the 15-34 age group, with over 24 million women accessing the Internet daily.

Age group	Usage level of internet
18 to 25 years old	15 %
26 to 35 years old	34 %
36 to 45 years old	43 %
46 to 60 years old	08 %

Benefits: With the Internet user base growing rapidly in India, it is inspiring to see that the women user base is also increasing rapidly. With this report, it is clear that Internet is empowering Indian women with easy access to information and helping them to make more informed decisions in their day-to-day life. It is also evident from the report that the digital medium has a growing influence on women's purchase decisions on various categories.

Impact of education on online buying pattern

Level of Education	No. of respondents	Percentage
Graduation	96	38.4
Post - Graduation	104	41.6
Under - Graduate	50	20
Unqualified	0	0

• It is found that women armed with master's degree are the heaviest shoppers online followed by graduates and under-graduates. This suggests that education was likely to have an impact on consumer attitudes towards online shopping. According to the survey 104 (41.6%) are postgraduates, 50 (20%) are undergraduates and 96 (38.4%) are graduates favorable attitude behavior towards on-line shopping

• All the respondents agreed to the fact that they shopped online.

Most preferred sites for shopping

Name of websites	Percentage of preference	Reasons for preference
Flipkart.com	33	The Best Online Shopping Sites for Low Prices
Snapdeal.com	18	The Best Online Shopping Sites for buy Apparel and Electronic at Best Prices
Homeshop18.com	12	The Best Online Shopping Sites for Wide Range of Products
Naaptol.com	10	The Best Online Shopping Sites for Special Offers
Shopclues.com	8	The Best Online Shopping Sites for Special offers
Futurebazaar.com	6	The Best Online Shopping Sites for High Quality Clothes
Greendust.com	5	The Best Online Shopping Site "GreenDust" give affordable Factory Seconds Domestic goods for the Indian Shopper
Myntra.com	4	The Best Online Shopping Sites for buy Major Brand
Indiatimes shopping	2	The best online shopping site for Appliance
Rediff shopping	2	Rediff is the Best Online Shopping Sites for your complete India online Shopping

Frequency of purchase
On being asked, how frequently they bought products online, the responses were tabulated as follows

Frequency of purchase	No. of Respondents	Percentage of Respondents
Once a week	52	20.8
Once a fortnight	113	45.2
Once a month	37	14.8
Once in six months	30	12
Once a year	18	7.2
Any other	0	0

Duration of online shopping

130 respondents mentioned that they started shopping in the last one year. Around 67 respondents said that they started online shopping during the last one to three years. 35 respondents mentioned that they started shopping online during the last three to five years and finally 18 respondents mentioned that they have been shopping online for more than 5 years

Categories of products bought online

It was found that out of various categories mentioned, the following were the ones most sought after in terms of online buying.

Categories	Percentage
Dresses/ Apparels/ Footwear/Jewellery/ Innerwear	81
Home décor items/ fragrances/Online shopping & other financial services/ toys	63
Retail food, movie tickets/ music/ Books/ Magazines/membership of library, news dailies	33
Software/Hardware/DVD/CD/ video games/ consoles	16
Airline/train reservations/ sportswear and equipments	3
Electronics/Mobile phones	30

- Interestingly, many people [163 respondents] mentioned that they did not go to retail stores first before making their final purchase from any of the online sites. This clearly justifies the growth of online shopping in the country.
- Most of the time the respondents [78] were influenced and referred by their immediate families and friend to visit and buy from a website. A significant number of people [73] also mentioned that they got tired of hassles of retail shopping, waiting in long queues, so they opted for online shopping. Around 63 respondents mentioned that they got influenced by the advertisements in newspapers and on hoardings around the city for visiting the website and ended up buying from them. Finally 36 respondents mentioned that they were influenced by the online advertisement on other websites.
- The most favored mode of payment for online purchases in India is the use of credit cards followed by cash-on-delivery.
- On being asked what the preferred device for online shopping was, the responses were as follows:
  ○ 87.3% of internet users in the liked using their laptops for online shopping best
  ○ Just 7.4% choose tablets
  ○ 5.3% choose smartphones

Percentage, Mean and Standard Deviation of Factors influencing the online buying trends amongst working women professionals

Factors	Percentage of agreement				Mean	Std. Deviation	t-test
	4	3	2	1			
online shopping sites provide convenience to shop from any location	24	55	18	3	3.00	0.7385	8.718
Online shopping sites provide the convenience of avoiding travelling to shop and the time is saved in bargain hunting.	15	55	29	2	2.85	0.6416	12.48

Factors	Percentage of agreement				Mean	Std. Deviation	t-test
	4	3	2	1			
Online shopping entails me to additional discounts and special rewards unlike a traditional retailer	7	59	33	1	2.72	0.6044	16.20
The look of the online sites is very appealing	7	64	28	1	2.77	0.5835	15.61
Online shopping sites not only just sell products or services--it entertains me also	7	48	36	10	2.54	0.7306	15.58
Online shopping sites are my first preference when I need to look for some information about products/ services	21	61	13	5	2.98	0.7383	9.034
Online shopping sites are my first preference when I need to compare prices of different brands offering same products/ services	11	15	47	26	2.09	0.9438	13.76
Online shopping is safe and secure	7	42	40	11	2.45	0.7833	16.90
I visit different online shopping sites before making the actual purchase	25	57	15	3	3.04	0.7236	8.28
Online shopping sites offer speedy delivery of goods	7	54	29	10	2.58	0.7678	12.69
Online shopping sites offer consumers the ability to pay cash on delivery and money back guarantee	5	53	26	16	2.47	0.8221	10.94
Online shopping sites offer consumers the option to buy on credit	21	56	19	4	2.94	0.7497	9.426

CONCLUSION:

- **Factor 1: Convenience**

One of the critical factors that affect online shopping is convenience. It is seen that majority of the respondents (79%), with a mean of 3.00 and a standard deviation of 0.7385, view online shopping as convenient—flexibility of time and place in the system is perceived as an effective way enabling transactions to be performed easily. 70% of the users perceive online shopping services to be 'not complex' and feel that they can easily acquire information on products and services through online shopping. Most respondents (62%), with a mean of 2.71 and a standard deviation of 0.65, agree that they prefer to make purchase for any of the online sites. While 66% of the users are satisfied with the diversity of products provided by online shopping, more than 70% perceive that online shopping services have been upgraded compared to their first visit to the site. More than 80%, with a mean of 2.98 and a standard deviation of 0.73, agreed that online shopping sites were there first preference when they needed to look for some information about products/ services and, 62% agree that online shopping is easy to navigate since there are comprehensive help menus available on the site.

• **Factor 2: Security**
Slightly more than 60% of the respondents with a mean of 2.45 agree that online shopping is safe and secured. More than half (62%) strongly believe that online shopping sites have good provisions for safe transactions. More than half of the respondents believe that the online sites keep their client's information confidential.

• The most preferred product of online buying is Dresses/ Apparels/ Footwear/Jewellery/ Innerwear.

• Among the payment options, Payment on delivery through cash in the safest choice of payment, while credit card are next preferred choice, online shopping transfer is least preference choice.

• Online shoppers seek for clear information about product and service, time saving, convenience, security and delivery on time are all important factor for online shopping. The offers with punch lines "Attractive offers" do not attract online shoppers.

• Most of the consumers who have experienced online shopping are very satisfied.

SUGGESTIONS:
• The study highlights that convenience, accessibility, scope, attraction, reliability, experience and clarity are the important factors considered by the online shopper.

• The study outlines the need for consumer products companies to integrate their online and offline strategies, engage consumers and build their loyalty, and importantly mind the gaps in which online activity is low, and optimize the mobile experience.

• Transactions should be safe and proper security should be assured to the people making online purchases.

Online shopping organizations can use the relevant variables and factors, identified from the study, to formulate their strategies and plans in the country. The organizations can prioritize the consumer implicit and explicit requirements in online shopping environment.

Government should play a pivotal role in encouraging online shopping

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