



Preference pattern of youth on E-Commerce in the City of Aurangabad Maharashtra

KEYWORDS

E-Commerce, on line shopping, preference, Youth.

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ABSTRACT *The Indian e-retailing industry is booming. Case in point, the market size has grown from \$600 million two years ago to \$2.3 billion.. the spending and preference pattern of ecommerce of youth in India has changed drastically in past few years as a result of westernization and higher spending power. The studies have shown that youth spends money on on-line shopping. This paper is based on study of preference patterns among two groups of the students i.e. graduation, and post graduation level students in Aurangabad city, Maharashtra. Primary data on preference patterns of youth for shopping like various e-commerce websites. Snapdeal, Flipkart, myntra, yep me, Jabong, Amazon etc. was collected and analyzed using various statistical and research tools. CHI2 TEST was used to analyze whether significant difference exists between Preference patterns of different groups and the genders. It was found that students belonging to different education levels differ significantly in selecting online websites for shopping. It was also noted that both the male and female youth have different preference patterns. Significant portion of their spending goes towards clothing, Electronics, Books, and Cosmetics. It is good opportunity for E-retailers :which should tap the youth selecting online websites for shopping .*

INTRODUCTION

Online shopping in its early stage was a simple medium for shopping with fewer options. The users can just place an order and pay cash on delivery. But, in last few years this field has been renovated to a high extent and hence fascinated many customers. Today, the online shopping has become a trend in India and the reason behind the adoption of this technique lies in the attractive online websites, user friendly interface, bulky online stores with new fashion, easy payment methods (i.e. secure pay online via gateways like PayPal or cash-on-delivery), no bound on quantity & quality, one can choose the items based on size, color, price, etc. despite being a developing country, India has shown a commendable increase in the e-commerce industry in the last couple of years, thereby hitting the market with a boom. Though the Indian online market is far behind the US and the UK, it has been growing at a fast pace. further, the addition of discounts, coupons, offers, referral systems, 30days return guarantee, 1-7 days delivery time, etc. to the online shopping and the E-Market have added new flavors to the industry E-commerce has become the preferred method of shopping for many people. They love the ease with which they can shop online from their home at any time of the day or night. Purchasing options are quick and convenient with the ability to transfer funds online. Consumers save time and money by searching for items and making their purchases online. It can take several days of physically going from location to location, costing time and fuel, to purchase a hard-to-find item.

Status of e-commerce sector in India:

As already mentioned above, growth of e-commerce industry has been phenomenally high. However, its growth is dependent on a number of factors and most important of them is internet connectivity. As per Forrester McKinsey report of 2013, India has 137 million internet users with penetration of 11%. Total percentage of online buyers to internet users is 18%. Compared to India, China, Brazil, Sri Lanka and Pakistan have internet population of 538 (40%), 79 (40%), 3.2 (15%) and 29 (15%) millions respectively. Therefore, lower internet density continues to remain

a challenge for e-commerce. 4.2 According to Report of Digital-Commerce, IAMAI-IMRB (2013), e-commerce is growing at the CAGR of 34% and is expected to touch US\$ 13 billion by end of 2013. However, travel segment constitutes nearly 71% of the transactions of consumer e-commerce industry, meaning thereby that e-tailing has not taken off in India in any meaningful way. Share of e-tail has grown at the rate of 10% in 2011 to 16% in 2012. 4.3 Industry surveys suggest that e-commerce industry is expected to contribute around 4 percent to the GDP by 2020. In comparison, according to a NASSCOM report, by 2020, the IT-BPO industry is expected to account for 10% of India's GDP, while the share of telecommunication services in India's GDP is expected to increase to 15 percent by 2015. With enabling support, the e-commerce industry too can contribute much more to the GDP. 4.4 Around 90% of the global e-commerce transactions are stated to be in the nature of B2B, leaving meager 10% as B2C e-commerce. Case of India is no different where most of such transactions are in the nature of B2B. Moreover Indian e-commerce industry is characterized by Market Place model. It allows large number of manufacturers/traders especially MSMEs to advertise their products on the "Market Place" and benefit from increased turnover. 4.5 The growing e-commerce industry can have a positive spillover effect on associated industries such as logistics, online advertising, media and IT/ITES. Currently e-commerce accounts for 15-20 percent of the total DIPP Discussion Paper on E-Commerce – 2013-14 4 revenues for some of the big logistics companies. The revenue for logistics industry from inventory based consumer e-commerce alone may grow by 70 times to USD 2.6 Billion (INR 14,300 cores) by 2020. Currently, the inventory based consumer e-commerce model alone provides direct employment to approximately 40,000 people and is estimated to create 1 million direct and another 0.5 million indirect jobs by 2020. Low entry barriers have attracted many young and enterprising individuals to try their hand at entrepreneurship. A significant 63% of e-commerce ventures have been started by first time entrepreneurs. Indian e-commerce industry is in nascent stage and is nowhere in the league of big global players. Major domestic e-commerce companies are Flipkart, Snapdeal,

Fashion and you, Myntra ink fruit, Deals and you, Home-shop18 etc.(Discussion Paper on E-commerce in India 2013 This paper addresses the preference pattern of youth for selecting the online website for shopping and on which product youth spend? The youth referred to here are graduates and post graduates in Aurangabad city. There is a significant difference observed in the selecting online website for shopping of the youth of city on the basis of educational level and gender.

RESEARCH OBJECTIVES

- To study the preference pattern of two groups graduation and post graduation) of students in Aurangabad city.
- To study gender wise purchasing of the students.

III. RESEARCH METHODOLOGY

3.1. Source of Data

The present study is based on primary data which was collected using questionnaire method.

3.2. Sample Size

Twenty students of each category i.e. graduated and post graduates (male and female) were taken thus achieving total population size of 80. Effort was made to include equal number of males and females.

3.3. Data Collection

The data was collected using questionnaire in colleges, tuition classes, and college campuses. The questions included the online websites frequently prefer for shopping by young population like shopping, clothing, Electronics, Books, and Cosmetics.

3.4. Sample Unit

The research was conducted in Aurangabad city. Two groups i.e. graduation and post graduation students were studied.

3.5. Statistical Tools

The tools used in this study are:

1. Chi square test for Association

Two hypotheses were made in this study and hypothesis testing was done using Chi square for association using IBM SPSS software. Both hypotheses

were tested with 95% confidence level i.e. at 5% significant level.

IV. HYPOTHESIS

H_{01} = There is no significant difference in preference pattern between undergraduate and post graduate students (male and female).

H_{02} = There is no significant difference in buying pattern of boys and girls at undergraduate and post graduate levels.

LIMITATIONS

Sample size of 80 is a limitation; the findings may differ with higher sample size.

Only educated group is targeted here.

VI. LITERATURE REVIEW

Factors influencing consumers' attitude towards e-commerce purchases through online shopping were studied in Malaysia Online shopping is the process of buying goods and services from merchants who sell on the internet.

Shoppers can visit web stores from the comfort of their homes and shop as they sit in front of the computer. The main purpose of this study is to determine the factors influencing consumers' attitude towards e-commerce purchases through online shopping. The study also investigate how socio-demographic (age, income and occupation), pattern of online buying (types of goods, e-commerce experience and hours use on internet) and purchase perception (product perception, customers' service and consumers' risk) affect consumers' attitude towards online shopping. Convenience sampling method was conducted in this study and the sample comparison of 100 respondents in Taman Tawas Permai, Ipoh. Data were collected via self-administered questionnaire [Zuroni Md Jusoh and Goh Hai Ling]

A study on E-commerce and online shopping: Issues and influences were studied in jaipur and addressed the question which age group are most preferred to shop online, preferred online website for shopping With the changing market scenario and economical growth, the demand for online shopping has increased. Explosion of e-commerce has changed the buying patterns and preferences of customers. The important brands are also moving towards e commerce technology for increased sale of their products. There is no doubt about it that ecommerce has made the transactions smooth, quick, faster and easier. Both the sellers and the buyers get benefited by his technology. As we all are aware that Commerce and Business are the backbones of a country's development, if they were supported by the electronic technology and tools like e-commerce, it will make wonders in the economical growth of the country. An important part of e-commerce is online shopping. It helps in many ways both parties, the buyer as well as the seller. The e-commerce technology and the usage of online shopping has increased in tremendous ways in India. Today almost every big company has adopted these technologies to increase sales, to make branding all over the globe. Online shopping in India saw a 128% growth in interest from consumers in 2012 as compared to the previous year, according to a new report. The growth was only 40% between 2010 and 2011, said the report compiled by Google and TNS Australia. The report used data from Google Trends and a sample survey of 800 users in November 2012. Consumers were most interested in apparels & accessories (30%) and Consumer electronics (34%). Other categories that Indians searched for online were Books (15%), Beauty & Personal care (10%), Home & furnishing (6%), Baby products (2%) and healthcare (3%). The present paper is an attempt to study the recent trends, influences, preferences of customers towards ecommerce and online shopping and to give the suggestions for the improvement in online shopping websites. [Dr.Anukrati Sharma]

Consumer Behaviour towards E-marketing: A study of Jaipur Consumers was studied in jaipur Attempt has been made to study the acceptance rate of e-marketing among the Jaipur consumers and its impact on their purchase decision. Result shows that people irrespective of age and gender surf internet. However significant difference exists between the age and attributes of online trading but it do not have any relation with the gender. Most of the respondents are hesitant to purchase items over internet because of security concerns. Most of the Respondents irrespective of gender of different age group (especially age group of 18-30 years) find e-shopping more convenient & time saving and prefer credit card as the convenient mode of the payment. Paper gives direction to improving delivery and advertising web- products & services to achieve

objective of E-marketing and E-commerce in long run. [Dr. Sanjay Hooda and Sandeep Aggarwal]

Impact of demographic factors of consumers on online shopping behavior: a study of consumers in India was studied On-line shopping is a recent phenomenon in the field of E-Business and is definitely going to be the future of shopping in the world. Most of the companies are running their on-line portals to sell their products/services on-line. Though online shopping is very common outside India, its growth in Indian Market, which is a large and strategic consumer market, is still not in line with the global market. The potential growth of on-line shopping has triggered the idea of conducting a study on on-line shopping in India. The present research paper has used Qualitative and Quantitative research methods to study the impact of Demographic factors of consumers on on-line shopping parameters like satisfaction with on-line shopping, future purchase intention, frequency of on-line shopping, numbers of items purchased, and overall spend on on-line shopping. The data was collected through Questionnaires on a sample of 580 respondents from Delhi, Mumbai, Chennai, Hyderabad and Bangalore. The results of study reveal that on-line shopping in India is significantly affected by various Demographic factors like age, gender, marital status, family size and income. The results of the study could be further used by the researchers and practitioners for conducting future studies in the similar area.[Dahiya Richa]

An Analysis of Factors Affecting on Online Shopping Behavior of Consumers were studied to analyze factors affecting on online shopping behavior of consumers that might be one of the most important issues of e-commerce and marketing field. However, there is very limited knowledge about online consumer behavior because it is a complicated socio-technical phenomenon and involves too many factors. One of the objectives of this study is covering the shortcomings of previous studies that didn't examine main factors that influence on online shopping behavior. This goal has been followed by using a model examining the impact of perceived risks, infrastructural variables and return policy on attitude toward online shopping behavior and subjective norms, perceived behavioral control, domain specific innovativeness and attitude on online shopping behavior as the hypotheses of study. To investigate these hypotheses 200 questionnaires dispersed among online stores of Iran. Respondents to the questionnaire were consumers of online stores in Iran which randomly selected. Finally regression analysis was used on data in order to test hypothesizes of study. This study can be considered as an applied research from purpose perspective and descriptive-survey with regard to the nature and method (type of correlation). The study identified that financial risks and non-delivery risk negatively affected attitude toward online shopping. Results also indicated that domain specific innovativeness and subjective norms positively affect online shopping behavior. Furthermore, attitude toward online shopping positively affected online shopping behavior of consumers [Mohammad Hossein Moshref Javadi, Hossein Rezaei Dolatabadi , Mojtaba Nourbakhsh , Amir Poursaeedi & Ahmad Reza Asadollahi]

Perception towards online shopping: an empirical study of Indian consumers was studied Consumers are playing an important role in online shopping. The increasing use of Internet by the younger generation in India provides an emerging prospect for online retailers. If online retailers know the factors affecting Indian consumers' buying

behavior, and the associations between these factors and type of online buyers, then they can further develop their marketing strategies to convert potential customers into active ones. In this study four key dimensions of online shopping as perceived by consumers in India are identified and the different demographic factors are also studied which are the primary basis of market segmentation for retailers. It was discovered that overall website quality, commitment factor, customer service and security are the four key factors which influence consumers' perceptions of online shopping. the study revealed that the perception of online shoppers is independent of their age and gender but not independent of their education & gender and income & gender Finally, the recommendations presented in this research may help foster growth of Indian online retailing in future. [zia ul haq]

A study on online shopping behavior of customers was studied Electronic commerce has witnessed an exponential growth resulting in greater use of this tool by the traders. Also the competition in e-commerce is intensified. Therefore it becomes more important for online retailers to understand the antecedents of consumer acceptance of online shopping. Such knowledge is essential to customer relationship management, which has been recognized as an effective business strategy to achieve success in the electronic market. The current research is an effort to understand the satisfaction and loyalty pattern of the buyers shopping online. When people buy things, they will engage in a decision making process. One of the major problems of Ecommerce web sites is that they fail in supporting the customers in this process. By understanding the customer's needs and concerns the marketer can provide better products and services. [R.Deiva veeralak]

VII. DATA ANALYSIS AND INTERPRETATION

7.1. Gender wise and Education Level wise Spending

As can be seen from Table 1, 60% of both categories of boy's students and 45 % as graduate girl's student are more Prefer Flipkart than any other site for online shopping.

Table 1: Category wise Preference of online websites Students

Category	Graduation		Post Graduation	
	Girls %	Boys %	Girls %	Boys %
Snapdeal	20%	10%	25%	30%
Myntra	30%	0	20%	10%
Flipkart	45%	60%	35%	60%
Amazon	5%	25%	15%	0

7.2 Null Hypothesis: 1

Null hypothesis 1 (H01) of the study states that There is no significant difference in preference pattern between undergraduate and post graduate students (male and female) The hypothesis was tested on five online shopping sites using Chi square test for Association in IBP SPSS Statistics software (See table 2). We accept the null hypothesis. Alternatively there is significant difference in preference pattern between undergraduate and post graduate students (male and female). The summary of hypothesis testing shown in table.2

Table 2: Summary of Null Hypothesis 1

Chi-Square Tests				
Number in cell		Value	df	Asymp. Sig. (2-sided)
2.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	2		
4.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	4		
7.00	Pearson Chi-Square	. ^c		
	N of Valid Cases	14		
9.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	9		
10.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	10		
17.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	17		
24.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	24		
Total	Pearson Chi-Square	6.997 ^a	3	.072
	Likelihood Ratio	7.380	3	.061
	Linear-by-Linear Association	3.346	1	.067
	N of Valid Cases	80		

A chi square for Association was conducted between Gender and preference for online website for shopping. All cell frequencies were greater than five there was statically significant Association between Gender and preferences for online website – $\chi^2(1) = 6.997, p=0.72$.

Table 3: Summary of Null Hypothesis 1

Symmetric Measures				
Number in cell		Value	Approx. Sig.	
2.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		2	
4.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		4	
7.00	Nominal by Nominal	Phi	. ^d	
	N of Valid Cases		14	
9.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		9	
10.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		10	
17.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		17	
24.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		24	
Total	Nominal by Nominal	Phi	.296	.072
		Cramer's V	.296	.072
	N of Valid Cases		80	

All expected frequencies were greater than five. There was moderately string Association between gender and preference for online website for shopping $\phi = 0.296, p=0.72$

7.3 Null hypothesis 2

As can be seen from Table 4, 65% of post graduate girl's student spends their money for clothing and boys 60% mostly buy electronics products.

Table 4: Category wise buying product

Category	Graduation		Post Graduation	
	Girls	Boys	Girls	Boys
Clothing	35%	35%	65%	35%
Electronics	20%	65%	15%	60%
Books	35%	15%	10%	5%
Cosmetics	10%	0	10%	0

Null hypothesis 2 (H02) states that there is no significant in buying pattern of boys and girls at undergraduate and post graduate levels The hypothesis was tested on four buying categories using chi square Test in IBP SPSS Statistics software (See table 4). We accept the null hypothesis. Alternatively there is significant difference in buying pattern between undergraduate and post graduate students (male and female). The summary of hypothesis testing shown in table.5

Table 5: Summary of Null Hypothesis 2

Chi-Square Tests				
Number in cell		Value	df	Asymp. Sig. (2-sided)
3.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	3		
4.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	4		
7.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	7		
9.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	9		
14.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	14		
20.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	20		
23.00	Pearson Chi-Square	. ^b		
	N of Valid Cases	23		
Total	Pearson Chi-Square	16.592 ^a	3	.001
	Likelihood Ratio	18.742	3	.000
	Linear-by-Linear Association	1.061	1	.303
	N of Valid Cases	80		

A chi square for Association was conducted between Gender and preference for buying product. All cell frequencies were greater than five there was statically significant Association between Gender and preferences for buying product – $\chi^2(1) = 16592, p=0.001$

Table 3: Summary of Null Hypothesis 2

Symmetric Measures				
Number in cell			Value	Approx. Sig.
3.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		3	
4.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		4	
7.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		7	
9.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		9	
14.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		14	
20.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		20	
23.00	Nominal by Nominal	Phi	. ^c	
	N of Valid Cases		23	
Total	Nominal by Nominal	Phi	.455	.001
		Cramer's V	.455	.001
	N of Valid Cases		80	

All expected frequencies were greater than five. There was moderately strong Association between gender and preference for online website for shopping $\phi = 0.455$, $p=0.001$

VIII. CONCLUSION

The research clearly shows how students in Aurangabad City using online website for shopping. 60 % of youth using Flipkart for shopping. There are significant differences in buying product from e-commerce website Youth spend large portion of their money for clothing .very negligible expenses is made on Educational material.

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