



CUSTOMER SATISFACTION TOWARDS ONLINE SHOPPING WITH SPECIAL REFERENCE TO HYDERABAD CITY

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ABSTRACT

Due to globalization, technological and other rapid changes in business sector and other sectors, every human being becomes busy with their work life. Very hardly individuals are getting time to spend for shopping. Hence individuals should have alternate shopping channel which offers convenience and time saving. Online shopping becomes alternate store to conventional physical store. Purpose of the study is to find the various factors that influence the consumers online shopping and to find customer response towards online shopping. In order to conduct the study 80 sample have been selected from Hyderabad city. Data collected from the respondents with the help of well structured questionnaire and data was analyzed with the help of statistical tools. Study revealed that 46% of the respondents opined that they buy products online once in a month. 50% of the respondents expressed their opinion that they use online shopping because it is convenient. Majority respondents use online shopping for purchasing electronic products followed by clothing. 81% respondents opined that online shopping is safe. Majority respondents they prefer Cash on Delivery (COD) to other payment options. It was found in the study that there was no significant difference between age and online shopping. It was also found that there is no significant difference between income and frequency of online shopping. It was concluded from the study that 65% respondents are satisfied with online shopping.

KEYWORDS : Conventional shopping, customer satisfaction. Online shopping

INTRODUCTION

"As our lives become more fractured and cluttered, it isn't surprising that consumers turn to the unrivalled convenience of the Internet when it comes to researching and buying products"

(Jonathan Carson, President, International, Nielsen Online).

ASSOCHAM report revealed that, the industry has witnessed an unprecedented growth of 52% over 2015. Attractive deals, huge discounts; flash sales are the main reasons of growth in online shopping. In 2015 the highest growth rate was seen in the apparel segment 69.5% over last year, followed by electronic item by 62%, baby care products 53%, beauty & personal care 52% and home furnishings 49%. Growth in using of smart phones are on of the driving forces of growth in online shopping. Report reveals that 78% customers shopping through mobile phones.

In early days consumers used to search products online and used to purchase the products from physical stores. They used to use online only for collecting the information about the product such as price, quality and other features. This situation has changed. Nowadays many consumers are giving preference to purchase online; however, few consumers prefer physical stores to purchase certain type of the products.

Online shopping is defined as the process a customer takes to purchase a service or product over the internet (Jusoh 2012). E-commerce is buying, selling, marketing and servicing of products or services over computer networks. Online retailing is also known as e-tailing. Online shopping becomes more comfortable than traditional shopping. Online shopping offers many advantages to consumers.

1. Convenience: Online shopping offers an opportunity to buying products and services from home or from work place. Online shopping offers 24 hours 7 days (24x7) shopping.
2. Variety. Through online shopping consumer can explore variety of products by using internet.
3. Time: through online shopping consumer can save valuable time.
4. Comparability: consumer can compare products features, price and other aspects very easily. Consumer can purchase better product at better price through online shopping. Consumers able to get reviews about the products.
5. Detailed Information: Consumers can get detail information about the product. Consumer can easily explore the complete information of the product. Consumer can take ample time to get information about the product.

Online shopping becomes more comfortable alternative shopping mode. Online shopping provides an opportunity to explore or to access

rapidly products and information about quality, price and other product related information. In traditional selling seller stick to one or few areas to sell their products, but with increase in information technology sellers got an opportunity to sell their products in wide area in the country or some time internationally by using web based technology.

Review of Literature

1. **Adrita Goswami, Pallavi Baruah and Sarat Borah.(2010) A study was conducted on customer satisfaction towards online shopping with special reference to teenage group of Jorhat town.** It was found that most of the customers are satisfied with online shopping. Study indicates that sellers must give more importance to price and after sale service. Study suggested that marketers should concentrate on customer retention by providing new products.
2. **M.Rajeshwari (2015) studied the customer satisfaction towards online shopping in Chennai city.** She studied in her research that what are the different factors affect the consumer satisfaction with respect to online shopping. She also studied in her research paper that what are the different categories of products that consumer favor to purchase online and what type of products for which consumers favor to purchase traditionally. Researcher studied different payment systems. She studied association between age and internet proficiency. It has been proved that there is association between age and internet proficiency. It was also proved that no association between gender of consumer and online shopping. There is association between age and frequency of online shopping.
3. **Bushra Mateen (2015). Study was conducted on consumer's satisfaction towards online shopping with special reference to Nainital district.** Study revealed that availability, trust, convenience and discounts are the important deterrents that insist customers to shop online. It is also found that online shopping has positive impact on customer's satisfaction.
4. **Dr.D.Sudhakar, R.Swarna, Deva Kumari (2016), Customer satisfaction towards online shopping a study with reference to Chittoor district.** Study was conducted to find the satisfaction levels of customers of the selected products. In study it was found that majority (43.3%) respondents preferred to buy products through Flipcart website followed by Amazon.in. 34.2% of respondents are highly satisfied with on time delivery of the product. Majority customers are satisfied with payment security, choice availability, door delivery and discounts. However, 42.5% respondents were showing their dissatisfaction towards after sale service which is very important. Customers expressed satisfaction on online shopping.
5. **Dr.A.B. Shanthi (2017), A study on the customer satisfaction towards online shopping in Tirupati town.** Study revealed that

most of the customers preferred to pay as cash on delivery and Net Banking. Almost all the respondents agreed that online shopping saves time and is convenient. Study revealed that 43% of respondents are not ready to provide card information because of security issues.

Need for the Study

Online shopping becomes part of the every human being. Every individual in one way or other using online shopping to purchase products and services. Since online shopping offers so many advantages, every person willing to purchase through online. However, online shopping is not free from limitations. This study useful to know the customer feelings towards online shopping

GAPOF THE STUDY:

Many studies were conducted nationally and internationally on online shopping. In India studies were conducted to know the customer satisfaction towards online shopping in different cities. However, few studies were conducted on consumer satisfaction towards online shopping in Hyderabad city. So this was identified as gap for study.

OBJECTIVES OF THE STUDY:

Consumer behavior influenced by many factors such as social factors, cultural factors and personal factors. Online shopping behavior is unlike from traditional shopping behavior. Purpose of the study is

1. To analyze the various factors that influence consumer online shopping and
2. To know the customer satisfaction towards online shopping.

SCOPE AND PERIOD OF THE STUDY

The data was collected from the Hyderabad city. Data was collected from the 80 respondents of Hyderabad city. The study was conducted to measure and find the customer satisfaction level towards online shopping, frequency of online shopping and different modes of payments used for online shopping. The data was collected in the month of June 2017.

SIGNIFICANCE OF THE STUDY

Online shopping is now become integral part of daily life. The present study is useful to find the satisfaction level of customers and opinion of customers on various online shopping related issues. This study will help to find what are the different factors that influence the consumer buying behavior, based on that sellers can make changes in their business.

RESEARCH METHODOLOGY

To conduct the study the data was collected from both primary and secondary sources. Primary data collected by administering questionnaire. In order to collect the data 80 members were selected from Hyderabad city. Non probability sampling method followed to select sample. Under non probability sampling method Convenience sampling technique was followed to select the sample. Well design questionnaire was distributed among the respondents. To make an analysis the data and to test the hypothesis simple averages and chi2 technique was applied.

Hypotheses:

Following hypotheses were formulated for the purpose of the study.

- 1) There is no significant relationship between age and frequency of online shopping
- 2) There is no significant relationship between income and frequency of shopping

LIMITATIONS OF THE STUDY: This study conducted in the Hyderabad city with sample size of 80. Results may be different when conducting the study with different sample size.

DATA ANALYSIS

Table1: Classification of sample respondents

Demographic Factor		Frequency	Percentage
Gender	Male	50	63%
	Female	30	37%
	Total	80	100%

Age	18-25	28	35%
	26 -35	24	30%
	36- 45	20	25%
	46 and above	8	10%
	Total	80	100%
Education	Primary education	16	20%
	Intermediate education	24	30%
	Graduation	26	33%
	Post Graduation	14	17%
	Total	80	100%
Occupation	Student	28	35%
	Self employed	8	10%
	Employed	35	44%
	Not working	9	11%
	Total	80	100%
Income	Below 15000	8	10%
	15000 to 25000	27	34%
	25000 to 50000	12	15%
	Above Rs50000	13	16%
	Not applicable (incase students)	20	25%
	Total	80	100%

(Source: Primary Data)

It can be found from the Table 1 that in the total of 80 sample respondents 63% are male respondents and 37% are female respondents. In relation to age Majority respondents are i.e. 35% belongs to 18-25years age group and 8% of the respondents are above 46 years age. Table also depicts the level of education of respondents. Among the respondents 16 (20%) have Primary Education, 30% respondents are completed intermediate education, 26 (33%) are Graduates and 14 (17%) respondents are Post Graduates. As far as Occupation of respondents.35% of the respondents are students, 10% are self employed, 44% respondents are employed and 11% respondents are not working anywhere. Table Shows majority respondents (34%) have income between 15000 to 25000 and 25% student respondents not having income.

Table2: Frequency of shopping

Frequency in Month	Frequency	percentage
Once	37	46%
Twice	18	23%
More than twice	25	31%
Total	80	100%

Table shows that majority respondents (46%) purchase products via online once in a month, 23% respondents purchase products twice in a month and another 31% respondents more than twice in a month.

Table3: Reasons for Online Shopping

Reason	Frequency	percentage
Convenience	40	50%
Low price	16	20%
Show up	4	5%
Variety	20	25%
Total	80	100%

Table shows reasons for Online Shopping that 50%of respondents purchase products through online as online shopping is convenient, followed by 25%purchase because online shopping offers variety products and only 5% respondents purchase via online to show up. It can be concluding that customers using online shopping because it is convenience.

Table 4: Type of the product to purchase online

Type Of the product	Frequency	percentage
Clothing	23	29%
Electronics	37	46%
Furnishing	2	3%
Books	6	8%
FMCGs	12	15%
Total	80	100%

Table shows type of the product that consumer prefer to purchase

online. Majority (46%) respondents are using online shopping to purchase electronic products followed by clothing with 29%. Whereas 15% of consumer using online to purchase FMCGs and Low percentage (11%) respondents using online shopping to purchase furnishing items, books.

Table 5: Safety of Online Shopping

Safety of Online shopping	Frequency	Percentage
Yes	65	81%
No	15	19%
Total	80	100%

It can be conclude from above table that majority respondents (81%) opined that online shopping is safe.

Table6: Mode of Payment

Mode of payment	Frequency	Percentage
Cash On Delivery	46	57%
Credit cards	14	18%
Debit cards	8	10%
Net banking	12	15%
Total	80	100%

It can be conclude that majority respondents (57%) prefer to pay cash on delivery followed by credit cards (18%), Net Banking (15%).

Table 7: Customer Satisfaction

Satisfaction	Frequency	Percentage
Yes	52	65%
No	28	35%
Total	80	100%

Majority respondents (65%) are satisfied with online shopping and 35% of customers are not satisfied with online shopping. It can be conclude that customers are satisfied with online shopping.

Hypothesis Testing

Hypothesis 1: There is no significant relationship between age and frequency of online shopping (H0).

Age	Once	Twice	More than twice	Total
18-25	10	8	10	28
26-35	13	4	7	24
36-45	10	4	6	20
46 above	4	2	2	8
Total	37	18	25	80

Calculated χ^2 value: 2.304

Degrees of freedom: 6

Table value at 5% level of significance 12.592 Since calculated value is lower than table value null hypothesis is accepted. Hence, it can be conclude that there is no significant relationship between Age and frequency of online shopping.

Hypothesis 2: There is no significant relationship between Income and frequency of online shopping (H0).

Income	Once	Twice	More than twice	Total
Below 15000	3	2	3	8
15000-25000	13	5	9	27
25000-50000	5	4	3	12
Above50000	6	3	4	13
No income	10	4	6	20
Total	37	18	25	80

Calculated χ^2 value: 1.463

Degrees of freedom: 8

Table value at 5% level of significance 15.507 Since calculated value is lower than table value null hypothesis is accepted. Hence, it can be conclude that there is no significant relationship between Income and frequency of online shopping.

Conclusion: From the above study it was concluded that the customers are satisfied with online shopping. Convenience is important factor that drive the customers towards online shopping and customers are using online shopping to purchase different type of the products. It was

also found in the study that there is no significant difference between age and frequency of online shopping and there is no significant difference between income and frequency of online shopping.

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