



AN ANALYTICAL STUDY OF THE IMPACT OF ONLINE SHOPPING ON CUSTOMER SATISFACTION

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ABSTRACT Online shopping in India has increased significantly. Those days are gone when people used to visit the stores for buying their necessary products. Now, there are various e-commerce websites like Amazon, Flipkart etc. that have captured the market considerably. Electronic products like mobile phones, pen drives, laptops and other electronic gadgets are also available online. This research paper will focus on the impact of online shopping on customer satisfaction.

KEYWORDS : Customer Satisfaction, Online Shopping and E-Commerce

Introduction

21st century is all about E-commerce and e-tailing. Customer is considered the king of marketing, so it is important to satiate his myriads needs and wants. Earlier, traditional modes like visiting the store were the main medium for purchasing the goods and services. But, it was a time consuming and expensive process. The customer's valuable time was spent on travelling to the retail stores. It was like a family outing. With the advent of modern technology, various online shopping portals have attracted the prospective customers. The rapid boom of e-commerce is inflicting intense effects on contemporary business world. The growth of e-commerce is still in an infancy stage and the determinants to attract people towards online shopping remain vague well. To appraise and predict those immense impacts of e-commerce, it is important to further improve our understanding of consumers' e-shopping behavior.

India was one of the fastest growing retail e-commerce markets in 2015, growing at the rate of 129.5 per cent Y-o-Y. The growing number of Internet users in the country helped web merchants in steadily whittling away consumers' skepticism about buying goods and services online. The Internet and worldwide web (www) have dramatically changed the way consumers seek and use information. The Internet, which was earlier conceptualized as a tool for enhancing information, has become an important place of business these days. For businesses, the key to survival in the future depends on how well they can integrate this medium in their business model today. In order to sell anything over the internet, they have to take into account that what consumers buy, why they buy, how they buy how they buy, who their customers are, what their spending habits are like and the products and services they prefer.

Customer Satisfaction

Customer satisfaction is when products and services meet the expectation of the consumers. It is very important that consumers are content with the products and services provided by the particular website as satisfied customers are likely to be loyal and make repetitive purchases which will increase profitability of that particular e-commerce company.

Review of Literature

Singhal and Shekhawat (2014) had conducted their study on customer satisfaction after purchasing any tourism product or services online. It is analyzed that online purchase is easier but there are many factors which influences customers to purchase.

Rashed Al Karim (2013) in his study analyses that people are preferring e-commerce due to various factors such as time saving, availability of information, convenience and the major hurdles faced by them are security, privacy, and trust of personalized services.

Objectives of the Study

1. To determine the satisfaction level of customers with reference to online shopping.
2. To identify the factors that motivates customers to go for online shopping.

Research Methodology

Research Design: Descriptive Research
Sampling Method: Convenience Sampling

Sample Size: 50 respondents of Jaipur city out of which 35 have duly given their responses.

Hypothesis Test: Bi-variate correlation

Hypothesis of the Study

1. There is no significant relationship between customer satisfaction and online shopping.

Data Analysis and Interpretation

1. Demographic Profile of the Respondents

Age of Respondent

Age Group	Frequency	Percentage
18-25	10	29
26-35	15	43
36-45	5	14
Above 46	5	14
Total	35	100

From the above table, it can be concluded that majority of the respondents (15%) are aged between 26 to 35 years which means that online shopping is liked by the youth followed by the age group of 18-25 years (10%).

Gender of Respondent

Gender	Frequency	Percentage
Male	22	63
Female	13	37
Total	35	100

From the above table, it can be concluded that majority of the respondents which do online shopping (63%) are the males.

Education Level of Respondent

Education	Frequency	Percentage
Secondary	7	20
Senior Secondary	3	9
Graduate	10	29
Post Graduate	13	37
Doctorate	2	5
Total	35	100

From the above table, it can be concluded that majority of the respondents which do online shopping (37%) are post graduates.

Income Level of Respondent

Annual Income	Frequency	Percentage
Below 2 lakhs	5	14
2-3 lakhs	10	29
Above 3 lakhs	20	57
Total	35	100

From the above table, it can be concluded that majority of the respondents which do online shopping have their annual income above 3 lakhs (57%).

Product Purchased Through Online Shopping

Product Purchased	Frequency	Percentage
Apparels	17	49
Electronics	13	37
Books & Magazines	1	3
Cosmetics	3	8
Others	1	3
Total	35	100

From the above table, it can be concluded that majority of the respondents purchase apparels (49%) through online shopping.

2. Testing of Hypothesis

- a) There is no significant relationship between customer satisfaction and online shopping.

While testing this hypothesis, several variables determining online shopping has been considered like online price of the products, convenience of shopping, shopping risk, offers and discounts, website interface have been considered. For testing the hypothesis, bi-variate correlation has been used.

1. There is no significant relationship between product price and customer satisfaction towards online shopping.

Correlation			
		Online Product Price	Customer Satisfaction
Online Product Price	Pearson Correlation	1	.475**
	Sig. (2-tailed)		.004
	N	35	35
Customer Satisfaction	Pearson Correlation	.475**	1
	Sig. (2-tailed)	.004	
	N	35	35

Research Output produced with the help of SPSS

The level of significance used is 0.05. The null hypothesis is rejected since p value (0.004) is less than 0.05. The above table shows that there is a significant relationship between product price and customer satisfaction towards online shopping.

2. There is no significant relationship between convenient shopping and customer satisfaction towards online shopping.

Correlation			
		Customer Satisfaction	Convenient Shopping
Customer Satisfaction	Pearson Correlation	1	-.494**
	Sig. (2-tailed)		.003
	N	35	35
Convenient Shopping	Pearson Correlation	-.494**	1
	Sig. (2-tailed)	.003	
	N	35	35

Research Output produced with the help of SPSS

The level of significance used is 0.05. The null hypothesis is rejected since p value (0.0034) is less than 0.05. The above table shows that there is a significant relationship between convenient shopping and customer satisfaction towards online shopping.

3. There is no significant relationship between discount offers and customer satisfaction towards online shopping

Correlation			
		Customer Satisfaction	Discount Offers
Customer Satisfaction	Pearson Correlation	1	-.384*
	Sig. (2-tailed)		.023
	N	35	35
Discount Offers	Pearson Correlation	-.384*	1
	Sig. (2-tailed)	.023	
	N	35	35

Research Output produced with the help of SPSS

The level of significance used is 0.05. The null hypothesis is rejected since p value (0.023) is less than 0.05. The above table shows that there is a significant relationship between discount offers and customer satisfaction towards online shopping

4. There is no significant relationship between shopping risk and customer satisfaction towards online shopping.

Correlation			
		Shopping Risk	Customer Satisfaction
Shopping Risk	Pearson Correlation	1	-.493**
	Sig. (2-tailed)		.003
	N	35	35
Customer Satisfaction	Pearson Correlation	-.493**	1
	Sig. (2-tailed)	.003	
	N	35	35

Research Output produced with the help of SPSS

The level of significance used is 0.05. The null hypothesis is rejected since p value (0.003) is less than 0.05. The above table shows that there is a significant relationship between shopping risk and customer satisfaction towards online shopping. It clearly shows that customers prefer online shopping due to less shopping risk.

5. There is no significant relationship between website interface and customer satisfaction towards online shopping.

Correlation			
		Customer Satisfaction	Website Interface
Customer Satisfaction	Pearson Correlation	1	-.384*
	Sig. (2-tailed)		.023
	N	35	35
Website Interface	Pearson Correlation	-.384*	1
	Sig. (2-tailed)	.023	
	N	35	35

Research Output produced with the help of SPSS

The level of significance used is 0.05. The null hypothesis is rejected since p value (0.023) is less than 0.05. The above table shows that there is a significant relationship between website interface and customer satisfaction towards online shopping. It clearly shows that customers are satisfied through online shopping due to user friendly website.

Conclusion

Online shopping has now become a trend these days. Due to increase in the digitization and smart phone users, customers now prefer to shop online rather than going to the store, thus wasting time and energy. Based on the findings, all components in factors that impact the customer satisfaction towards online shopping have significant impact. In this research the researcher just only focus on five factors that give impact on customer satisfaction which are online price of the products, convenience of shopping, shopping risk, offers and discounts, website interface.

Limitations of the Study

1. The study is confined to Jaipur city only.
2. Only five factors that affect online shopping were considered, there could be other factors also.
3. The sample size was small i.e., 35 respondents only.

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