



A STUDY ON CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING, WITH SPECIAL REFERENCE TO CALICUT CITY

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ABSTRACT

The development in technology is allowing to have an increased use of internet facility at cheaper rate. Smart phones are enabling the customers to search and find products on their fingertips. Both buyers and sellers are benefiting through this, in number of ways. This study is an attempt to understand the buying behaviour, problems faced and their satisfaction level from online shopping.

KEYWORDS : online shopping, Buying behaviour, Satisfaction level.

INTRODUCTION

The technology is developing day by day. The number of internet users are increasing at a growing rate because of falling prices for broadband connections. The first World Wide Web server and browser, created by Tim Berners-Lee in 1990, opened for commercial use in 1991. Subsequent technological innovations taken place in 1994. There after Amazon.com launched its online shopping site in 1995 and e-Bay was introduced in 1996. Last few years Internet has exploded in India, spreading its reach everywhere. As more and more consumers embrace the virtual world as a safe and convenient place to shop – either on computers or using their smartphones – one thing is for certain, online shopping will go on increasing. A new study by Forrester Research has stated that approximately a fifth of total retail sales will take place online by 2021 in Asia Pacific, 78 per cent from smartphones. The study adds that online retail via mobile will grow at a 15.6 per cent, to reach \$1 trillion in 2020.

E-commerce is helping people in smaller towns in India to access quality products and services similar to what people in the larger cities have access to. Increasing internet penetration has helped to expand the potential customer pool. When we go through the past years, there has been a dramatic change in the way of shopping. Online shopping frees the customers from physically visiting the store and spending time and energy for travelling. More than that customers can compare the rate on screen, take quick decision at home. Even though there are number of advantages in online shopping, people are concerned about the quality of product they receive, any hacking of their account may happen, the delay in the date of delivery etc. Now also many people are preferring the traditional shopping because of their enjoyment in doing the physical shopping. online banking, online shops of retailer, e-wallets and payment banks etc lead to the revolutionary change in online shopping. Now corporates are very anxiously watching the innovations in online movements for their survival and getting more market coverage. At present every business house is giving special emphasis on online purchase along with traditional retail store based purchase. Most of the companies are running their on-line portals to sell their products/services on-line Technological inventions all over the world have changed the perception of consumer behaviour.

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 tradition and culture of Indian are different from other country, like each country having its own unique culture. This aspect has great influence on the buying habit of people. If people are personally visiting, it is quite easy to know more about their preferences by the sales man. But in the case of online shopping we have to conduct researches and surveys to get this. Such studies and reports definitely help the corporate world to frame their products accordingly. Internet encourages a one to one communication between the seller and the buyer with round the clock customer service. Today, business internet marketing is the fastest growing area of online commerce. Increasing numbers of people are attracted towards more intensive use of the Internet as the accessibility of technology, the availability of information, and the ability to interact through the Internet increase and evolve. Obvious capabilities of the Internet include avenues for gathering information, purchasing a product, or rendering a service.

Now Customers are using net facility not only to buy the product

online, but also to compare prices, product features and after sale service facilities they will receive if they purchase the product from a particular store. Some other reasons like these, say shortage of time, traffic jams, late working hours, versatility of plastic money and above all the approach of internet at the door step of whosoever desires it. In these days' online retailers have also improved their service like Cash On Delivery, Free shipping Charge and the companies changed even their delivery pattern, from fixed delivery timings it is moved on to convenient delivery timings at the choice of the customer

India has opened the doors for foreign direct investment in retail Many companies have started using the Internet with the aim of cutting marketing costs, thereby reducing the price of their products and services in order to stay ahead in highly competitive markets. Companies also use the Internet to convey, communicate and disseminate information, to sell the product, to take feedback. In this context an understanding about the buying behaviour of online customers will definitely help companies to plan their products accordingly.

THEORETICAL BACKGROUND

Mobile commerce:

It is commonly known as M. Commerce. It is the buying and selling of goods and services through wireless handheld devices such as cellular telephone and Personal Digital Assistants(PDAs). M. Commerce enables the users to access the Internet needing to find a place to plug in.

Consumer Online-buying Behaviour

Consumer buying behaviour is the sum total of consumer's attitudes, preferences, intentions and decisions regarding the consumer's in online shopping. Online shopping behavior also called online buying behavior and Internet shopping/buying behaviour refers to the process of purchasing products or services via the Internet

Statement of the problem

Technological advancements like internet, smartphones etc lead to the growth of Ecommerce. Today people are more familiar with digital payment and Internet. Even though the online shopping has been increasing, the doubts and fear about hacking, quality of product actually receive and satisfaction level all these are still a matter of concern. This study is an attempt to understand the type of goods purchased, which mode of payment people prefer and their satisfaction level after purchasing among people located in Calicut city.

Objectives

1. To understand online buying behaviour of customer.
2. To know the problems they faced during online shopping
3. To understand the satisfaction level among online consumers.

Need and Significance of the Study

The study will help to understand how consumers behave while they purchase in online mode. There are number of people who stopped online shopping after their first experience. Again some people are still afraid in doing online shopping due to the lack of awareness about safe shopping sites and different mode of payment. Some customers are regular while others are only interested in browsing and collecting information. The various offers like reward points on card shopping, Cash On Delivery(COD) are attracting new customers to do on line

shopping. In this context it is very important to know how customers behave in online shopping, how far they are satisfied and is there any problem faced in their experience. This knowledge will help marketers to create awareness and confidence among customers on their doubts regarding online shopping.

Sample size and area

Samples were collected from consumers and buyers of online shopping of Calicut City. Data has been collected from 30 respondents (doing online shopping) located in Calicut City.

Tools for analysis

For data analysis, percentage analysis, simple charting, tabulation tools and Likert scale are used to understand the behaviour of the respondents for online shopping.

Methodology

Primary as well as secondary data has been used for the study. Questionnaires were prepared and mailed to get the response from primary source. Articles were used to get the secondary data.

Limitations of the study

Only thirty samples were selected using judgement sampling. Personal bias may be affected in the results. The people using good sites were approached to get the data, therefore the draw backs and problems faced in online shopping were very less.

Review of Literature.

A study on Factors Affecting on Online Shopping Behavior of Consumers, Dr.Gagandeep Nagra, Dr.R Gopal(2013)¹. This paper has made an attempt to understand 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. Both qualitative and quantitative methods have been used for the study. 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.

Online Shopper Behavior: Influences of Online Shopping Decision, Chayapa Katawetawara, Cheng Lu Wang (2011)², This paper says, even though there are studies revealing about the factors leading to online shopping, it is yet to understand what factors influence online shopping decision process. This paper is trying to provide an overview of online shopping decision process by comparing the offline and online decision making and identifying the factors that motivate online customers to decide or not to decide to buy online. From the study it concludes that marketing communication process differs between offline and online consumer decision. Managerial implications are developed for online stores to improve their website.

A Study on Online Shopping Behavior: Issues and Prospects, Nilanjan Ray, Gouranga Patra(2017)³ Both technology and consumers are playing a significant function in online shopping. This study is done to empirically assess the customer perception on online shopping behavior. It also attempted to examine to identify the effective factors and how these factors affecting and influencing the online behavior. It is a cross-sectional survey and primary data base. 120 samples were used and Collected data has been analyzed by SPSS 21 using KMO and Bartlett s Test to identify which factor is more effective amongst different factors of online shopping. The finding of the study is that technical factor is important concern in online shopping. Study also showed that consumers those who are technical knowledge feel easy in online shopping.

Consumers' Perception on Online Shopping Dr.R.Shanthi, Dr. Desti Kanniah(2015)⁴, This study highlights student's attitude towards online shopping and their product preference on online shopping. This study result is intended to enable the e-retailers to support their online customer better by developing suitable marketing strategy in order to attract and convert potential customer as an active customers by encouraging them in an efficient way to make a purchase decision.

Web Based-Shopping: Consumer's Attitudes Towards online shopping in New Zealand Gurvinder S, S.Shergill and Zhaobin Chen (2005)⁵, This paper is part of larger study, and focuses on factors which online New Zealand buyers keep in mind while shopping online. It also investigates how different types of online buyers perceive websites

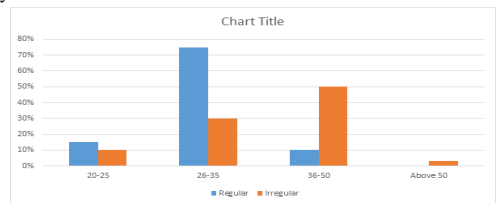
differently. This research found that website design, website reliability/fulfilment, website customer service and website security/privacy are the four dominant factors which influence consumer perceptions of online purchasing. The four types of online New Zealand buyers; i.e., trial, occasional, frequent and regular online buyers; perceived the four website factors differently. These buyers have different evaluations of website design and website reliability/fulfilment but similar evaluations of website security/privacy issues, which implies that security/privacy issues are important to most online buyers. The significant discrepancy in how online purchasers perceived website design and website reliability accounts for the difference in online purchase frequencies.

Data Analysis and Interpretation

1.The frequency of purchase among different age group

Age	Regular	percentage	Irregular	Percentage	No: of respondent
20-25	3	15	1	10	4
26-35	15	75	3	30	18
36-50	2	10	5	50	7
Above 50	0	0	1	10	1
Total	20	100	10	100	30

Primary Source



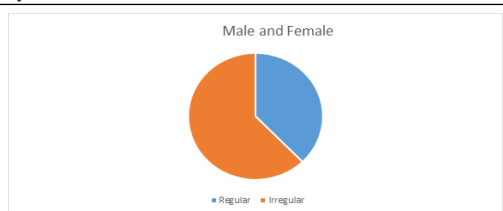
Interpretation

The first table clearly explains that within the age group of 26-35, the regular online buying behaviour is higher (75%) while at the age above 50 constitute only ten percentage, that too irregular online shopping behaviour.

2.Gender difference in frequency of purchase

Gender	Total Number	Regular	percentage	Irregular	Percentage
Male	22	15	75	7	70
Female	8	5	25	3	30
Total	30	20	100	10	100

Primary Source



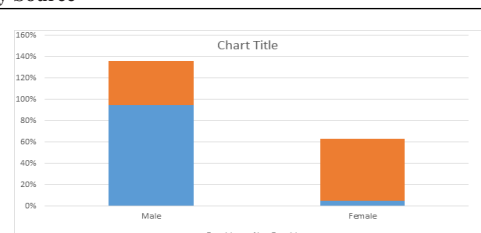
Interpretation

Table 2 explains out of thirty samples twenty-two of them are male. Again male shows a regular online shopping behaviour than women.

3.Types of products preferred by online customer

Gender	Total Number	Durable	Percentage	Non-Durable/FMCG	Percentage
Male	22	17	94.5	5	41.6
Female	8	1	5.50	7	58.4
Total	30	18	100	12	100

Primary Source



Interpretation.

The table 3 gives an idea about the type of goods preferred by men and women .94.5% of Men are interested in buying durable items like electronic goods, vehicles, etc and only 41.6% are interested in FMCG products. Women are interested in more in FMCG (58.4%) than buying durable items(5.5%)

4. Most preferred online Shopping site

Name of Site	Male	Percentage	Female	Percentage
Flipkart	8	36.36	1	12.5
Myntra	2	9.09	4	50
Amazon	8	36.36	2	25
Jobong	4	18.19	1	12.5
	22	100	8	100

Interpretation

All buyers prefer to go for reputed shopping sites only. Among the sites

6. Level of satisfaction towards online shopping

Statements	Highly Satisfied	%	Satisfied	%	Neutral	%	Not Satisfied	%	Not at All Satisfied	%
Products are Timely Delivered	20	67	5	17	3	10	2	6	Nil	0
Provides Quality products	1	3	23	77	4	13	2	6	Nil	0
Delivers expected colour	1	3	8	27	6	20	15	50	Nil	0
Price is comparatively less	Nil	0	19	63	4	13	1	3	6	20
Provides good after sales Services	Nil	0	3	10	26	87	1	3	Nil	0

Primary Source

Interpretation

67% of the respondents are highly satisfied towards delivery time of products by online sites. Towards quality of the products 77% customers are satisfied and 13% are neutral. In relation to the expected colour and actual colour of item received, 50% are not satisfied. In relation to the price difference in direct shopping and online shopping, different opinion has been obtained. 87% of customers are neutral towards the after sales services.

Findings of the study

1. Men are more interested in online shopping than women.
2. Among the women, most of them are interested in buying Non –Durable goods which include mainly readymade garments, fashion items etc.
3. Most of them are interested to buy only from reputed sites.
4. Men are interested in card payments while women in COD.
5. Some of them had bad experience in online shopping when they used unknown sites.
6. Many people responded positively in relation to the various statements for measuring the satisfaction.
7. Some are unsatisfied with respect to the colour of the item they demanded and obtained.
8. Myntra is found as most preferred site of women buyers.
9. From the study it is clear that women have a doubtful approach toward the online sites than men.
10. Most of the respondents are highly satisfied and satisfied towards timely delivery of the products.
11. At offer price shopping can be done at comparatively less price.

CONCLUSION

Technological advancements in one side and buying behaviour of customers together will frame the future of online shopping. Companies are expected to develop innovative strategies to attract new customers. Only through winning the minds of customers they can survive. For that services should be as per the expectation of customers.

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most preferred sites are Flipkart and Amazon which shared place equally in the minds of customers.

5. Mode of payment and preferences

Gender	COD	Percentage	Card	Percentage
Male	2	28.5	20	86.95
Female	5	71.5	3	13.05
Total	7	100	23	100

Primary Source

Interpretation

Table five shows that 66% of male online buyers prefers card payment while 7% of men prefers cash on delivery. At the same time 17% of women are interested in cash on delivery and only 10% prefers card payment.