



CONSUMERS PERCEPTION ON ONLINE SHOPPING WITH SPECIAL REFERENCE TO COIMBATORE CITY

Commerce

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ABSTRACT

E-commerce is helping people in smaller towns and rural areas in India access quality products and services similar to what people in the larger cities have access to. It being forecast that close to 70% of online shoppers would come from beyond the top ten large cities by end of this year.. The first World Wide Web server and browser, created by Tim Berners-Lee in 1990, opened for commercial use in 1991. Immediately after, Amazon.com launched its online shopping site in 1995 and eBay was introduced in 1996. This study highlights student's attitude towards online shopping and their product preference through online shopping. This enable the e-retailers to support their online customer better by developing suitable marketing strategy in effective way in order to attract and convert potential customer as an active customers by encouraging them in an efficient way to make a purchase decision.

KEYWORDS

e-Commerce, Online Shopping, Consumer Perception, Buying Behaviour, Purchase Decision,

1. Introduction

Internet marketing is conceptually different from other marketing channels and internet promotes a one to one communication between the seller and the end user with round the clock customer service that is 24X7 basis. Today, business internet marketing is the fastest growing segment of online consumers. The major difference between traditional and online selling is the extent of interaction between the consumer and the seller without face to face interactions. There is much more electronic interactivity with the consumer in the form of emails and FAQs. Through FAQs, the consumer's questions on shipment, payment, product, policies and other customer concerns can be addressed effectively (Pervaiz Ali,2011).Increasing numbers of people are analysing 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. These advances in Internet technology allow for the expansion of shopping options beyond traditional methods that may be more time consuming. Issues with having to physically gather information with offline shopping methods are alleviated, and customers are better able to efficiently use their time. For instance, instead of having to physically visit different stores to compare prices or rely on circular pamphlets in newspapers, a consumer is able to search and retrieve needed information through the Internet. The Internet explosion has opened the doors to a new electronic world. Consumers are now able to use the Internet for a variety of purposes such as research, communication, online banking, and even shopping. With such advantages, the Internet is rapidly becoming the main method of communication and of conducting business conveniently. With a growing number of households turning towards the Internet and the world of e-commerce to shop, invest, make payments, and do online banking, new technological advancements will have to come about to make these transactions secure. However, not all consumers are participating in online transactions as part of the Internet boom(illiterate consumers).

2. Review of Literature

There are certain literature reviews by the context of Indian consumers **Ratika Rastogia and Sonia Chaudhary (2012)**,in this article the consumer behaviour suggest how individual, groups and organization select, buy, use and dispose of goods, services, ideas or experience to satisfy their needs and wants. Consumer needs and preferences are continuously changing, attributing the changes to factors like demographics and lifestyles. Rural areas are scattered and it is next to impossible to ensure the availability of a brand all over the country. It is true that Consumer India is flourishing, but at the same time Indian Consumer has his roots deep into his traditions.

Susan Rose, Neil Hair and Moira Clark (2011) identified online purchase in particular continues to rise, as adoption and penetration levels of Internet technology continuously increase. By 2007, European Internet penetration stood at 43% of the population with a 31% usage growth year on year. In North America, penetration was at 71% of the population with 120% growth (Internet World Stats 2007).

This is also evidenced by increasing levels of online sales, which in the US reached US\$128.1bn in 2007 and were projected to reach US\$165.9bn by 2009 (source: US Census Bureau 2009).

Peterson et al. (1997) commented that it is an early stage in Internet development in terms of building an appropriate dedicated model of consumer buying behavior. Decision sequences will be influenced by the starting point of the consumer, the relevant market structures and the characteristics of the product in question. Consumers' attitude towards online shopping is a prominent factor affecting actual buying behavior.

3. Objective of the Study

The objective of the study is given below

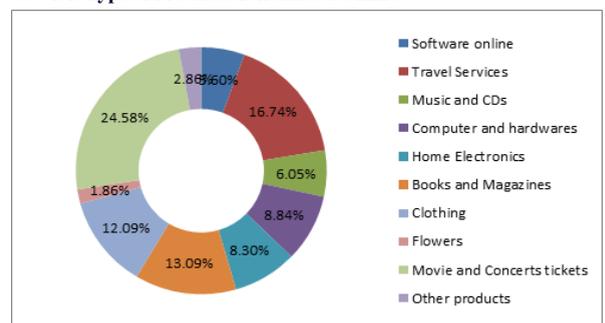
1. To know the type of products purchased by consumers through online shopping.
2. To identify the factors influencing consumer to buy online

4. Research Methodology

The study intends to explore the consumer's perception on online shopping. This chapter focuses on research design and methodology adopted for the study. The data for the study was gathered through a structured questionnaire. A direct survey was used to collect the data mostly on the students of Top most colleges in Coimbatore city. The first part of the questionnaire about Internet usage habits of the respondents such as how frequent they browse Internet, how much time they spent, purposes for Internet use, what type of products the respondents purchase online and how frequent the respondents buy products through online. The second part consisted of questions measuring all the variables which are used to measure the online shopping. All the questions were utilizing on a Likert scale ranging from 1=strongly disagree to 6=strongly agree.

5. Result and Discussion

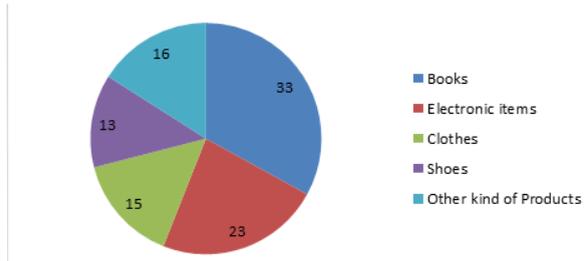
5. 1.1. Type of Products Purchased Online



It is clearly indicated that out of the 100 people surveyed the total number of various products purchased by them online 5.6% purchased software online, 16.74% purchased Travel services such as Airlines & hotels rentals, 6.05% purchased Music and CDs, 8.84% purchased computer and hardwares, 8.3% purchased Home Electronics, 13.09%

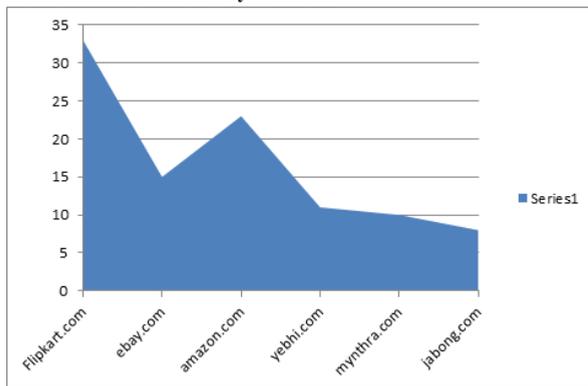
purchased books and magazines, 12.09% purchased clothing, 1.86% purchased flowers, 24.58% purchased movie and concerts tickets and 2.86% purchased other products which is not listed in it.

5.1.2. Most Products Bought Online



In this study, out of the 100 respondents - 33% of the respondents bought books, 23% bought by electronics items, 15% bought clothes followed by 13% purchased shoes the most and finally 16 % of them respondents that they purchase other kind of products.

5.1.3. Websites Used to Buy Products



Out of 100 respondents 33% said that they use the flipkart.com to purchase the clothes. 15% use ebay.com, 23% use amazon.com and 11 % use yebhi.com jabong.com. 10% use myntra.com. 8% use jabong.com. The least number of websites accessed by the respondents to purchase clothes online is shein.com,craftvilla.com etc.

5.2.2. Online Payment

Online payment refers to money that is exchanged electronically by credit card and neft transfer. This involves use of computer networks, the internet and digital stored value systems. Online payment systems are e-commerce business allowing money transfers to be made only through the Internet facility. Nowadays the online payment is a very big hit as all the merchants and companies are turning towards the online shopping which is more convenient to the consumers as well as the business. The certain factors which resist the consumers to make online purchase is the phishing and risk factor.

Shopping online is risky (.719)

5.2.3. Convenience

Mostly Students and parents rely on the internet to acquire and sell textbooks at affordable prices, many stores allow people to shop from the comfort of their homes without the pressure of a salesperson, and online market places provide a new and convenient venue for the exchange of all types of goods and services. Thus the items loaded on this factor is given below:-

Shopping online would give me greater control and time over my shopping (.733)

Selection of goods available on the internet is very broad and variety (.701)

Online shopping is as secure as traditional shopping (.641)

5.2.4. Easy Accessibility

Many of the consumers turn to online shopping only because it is very easy to use and one can make online purchase with the click of the

mouse without any strain.. Even though it is easy to use it also depends on the good and fast internet connection as in the rural areas the online shopping is yet to tough as there is lack of either power shortage or lack of networkconnectivity. The items loaded on this factor is given below:-

Great advantage to be able to shop at any time of the day on the internet-24X7 (.674)

Online Shopping allow me to have choose better item in my shopping. (.574)

5.2.5. Flexibility

Every business enterprises are adapting the online shopping features on their particular products especially as it is flexible in the sense that it is being monitored and the work is being carried in a very well structured format. The introduction of various features in the concept ofonline shopping like that of cash on delivery, door delivery, trial and money back etc are thus adding to the context of the online shopping.

I think that shopping on the internet saves time (.462)

6. Conclusion

The perception of the consumer also has similarities and difference based on their personal characteristics and preferences. The study reveals that mostly the youngsters are attached to the online shopping and hence the elder people don't use online shopping much as compared to the younger ones. The study highlights the fact that the youngsters between the age of 20-25 are mostly preferred to use the online shopping. It is also found that the majority of the people who shop online buys books online as it is cheaper compared to the market price with special discounts and offers. The study also reveals that the price of the products have the most influencing factor on online purchase. The second most influencing factor is the security of the products, the third most influencing factor on online purchase is Guarantees and Warrantees followed by delivery time and the next most influencing factor is company reputation, privacy of the information and nice description of goods. The study highlights on the easy navigation and access on the internet with people liking for easy to access the online shopping and to be more convenient. The study also reveals that majority of the respondent's buys clothes and shoes from flipkart.com which is one of the leading online shopping websites in India. The most products purchased online by the respondents is the books followed by tickets(bus,railway, movie, concerts).

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