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Study on Buying behavior of Internet Shoppers in Gujarat

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ABSTRACT

Having access to online shopping has truly revolutionized and influenced our society as a whole. This use of technology has opened new doors and opportunities that enable for a more convenient lifestyle today. Electronic goods and Airline or Railway ticket reservation tend to be the most sought after products bought online. Online shopping is a different experience and one can make the shopping creative over the internet as one gets used to it.

However, we can say that most of the respondents are aware about internet shopping but not shopping online. It is also important for all of us to understand how to shop online safely and wisely. This research study has helped in understanding how many people are buying products and services through online shopping and what is their buying behavior ts

Keywords : Buying behavior, Online shopping, Online

INTRODUCTION

Despite the phenomenal growth of the Internet over the past few years, the vast potential of conducting business over the Internet remains largely untapped. For example according to IRS (Indian Readership Survey) 2007, online shopping accounted for only 1.2 percent of total Internet Usage. Therefore, there is still much room for online shopping to grow. Perceived risk [Hassan, Kunz, Pearson& Mohamed, 2006] and lack of trust [Lim, Sia, Lee &Benbasat,2006]].is the main cited reason for consumers not purchasing online. Developing trust in online shopping environment is especially challenging, because of the lack of direct contacts with the physical stores, salespeople, and physical products in the digital world [Uslaner, 2004]

LITERATURE REVIEW

For the survey of existing literature, the research papers published in Journals, Reference books, Magazine, Internet, Government report etc. were referred as the basis for understanding as well as for exploring possible research gaps as the starting point.

Gurvinder S Shergill, Zhaobin Chen (2005) conducted a research study on "Web-Based Shopping: Consumers' attitudes towards online shopping in New Zealand". This paper is part of larger study, and focuses on factors which online New Zealand buyers keep in mind while shopping online.

Alan Hirst, Marie Ashwin (2009) studied "Cross Cultural Differences between Online Shoppers in London and Bangkok". This study evaluates the attitudes of online shoppers living in London and Bangkok and the key variables influencing their behavior

Tonita Perea y Monsuwe, Benedict G.C. Dellaert, Ko de Ruyter (2004) conducted a study on "What drives consumers to shop online? A Literature Review". The basic objective of this paper is to propose a framework to increase researchers' understanding of consumers' attitudes toward online shopping in US & Europe and their intention to shop on the Internet.

The survey of literature reveals that majority of the research in this area has been conducted in foreign countries and that there is an urgent need to undertake a systematic study of buying behavior of internet shoppers of Gujarat.

RATIONALE OF STUDY

The literature review has revealed that most of the studies have mainly concentrated on trust and risk independently. There have been hardly any studies which take into account perceived risk and trust in Internet shopping. Moreover, on detailed search the researchers have not found any substantial literature available in the Indian context delving on risk perceptions in internet shopping. From above literature study, it can be seen that all these studies have been done in non –Indian context. Through this research, the researchers expect to find the buying behavior of internet shoppers and in what categories people intend to spend more.

SCOPE OF STUDY

The study is carried out in urban part of western India especially in Gujarat. This includes cities like Ahmedabad, Rajkot, Jamnagar, Surat & Vapi. The Universe of the study consists of urban Indian customers doing internet shopping or atleast aware about internet shopping and residing in the major cities of Gujarat state.

RESEARCH OBJECTIVES

(1) To analyze buying behavior of internet shoppers
(2) To suggest suitable precautions to customers regarding how to shop safely online

SAMPLING DESIGN

The sample size of 300 respondents were selected from five major cities covering Central, South and Saurashtra region in the state of Gujarat with various geographical areas like-Ahmedabad, Surat, Vapi, Rajkot and Jamnagar. All the respondents were administered structured questionnaire. The researcher has applied convenient sampling combined with judgemental sampling technique.

DATA COLLECTION AND ANALYSIS

The cross-sectional descriptive research design is used for conducting this research work because this design enables the researcher to study the problem at given point of time of the population of interest. Structured Questionnaire has been employed to get information regarding the buying behavior.

PERIOD OF STUDY

This study was conducted during January 2010 to May 2013.

DATA ANALYSIS & INTERPRETATION

Analysis of buying behavior of internet shoppers in Gujarat state is as under:

1. How often do you Shop Online?

Table - 1 : Table showing Number of Respondents Shopping Online

		Frequency	Percent	Valid Percent	Cumulative Percent
	Frequently (once a week)	2	.7	.7	.7
	Regularly (at least once a month)	6	2.0	2.0	2.7
	Occasionally (once in 2-4 months)	14	4.7	4.7	7.3
	Rarely(once in a year)	28	9.3	9.3	16.7
	According to the need	80	26.7	26.7	43.3
	Never	170	56.7	56.7	100.0
	Total	300	100.0	100.0	

Interpretation: The above table shows that 26.7 % of the respondents shop according to the need while 56.7% of the respondents never shop online. This shows that majority of the respondents never shop online

2. Select the Payment Mode normally adopted by you in Internet Shopping

Table - 2: Table showing Payment Mode normally adopted in Internet Shopping

Payment Mode	Frequency	Percent	Valid Percent	Cumulative Percent
Credit Card	15	11.5	11.5	11.5
Debit Card	23	17.7	17.7	29.2
Net Banking	9	6.9	6.9	36.2
Cash on Delivery	83	63.8	63.8	100.0
Total	130	100.0	100.0	

Interpretation: The above table shows that 63.8% of the respondents prefer cash on delivery while only 6.9% of the respondents prefer to use net banking as a payment mode in internet shopping. This shows that majority of the respondents prefer cash on delivery as a payment mode in internet shopping

3. What do you buy on Internet?
Table - 3: Table showing category of products customers buy on internet

Category	%	Category	%
Books	2	Online magazines & journals	2
Airlines reservation/ Railway ticket booking	25	Apparels	20
Electronic goods	35	Gifts, Greetings, Flowers	1
Share trading	3	Banking	10
Music	1	Others	1

Interpretation: The above table shows that majority of respondents buy electronic goods followed by airline or rail tickets booking and apparels on internet.

FINDINGS
Following are the findings of the study:

➢ 26.7 % of the respondents shop according to the need while 56.7% of the respondents never shop online

➢ 41.5% of the respondents under the age group of 20-29 shop online while only 2.3% of the respondents under the age group of 15-19 shop online.

➢ 41.5% of respondents under service profession shop online while 0.8 % (i.e. 1) respondent who is housewife shop online

➢ 77.7% of the respondents who shop online are male and 22.3% of the respondents are female

➢ 51.5% of the respondents who shop online are post graduates while only 5.4% of them are SSC or below qualification

➢ 46.9% of respondents who shop online fall in the income group of 20,000 to 40,000 monthly income while only 8% of respondents fall in the income group of 80,000 to 100,000

➢ 64.6% of respondents who shop online are married while only 35.4% of respondents are single

➢ 51.5% of the respondents who shop online live in joint family while 48.5% of the respondents live in nuclear family

➢ 61.5% of the respondents use search engines (like google, etc.), while only 3.8% of the respondents prefer Blogs and 10% of the respondents use product catalogue as sources to gather information about various products online

➢ 63.8% of the respondents prefer cash on delivery while only 6.9% of the respondents prefer to use net banking as a payment mode in internet shopping

➢ 35% of respondents prefer electronic goods, 25% prefer air & rail tickets and
   20 % prefer apparels when buying online

SUGGESTIONS
Here are some *suitable precautions or suggestions to customers regarding how to shop safely online*. Follow these basic guidelines and shop online safe with confidence.

1. **Use Familiar Websites**
2. **Look for the Lock**
3. **Don't Tell All your username and password**
4. **Check Statements**
5. **Use Strong Passwords**
6. **Avoid Online Shopping through Public Terminals**

CONCLUSION
In Nutshell, Online shopping has come to stay but it is not a threat to traditional shopping may be because many consumers still prefer going out for shopping. However, we can say that most of the respondents are aware about internet shopping but not shopping online as they still prefer traditional shopping. This may be due to lack of trust and perceived risk in online shopping.

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