



Role of Demographics in Online Shopping Behaviour – an Empirical Study

Dr.D.PADMAVATHI

M.Com., M.Phil., PGDCA., MBA., Ph.D.Associate Professor & Head
Department of Commerce,Sri Ramakrishna College of Arts & Science for Women, Sidhapudur,Coimbatore – 641044.Tamil Nadu, India.

Ms.V.PRIYANKA

Research Scholar – M.Phil. (Commerce),
Sri Ramakrishna College of Arts & Science for Women, Sidhapudur,Coimbatore – 641044.Tamil Nadu, India.

ABSTRACT

With the globalization of major economies and the removal of trade barriers, organizations target customers globally and provide their service globally. In such a situation e-business offers certain advantages over traditional business. Due to the rapid development of technologies surrounding the internet, companies which are interested to sell their products through their websites even though buyers and sellers can be thousands of miles apart, may belong to different parts of the world. Since internet is the fast developing medium, the online retailers have to understand the importance of analyzing and identifying the factors influencing the customers when they decide to purchase on the internet is vital because the new virtual market will bring significant difference to the customers.Analyzing customer behaviour is not a new phenomenon. Many theories have been used for many years not only to understand the behaviour of customers but also to create a marketing strategy that will attract the customers efficiently.

KEYWORDS

demographics, online shopping, behaviour, satisfaction, marketing strategy.

Introduction

The invention of the internet has created a new pattern of the way people shop. Customers are no longer tied to the opening hours or specific locations; it may become active virtually at any time and any place to purchase products and services. The Internet is relatively new medium for the communication and the exchange of information which has become present in our daily lives. The number of Internet users is constantly increasing, which is also significance that online purchasing is increasing rapidly.

Today managers are tapping into the power of e-commerce. E-business has emerged to be one of the most important marketing and sales tool. With the help of e-business we can purchase anything that is available on the internet. Through e-business different type of businesses has gained an opportunity to increase their sale and can maintain a direct relationship with its customers without any other person between business and customer. E-business has helped a lot in the globalization of businesses throughout the world.

It has been more than a decade since e-commerce first evolved. Researchers and practitioners in the electronic commerce constantly strive to obtain a better insight in consumer behaviour in cyberspace. With the development of the retail E-commerce, researchers continue to explain E-attitude of consumers of different perspectives. E-commerce is the buying and selling of the goods and services online; internet is the best source to use this tool. Today the amount of trade that is conducted electronically using e-commerce has increased with a wide spread usage on internet and technology. E-commerce includes transferring of funds online, supply chain management, marketing over internet.

Literature Review

Hernández, B., Jiménez, J., & José Martín, M. (2011) have analysed whether individuals' socioeconomic characteristics – age, gender and income – influence online shopping behaviour of experienced e-shoppers i.e. individuals who often make pur-

chases on the internet. The results proved that once individuals attain the status of experienced e-shoppers their behaviour is similar, independently of their socioeconomic characteristics. The internet has become a marketplace suitable for all ages and incomes and both genders, and thus the prejudices linked to the advisability of selling certain products should be revised.

Sharma, P., & Batra, M. V. (2016) attempted to study the impact of demographic factors on on-line shopping behaviour of consumers in the city of Delhi. The findings of the study showed significant difference in the online shopping behavior of the consumers in relation to age and gender. Whereas, income of the consumers and their marital status were not found to have a significant impact on the online shopping behaviour.

Anjana, R., & Naidu, G. (2016) in their research paper attempted to study the difference between men and women in online shopping. Though the numbers of online women buyers are less when compared to male online buyers, they spend more online. This paper examines the key factor (demographic) which affects the buying motives of men and women consumers for online shopping or e-shopping. The main objective of this study is to analyse the factors (demographic) affecting on online shopping behaviour of men and women online consumers.

Objectives of the study

1. To analyse the influence of demographic variables on the frequency of online shopping.
2. To analyse the influence of demographic variables on the amount spent on online shopping.
3. To analyse the influence of demographic variables on the category of online shoppers.
4. To provide appropriate suggestions based on the study.

Research Methodology

Primary data was used for the study and it was collected by means of a structured questionnaire developed for the purpose from the consumers who have purchased products/

services through online. For the purpose of this study, the data was collected from 226 respondents by using convenience sampling technique. The statistical tool used here was Chi-square Analysis.

Limitations of the study

The study is based on convenient sampling which is a type of non-random sampling. Hence the limitations of non-random sampling are applicable. The attitudes of the consumer may change from time to time. Hence the result of the project may be applicable for the present situation.

Hypothesis

- There is no significant association between the demographic variables and the frequency of online shopping.
- There is no significant association between the demographic variables and the amount spent on online shopping.
- There is no significant association between the demographic variables and the category of online shoppers.

Analysis and Interpretation

This section deals with analysis and interpretation of study on online shoppers' behaviour. Appropriate statistical tools were applied on the data collected from the samples and presented in the form of tables under various headings:

Frequency of Online Shopping

In order to test if there is any significant relationship between the demographic variables such as gender, marital status, age, education, occupation and income and the frequency of online shopping by the respondents, Chi-square Analysis was performed. For this purpose, the following hypotheses were framed:

H₀₁: There is no significant association between the demographic variables and the frequency of online shopping.

Table 1: Demographic factors and frequency of online shopping - Chi-square test

Demographic Factors	Chi-square Value	Significance
Gender	24.546	0.105
Marital Status	15.921	0.529
Age	53.193	0.390
Education	61.204	0.155
Occupation	92.262	0.745
Income	97.592	0.000**

****Significant at 1 % level**

From the above table, it is evident that the chi-square value is significant at 1% level with respect to income. Hence the hypothesis is rejected. There is significant relationship between income and frequency of online shopping. But with respect to the other demographic variables there is no association with the frequency of online shopping.

Amount Spent on Online Shopping

To study the influence of demographic factors on the amount spent on online shopping, the following hypothesis was framed and chi-square test was performed:

H₀₂: There is no significant association between the demographic variables and the amount spent on online shopping.

Table 2: Demographic factors and amount spent on online shopping - Chi-square test

Demographic FactorsS	Chi-square Value	Significance
Gender	6.341	0.274
Marital Status	11.814	0.037*

Age	35.154	0.002**
Education	29.467	0.014*
Occupation	34.715	0.253
Income	71.598	0.000**

*** Significant at 5 % level**

****Significant at 1 % level**

It is evident from the above table, the chi-square value is significant with respect to marital status, age, education and income. Hence the hypothesis is rejected in these cases. There is significant association between the demographic variables such as marital status, age, education and income and the amount spent on online shopping.

With regard to the other aspects, there seems to be no significant association between the demographic variables such as gender and occupation and the amount spent on online shopping.

Category of Online Shoppers

In order to categorise the respondents in terms of their online shopping behaviour, they were classified into four categories such as trial purchasers, occasional purchasers, frequent purchasers and regular purchasers. To study the effect of demographic variables on the classification of buyers, the following hypothesis was framed and chi-square test was applied on the data:

H₀₃: There is no significant association between the demographic variables and the category of online shoppers.

Table 3: Demographic factors and category of online shoppers - Chi-square test

Demographic Factors	Chi-square Value	Significance
Gender	4.966	0.174
Marital Status	4.622	0.202
Age	18.668	0.028*
Education	13.063	0.160
Occupation	20.805	0.289
Income	11.056	0.272

**** Significant at 5 % level**

With respect to the demographic factors namely gender, marital status, education, occupation and income, the chi-square values are not significant and hence the hypothesis is accepted in these cases. They have no significant relationship with the category of online shoppers.

But the chi-square value of age is significant and hence the hypothesis is rejected in this case. There is significant relationship between age and the category of online shoppers.

Findings

The important findings of the present study are summarized below:

Income of the respondents has significant bearing on the frequency of their online shopping.

All the demographic factors except gender and occupation have a significant bearing on the amount spent on online shopping.

Age of the respondents determine the category of online shoppers to which they belong.

Suggestions

Online marketers may try to increase the frequency of shopping of the existing consumers by offering more promotional offers, discounts and deals. In addition to that, in order to

transform the trial purchasers, occasional buyers into frequent and regular buyers, online marketers may also think of strategies which offer products of regular use for the consumers via online shopping.

As many of the demographic characteristics exhibited a significant relationship with the category of online shoppers, such factors play a key role in profiling and segmenting consumers. The marketers should consider these aspects which framing their strategies for product planning, pricing, distribution and promotion

Conclusion

The convenience of online shopping has been realized and the word is slowly spreading. Because of this, marketers have also increased in number and variety and quantum of products offered for sale online.

The findings of this study will help online retailers to better understand the psychology of consumers and also to equip themselves better to attract them. It would be helpful for the managers to work towards newer and newer areas of retailing to offer lower cost and greater service to customers and earn higher returns for themselves as well.

References

1. Anjana, R., & Naidu, G. (2016). A Study of the Impact of the Select Demographic Variables on Men and Women Online Buyers. *MERC Global's International Journal of Social Science & Management*, 3(1), 26-34.
2. Hernández, B., Jiménez, J., & José Martín, M. (2011). Age, gender and income: do they really moderate online shopping behaviour?. *Online Information Review*, 35(1), 113-133.
3. Richa, D. (2012). Impact of demographic factors of consumers on online shopping behaviour: A study of consumers in India. *International Journal of Engineering and Management Sciences*, 3(1), 43-52.
4. Sharma, P., & Batra, M. V. (2016). A Study Of Demographic Determinants of Online Shopping Behaviour of Consumers. *International Education and Research Journal*, 2(3).