

A STUDY ON CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING IN COIMBATORE DISTRICT

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ABSTRACT

This study aims to analyze the shopping behavior of online shoppers. Consumer's shopping behavior in respect of online shopping was studied to analyze the factors influencing further. The data was collected through questionnaire. The results of study reveal that online shopping in India is significantly affected by various demographic factors like age, gender, education and income. Further the outcomes of the study suggest that assessment of consumer's shopping behavior can contribute to a better understanding of consumer shopping behavior in respect of Online shopping. The research plans to adopt a survey method using simple random sampling and the hypotheses will be tested using Chi square test

KEYWORDS: Online Shopping, Shopping Behavior, Consumer, Consumer Attitude Etc

INTRODUCTION

Online Shopping

Online shopping has been widely accepted as a way of purchasing products and services It has become a more popular means in the Internet world (Bourlakis et al., 2008). Online shopping has been shown to provide more satisfaction to modern consumers seeking convenience and speed (Yu and Wu, 2007). In the typical online shopping process, when potential consumers recognize a need for some goods & service, they go to the Internet and search for need-related information. However, rather than searching actively, at times potential consumers are attracted by information about products or services associated with the felt need. They then evaluate alternatives and choose the one that best fits their criteria for meeting the felt need. Finally, a transaction is conducted and post-sales services provided.

Internet knowledge, income, and education level are especially powerful predictors of Internet purchases further the Online shopping attitude refers to consumers. Psychological state in terms of making purchases on the Internet.

REVIEW OF LITERATURE

Benedict et al (2001) in his study on perceptions towards online shopping reveals that perceptions toward online shopping and intention to shop online are not only affected by ease of use, usefulness, and enjoyment, but also by exogenous factors like consumer traits, situational factors, product characteristics, previous online shopping experiences, and trust in online shopping.

Bechrer (2004) stated that Internet marketing is a field that is continuing to grow, and the online auction concept may be defining a totally new and unique distribution alternative. Very few studies have examined auction sellers and their internet marketing strategies. This research examines the internet auction phenomenon as it relates to the marketing mix of online auction sellers. The data in this study indicate that, whilst there is great diversity among businesses that utilize online auctions, distinct cost leadership and differentiation marketing strategies are both evident. These two approaches are further distinguished in terms of the internet usage strategies employed by each group

Ryan (2004) conducted a research on the mosaic of institutional issues associated with gaining credibility for internet marketing standards. Strong claims for a predominantly self-regulatory approach are reviewed in conjunction with other factors that inhibit credibility, namely: competing internet worldviews, weak moral coherency and offline ambiguity about respective institutional roles, especially as regards moral dimensions of notions of regulation and self-regulation.

Wang (2006) conducted a research to examine the current use and predict future Web-based marketing activities of U.S. convention and visitor bureaus. A survey was sent to 600 randomly selected American convention and visitor bureaus with a focus on assessing the applications included in the bureaus' Web sites, their Web site promotion techniques, and customer relationship management programs in relation to these Websites. The results indicate that most bureaus' Internet marketing activities are relatively limited, focusing on providing travel information to prospective visitors.

Bengtsson (2007) stated that adopting the Internet for advanced marketing operations opens up challenging opportunities for firms of all sizes. However, such adoption might destroy investments in present market channels and thus has the characteristics of radical innovation. The results of analysis show that composition of factors on which firms base their decision to adopt advanced Internet-based marketing operations varies significantly with firm size.

Chinting (2010) stated that few school or educational studies have simultaneously explored both internet marketing and organizational commitment, and of those that have, only direct effects were examined. This study clarifies the relationship between school organization's internet marketing and teachers' organizational commitment by examining the mediating role of teachers' job involvement and job satisfaction.

According to **Sharma and Mittal (2009)** in their study "Prospects of e-commerce in India", mentions that India is showing tremendous growth in the Ecommerce. Undoubtedly, with the population of millions of people, online shopping shows unlimited potential in India. Today E-commerce is a common word in Indian society and it has become an integral part of our daily life. There are websites providing a number of goods and services..

Ramírez Nicolas (2010) state that "The Internet has changed many facets of our daily lives: the way we relate and communicate with one another, how we interact with a bank, read newspapers or watch television. Even the way we buy and sell. These changes have occurred due to the constant flow of companies offering new business models and innovative formulae. Discount coupons have always been a powerful marketing tool. Whether inserted in printed media or posted through letter boxes, they attracted new customers and were also offered at the time of purchase to promote consumer loyalty by encouraging repeat purchases at outlet

STATEMENT OF THE PROBLEM

- Increase in Internet literacy.
- Increase in Online consumer from 14.5 million in 2011 to 41.8 million in 2015.
- Online shopping is affected by Intangibility.

OBJECTIVES OF THE STUDY

- To study the behaviour of consumer in Online Shopping
- To identify the factors influencing online shopping.
- To identify the successful online shopping.

SAMPLE DESIGN

Sample Size

Since it is a non-probability sampling the sample size is determined using the formula:

$$\text{Sample size} = z^2 * p * (1-p) / M^2$$

Where Z is Z value [1.96 at 95% confidence level]

P is population proportion (Since the population is not known p vale is

Considered as 0.5)

M is margin of error at 5%

$$\text{Sample size} = 1.96^2 * 0.5 * (1-0.5) / 0.05^2$$

$$= 3.8416 * 0.5 * (1-0.5) / 0.05^2$$

$$= 3.8416 * 0.5 * 0.5 / 0.0025$$

$$= 0.9604 / 0.0025 = 384$$

Hence from the above calculation the sample size for the study is taken as 384 samples

ANALYSIS AND INTERPRETATION

Table 1: Graphical Representation Shows the Gender of the Respondents

Gender	Sample Size	Percentage
Male	178	46.35%
Female	206	53.64%
Total	384	100%

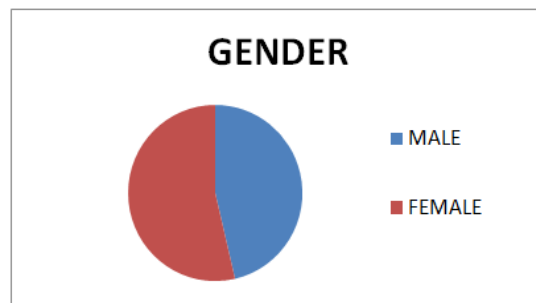


Figure 1

Table 2: Graphical Representation Shows the Age of the Respondents

Age	Sample Size	Percentage
BELOW 20	84	21.88 %
21-40	240	62.5%
41-60	48	12.5%
ABOVE 60	12	3.125%
Total	384	100%

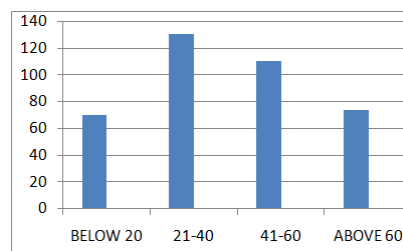


Figure 2

Table 3: Graphical Representation Shows the Educational Qualification of the Respondents

Educational Level	Sample Size	Percentage
HIGH SCHOOL	68	17.70%
UG LEVEL	174	45.31%
PG DEGREE	114	29.69%
Ph. D	28	7.29%
Total	384	100%

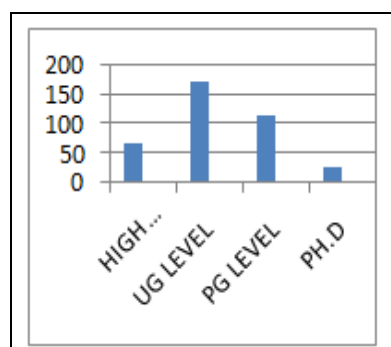


Figure 3

Table 4: Graphical Representation Shows the Income Level of the Respondents

Income Level	Sample size	Percentage
BELOW 10000	70	18.23%
10000-20000	130	38.85%
20000-50000	110	28.64%
ABOVE 50000	74	19.27%
Total	384	100%

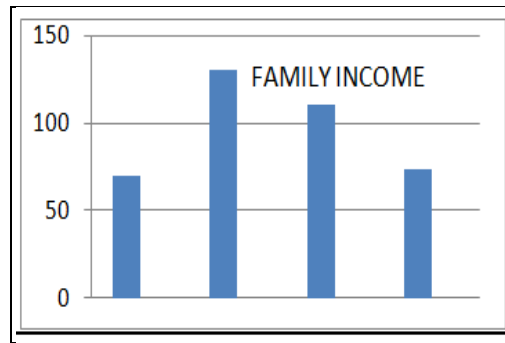


Figure 4

Table 5: Graphical Representation Shows the Marital Status of the Respondents

Marital Status	Sample Size	Percentage
SINGLE	228	59.38%
MARRIED	156	40.62%
Total	384	100%

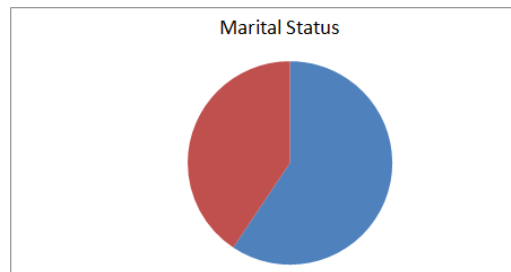


Figure 5

COMPARISON OF AWARENESS AND MEDIA

H0: There is no relationship between the variables awareness and media.

H1: There is a relationship between the variables awareness and media.

Table 6

Awareness/ Media	Advertisement	Friends & Relatives	Word of Mouth	Pamphlets	Total
YES	82	138	110	16	346
NO	8	20	6	4	38
Total	90	158	116	20	384

Table 7

Observed O	Expected E	O-E	(O-E)*2	(O-E)*2/E
82	81.09	0.91	0.8281	0.010
138	142.36	-4.36	19.0096	0.138
110	104.52	5.48	30.0304	0.273
16	18.02	-2.02	4.0804	0.235
8	8.91	-0.91	0.8281	0.104
20	15.64	4.36	19.0096	1.215
6	11.48	-5.48	30.0304	2.616
4	1.98	2.02	4.0804	2.061
Total				6.417

Inference

No. of rows: 2, No. of columns: 4

Degree of freedom= (2-1) (4-1) =3

Table value=7.815, Calculated value=6.417.

From the above calculation it is clear that calculated value (6.417)<tabulated value(7.815) so there is no relationship between variable awareness and media. Hence Null Hypothesis H₀ is accepted.

COMPARISON OF PRODUCTS CHOSEN AND PROBLEMS FACED

H₀: There is no relationship between the variables products preferred and problems faced during online shopping.

H₁: There is a relationship between the variables products preferred and problems faced during online shopping.

Table 8

Products/ Problems	Intangibility	Delay in Delivery	Web Security	Damage of Goods	Total
Apparels	120	42	12	22	196
Electronic Goods	14	52	6	14	86
Books	22	16	8	10	56
Online Tickets	8	18	2	18	46
TOTAL	164	128	28	64	384

Table 9

Observed O	Expected E	O-E	(O-E)*2	(O-E)*2/E
120	83.71	36.29	1316.96	15.73
42	65.33	-23.33	544.29	8.33
12	14.30	-2.3	5.29	0.37
22	32.67	-10.67	113.84	3.48
14	36.73	-22.73	516.65	14.07
52	28.67	23.33	544.29	18.98
6	6.27	-0.27	0.0729	0.011
14	14.33	-0.33	0.1089	0.008
22	23.92	-1.92	3.6864	0.154
16	18.67	-2.67	7.1289	0.38
8	4.08	3.92	15.3664	3.77
10	9.33	0.67	0.4489	0.04

8	19.65	-11.65	135.72	6.91
18	15.33	2.67	7.1289	0.47
2	3.35	-1.35	1.8225	0.54
18	7.67	10.33	106.70	13.91
Total				87.153

Inference

No.of rows: 4, No.of columns: 4

Degree of freedom= (4-1)(4-1)=9

Table value=16.919, Calculated value=87.153

From the above calculation it is clear that calculated value (87.153)>tabulated value(16.919) so there is a relationship between variables product chosen and problems faced. Hence Alternative Hypothesis H1 is accepted.

COMPARISON OF PAYMENT MODE AND ADVANTAGES OF ONLINE SHOPPING

H0: There is no relationship between the variables payment mode and advantages of online shopping.

H1: There is a relationship between the variables payment mode and advantages of online shopping.

Table 9

Payment mode/ Advantages	Product Variety	Time Saving	Offers & Discounts	Ease to Order	Total
Credit/Debit Card	38	86	22	10	156
Online Banking	6	20	4	0	30
Cash On Delivery	52	70	44	10	176
Postal Draft	4	10	4	4	22
Total	100	186	74	24	384

Table 10

Observed O	Expected E	O-E	(O-E)*2	(O-E)*2/E
38	40.62	-2.62	6.8644	0.17
86	75.56	10.44	108.99	1.44
22	30.06	-8.06	64.97	2.16
10	9.75	0.25	0.062	0.006
6	7.81	-1.81	3.2761	0.42
20	14.53	5.47	29.92	2.06
4	5.78	-1.78	3.169	0.55
0	1.88	-1.88	3.534	1.88
52	45.83	6.17	38.069	0.83
70	85.25	-15.25	232.57	2.73
44	33.92	10.08	101.61	2.99
10	11	-1	1	0.09
4	5.73	-1.73	2.99	0.52
10	10.66	-0.66	0.436	0.04
4	4.24	-0.24	0.058	0.01
4	1.38	2.62	6.864	4.97
Total				20.866

Inference

No.of rows: 4, No.of columns: 4

Degree of freedom= (4-1) (4-1) =9

Table value=16.919, Calculated value=20.866

From the above calculation it is clear that calculated value (20.866)>tabulated value (16.919) so there is a relationship between variables payment mode and advantages of online shopping. Hence Alternative Hypothesis H1 is accepted.

COMPARISON OF AMOUNT SPEND AND COMPONENTS OF SUCCESSFUL ONLINE SHOPPING

H0: There is no relationship between the variables amount spend and components of successful online shopping.

H1: There is a relationship between the variables amount spend and components of successful online shopping.

Table 11

Amount spend/ Success Factor	Ease of Use	Quality	Trust	Security/ Privacy	Total
LESS THAN 500	42	38	20	24	124
501-2000	4	14	50	14	82
2001-5000	48	58	28	24	158
5001 & ABOVE	2	12	2	4	20
Total	96	122	100	66	384

Table 12

Observed O	Expected E	O-E	(O-E)*2	(O-E)*2/E
42	31	11	121	3.90
38	39.40	-1.4	1.96	0.05
20	32.29	-12.29	151.04	4.68
24	21.31	2.69	7.24	0.34
4	20.5	-16.5	272.25	13.28
14	26.05	-12.05	145.20	5.58
50	21.35	28.65	820.82	38.44
14	14.09	-0.09	0.008	0.0006
48	39.5	8.5	72.25	1.83
58	50.19	7.81	60.99	1.215
28	41.14	-13.14	172.66	4.197
24	27.15	-3.15	9.92	0.37
2	5	-3	9	1.8
12	6.35	5.65	31.92	5.03
2	5.20	-3.2	10.24	1.97
4	3.44	0.56	0.314	0.09
Total				82.772

Inference

No.of rows: 4, No.of columns: 4

Degree of freedom= (4-1) (4-1) =9

Table value=16.919, Calculated value=82.772

From the above calculation it is clear that calculated value (82.772)>tabulated value (16.919) so there is a relationship between variables amount spend and components of successful online shopping. Hence Alternative Hypothesis H1 is accepted.

COMPARISON OF PROBLEMS FACED AND FACTORS TO LOOK BEFORE ONLINE SHOPPING:

H0: There is no relationship between the variables problems faced and factors to look before online shopping.

H1: There is a relationship between the variables problems faced and factors to look before online shopping.

Table 13

Problems/ Precautionary Factor	Delivery Time	Guarantee & Warranty	Price of Goods	Confidentiality of Credit Card	Total
Intangibility	92	60	10	2	164
Delay In Delivery	62	58	6	0	126
Web Security	6	16	6	0	28
Damage Of Goods	12	24	24	6	66
Total	172	158	46	8	384

Table 14

Observed O	Expected E	O-E	(O-E)*2	(O-E)*2/E
92	73.46	18.54	343.73	4.68
60	67.48	-7.48	55.95	0.83
10	19.64	-9.64	92.93	4.73
2	3.42	-1.42	2.02	0.59
62	56.44	5.56	30.92	0.55
58	51.84	6.16	37.95	0.73
6	15.09	-9.09	82.63	5.48
0	2.62	-2.62	6.87	2.62
6	12.54	-6.54	42.77	3.41
16	11.52	4.48	20.07	1.74
6	3.35	2.65	7.02	2.09
0	0.58	-0.58	0.34	0.59
12	29.56	-17.56	308.35	10.43
24	27.16	-3.16	9.99	0.37
24	7.91	16.09	258.89	32.73
6	1.38	4.62	21.34	15.46
Total				87.03

Inference

No. of rows: 4, No. of columns: 4

Degree of freedom= (4-1)(4-1)=9

Table value=16.919, Calculated value=87.03

From the above calculation it is clear that calculated value (87.03)>tabulated value(16.919) so there is a

relationship between variables problems faced and factors to look before online shopping. Hence Alternative Hypothesis H1 is accepted.

FINDINGS, SUGGESTIONS AND CONCLUSIONS

Findings

- It is clear from the study that Nearly 53.64% of the female among the population go for online shopping.
- When compared to various occupation students are those who mostly go for online shopping.
- The family with annual income of around 10,000-20,000 mostly prefer online shopping with 33.85%
- The persons with age group of 21-40 go often for online shopping with 62.5%
- The person who are single are mostly prefer online shopping when compared to those who are married.
- Lack in awareness among the rural consumers
- Online purchasers are mainly dissatisfied mainly due to Intangibility.
- People spend more on Online Shopping only when the products are of high quality.
- The Customers expect the right time of delivery.

Suggestions

- Males could be paid additional attention to attract them to go for Online hopping.
- Proper awareness must be made available to all persons of different occupation
- Online websites must ensure about the quality of the product to their consumers.
- Intangibility must be made an attempt to be solved to a certain extent.
- Since transaction is online the customers must be ensured of web security and confidential card Information.
- The online shopping could be made successful only by making the delivery of undamaged goods and proper delivery time.

CONCLUSIONS

Thus in the midst of technological advancements people mostly prefer online shopping to traditional shopping. It has become popular and is extremely convenient. Though it is convenient there are various factors such as price, quality of the product and delivery time which customers look before online shopping. So the online websites must of aware of these factors to be successful and retain the customers. The final result from the study is that online shopping is growing rapidly in positive manner. By removing little flaws it can be much profitable.

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