CONSUMER BUYING BEHAVIOR TOWARDS ONLINE SHOPPING

[1]S.Sudheer, [2]M.Prasanthi, [3]SK. Asmath

[1]Assistant Professor, Department of Management Studies, VFSTR Deemed to be University, Guntur (DT), AP.

[2] III BBA, Department of Management Studies, VFSTR Deemed to be University, Guntur (DT), AP.

[3] III BBA, Department of Management Studies, VFSTR Deemed to be University, Guntur (DT), AP.

Abstract

The origination of the internet created an entire new experience for consumers regarding gathering information, comparing products or prices and the possibility of purchasing on the internet. Therefore, consumer behavior on the internet is an important factor for marketers. To predict consumer behavior on the internet marketers, need to understand how, where, and why consumers behave online. This paper tries to analyze studies done by various researchers in order to explore what online channels consumers use when they are in a particular stage of the buying decision process (BDP). Then study will create more understanding about why and how on-line consumers go through their buying decision process (BDP). It will be helpful in drawing a modified and more effective marketing policy. This research paper investigated the perception of customers about online shopping.

Key words- Buying Decision, consumer Perception, online products.

1. Introduction of online shopping:

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the internet using a web browser. Consumers find a product of interest by visiting the website of the retailer directly or by searching among best alternative vendors, which displays the same products availability and pricing at different e-retailers. As of 2018, customers can shop online using a range of different consumer and industrial products. An online shop evokes the physical analogy of buying products or services at a regular "bricks-and-mortar" retailer or shopping center; the process is called business-toconsumer (B2C) online shopping. When an online store is set up to enable businesses to buy from other businesses, the process is called business-to-business (B2B) online shopping. A typical online store enables the customer to browse the firm's range of products and services, view photos or images of the products, along with information about the product specifications, features and prices. Online stores typically enable shoppers to use "search" features to find specific models, brands or items. Online customers must have access to the Internet and a valid method of payment in order to complete a transaction, such as a credit card, an Interact-enabled debit card, or a service such as PayPal. For physical products (e.g., paperback books or clothes), the e-tailer ships the products to the customer; for digital products, such as digital audio files of songs or software, the e-tailer typically sends the file to the customer over the Internet.

As of 2020, the largest e-commerce companies in India are:

Amazon India: World leader e-commerce company Amazon has emerged as the topmost e-commerce in India as well, in last few years. With a wide range of products Amazon has also started focusing on their delivery service by providing delivery within one day to their customers. To counter its competitors, more than 8500 crores have been invested by Amazon global in Amazon India.

Flipkart: Founded in 2007 by Sachin Bansal and Binny Bansal, Flipkart is one of the best e-commerce companies in India. It has set a perfect example for all start up aspirants by growing a thousand times over a decade. Flipkart provides all kind of products, from products of basic needs to stylish and luxurious products that are feasible.

Walmart: one of the biggest retail corporations in the world, has bought a major share of Flipkart, the Indian e-commerce giant. The deal is an official one and Walmart is paying about $16 billion for the 77% share that it is buying. The remaining share is retained by some of the old stakeholders including Binny Bansal, co-founder of Flipkart.

Snapdeal: Started in 2010 by two graduates Kunal Bah and Rohit Bansal, Snapdeal ranks third in the top ten lists of e-commerce companies. Headquartered in New Delhi, Snapdeal provides a wide variety in its products along with attractive daily local deals such as on restaurants, spas, travelling apps etc.

Merits of online shopping:

Due to rapid growth of technology in the recent years, business organizations have switched over from the traditional method of selling the products to electronic method of selling products which paves the growth of many online stores. Business organizations use internet as a main vehicle to conduct commercial transactions in the online platform. The online shopping merits are listed below Saves time and efforts, Convenience of shopping at home, Wide variety / range of products are available, good discounts / lower prices, Get detailed information of the product, we can compare various models / brands, No pressure shopping, Online shopping saves time, Comparisons, Availability of online shop, Online tracking, Online shopping saves money.

Problems faced by online consumers:

Although online consumers enjoy many benefits they are also prey for the online fraud in certain circumstances. The main disadvantage of online shopping is physical verification regarding the quality of the product is not available and cannot receive the product immediately. Buyers had to wait until the product arrives. Sometimes it is better to have an item instantly than keep waiting for it for many days.

Objective of the study:

- To study the relationship between consumer attitude and online shopping intention
- To determine the relationship between the demographic variables and factors of consumer attitude
- To identify the factor influencing consumers attitude towards online shopping To find the relationship between the factors of convenience and security

Scope of the study:

- To determine which factor influences the consumer to go for online shopping

- To find out whether online shopping is beneficial for the user
- To analyze which factors, influence the user to buy online.

Limitations of the study:

- The sample size is limited to 175.
- The study largely is based on the perception of the respondents.
- The data was collected through structured questionnaire and analyzed based on the information given by the respondents.

2. Review of literature:

Online shopping indicates electronic commerce to buy products or services directly from the seller through the Internet. Internet-based or Click and Order business model has replaced the traditional Brick and Mortar business model. More people than before are using the web to shop for a wide variety of items, from house to shoes to airplane tickets. Now people have multiple options to choose their products and services while they are shopping through an online platform.

Sinha and Uniyal[1] in the study explored that the Shopping environment refers to the landscape of shopping, changing as it did from the first departmental store to present-day malls to virtual shopping through the Internet. It has been found that shoppers behave differently depending on the type of shopping situations.

Richards Sarah [2] studied on Internet shopping by carrying out a worldwide Survey of 1001 adults. The Survey aimed to identify why people do or don't shop online, what they buy and how much they spend, if they have encountered any problems and what proportion of their shopping they intend to do online in the future. This study showed some interesting trend. Over six in ten people with internet access had shopped online over the previous 12 months. Convenience was a large motivating factor for people to shop online than prices. Most people shop once every two to three months, with men was being slightly more likely to do so than women. CDs, tapes and records were the most popular items to be purchased online, followed by DVDs, videos, computer games, books and travel tickets. Fears over the security of websites were the main reason why some people with Internet access choose not to shop online.

Douglas, et al[3] conducted an empirical study to explore key aspects of consumer response towards shopping on the Internet. The major findings of study were: - convenience was not a major inducement in local Internet shopping, probably because of (its) geographical proximity. For instance, "Pricing" was the major motivation behind online shopping. Product variety and product brand name were also important factors. Trust was a major concern for Internet shoppers.

Pooja Modani [4] explored the study on investigation of consumer's perception towards internet-based e-shopping and the study involved an experiment in which the respondents were asked to go through the online shopping process and relate their experiences. The study found that the positive experience with a website plays a vital role in forming consumers trust while shopping online and if consumers trust the website, then they will perceive ease of use, perceive enjoyment and perceive the 89 website to be less risky which would finally culminate into an intention to transact with the website.

Amar Cheema and Purushottam Papatla [5] made an attempt to study the relative importance of online information versus offline information for internet purchase. The study found that relative importance of online information is higher for utilitarian products such as computer hardware and software than for hedonic products such as books, music and movies, the relative importance of online information decreases with increasing consumer internet experience and consumers' trust of online search engine information decreases with increasing internet experience.

Chih-Chien Wang [6] analyzed that knowledge is one important factor influencing the level of trust. The results revealed that knowledge is positively associated with trust and online shopping activities. In other words, people who know more about online shopping will trust and go shopping more online. Online retailing practice should make the public knowledgeable about online transaction security mechanisms to build users" trust in online shopping.

Ankur Kumar Rastogi[7] conducted the study on ―a study on Indian online consumers and their buying behavior and the study attempts to analyze the features related to the buying behavior of online shoppers. Consumer buying behavior in respect of online shopping was studied using different socio-economic variables. It also provides a support that helps researchers understand the drivers of consumers" attitude and goal to shop on the Internet, and consumers,, perceptions regarding ease of use and usefulness. Conclusions derived from the analysis can be used as useful guide for market orientation. The outcomes of the study suggest that assessmen2t of consumer buying behavior can contribute to a better understanding of consumer buying behavior in respect of online shopping.

A study has conducted by *Feng Zhu[8],* indicates that how product and consumer characteristics moderate the influence of online consumer reviews on product sales using data from the video game industry. The findings reveal that online reviews are more influential for less popular games and games whose players have greater Internet experience

Prashant Singh[9] in his article "Consumer's Buying Behavior towards Online Shopping A case study of Flipkart.Com users in Lucknow City" published in Abhinav stated that future of e-retailers in India looking very bright. E-retailers give consumers the best way to save money and time through purchasing online within the range of budget. Flipkart.com offering some of the best prices and completely hassle-free shopping experience. The whole concept of online shopping has altered in terms of consumers purchasing or buying behavior and the success of E-tailers in India is depending upon its popularity, its branding image, and its unique policies.

3. Research Methodology:

Both Primary data and Secondary data are used in this research study

Sample design: The method of non-random sampling has been used to collect the data from the respondents.

Sample size: The sample size is 175.

## 4. Data analysis and interpretation: The data is analyzed and interpreted using Google drive and Microsoft Excel.

**Statistical tools used for data analysis:** Percentage analysis.

PERCENTAGE METHOD:

1. AGE
175 responses

Legend: Below 20, 21-25, 26-30, Above 30

64% 8.6% 26.9%

2.Gender
175 responses

Legend: Male, Female

51.4% 48.6%
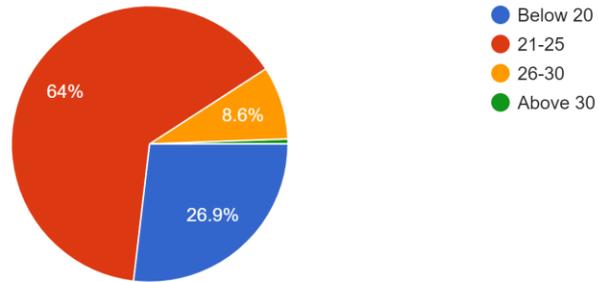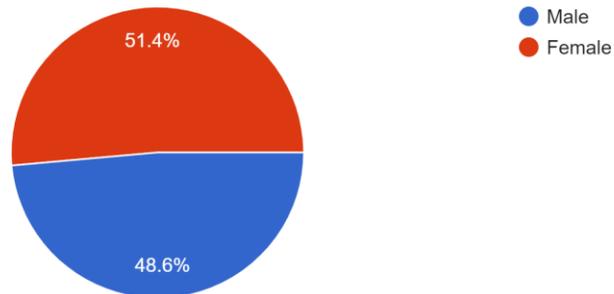
3. Occupation of respondent
175 responses

Student
Business
Service

8%
10.3%
81.7%
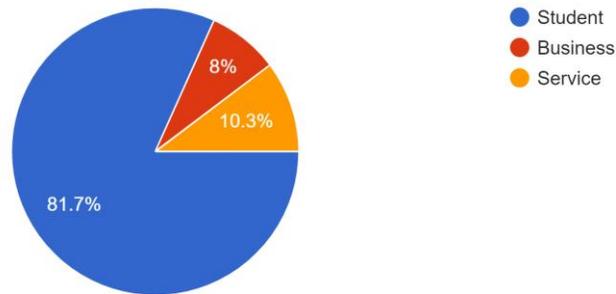
4. Have you ever had online shopping
175 responses

Yes
No
Maybe

89.7%
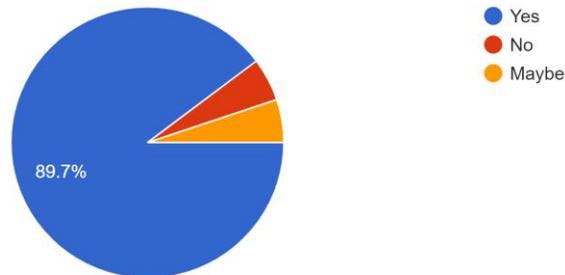
5. Sources of online shopping information
175 responses

Family/Friends
Tv Advertisement
Website Advertisement
Others

26.3%
14.9%
14.3%
44.6%
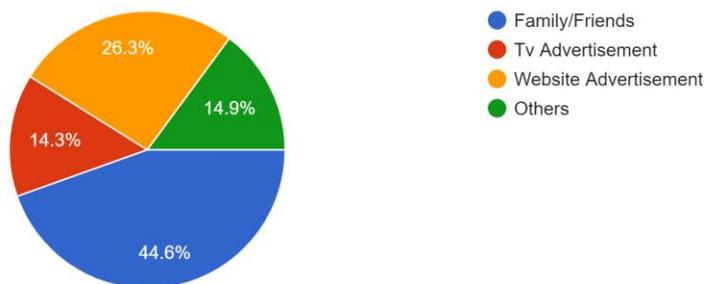
6. Reasons for choosing online shopping
175 responses

- ● Saves time
- ● Available variety of products
- ● product comparison
- ● Comfortable
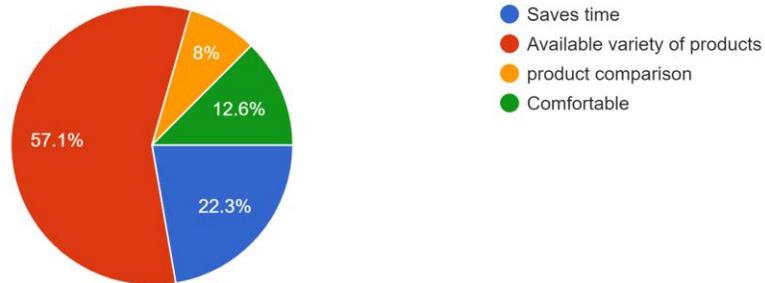
7.Have you felt any problem while conducting online purchase
175 responses

- ● Yes
- ● No
- ● Maybe
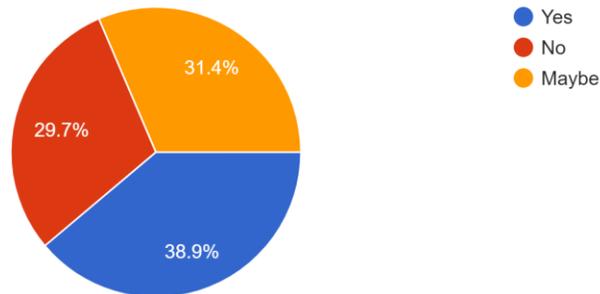
8. Mode of payment you prefer in online shopping
175 responses

- ● Cash on delivery
- ● Credit card
- ● Mobile banking
- ● Debit card
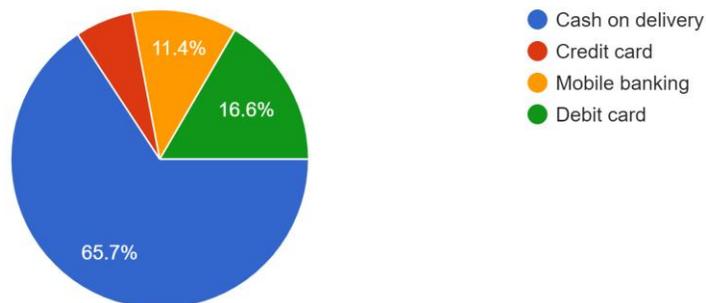
9. Payment system security
175 responses

- ● Highly agreed
- ● Agreed
- ● Neutral
- ● Disagreed
- ● Highly disagreed
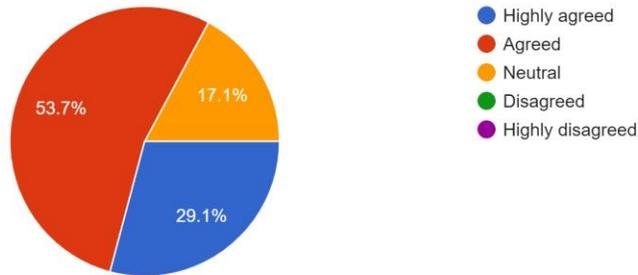
10. Online shopping satisfaction
175 responses

- ● Highly satisfied
- ● Satisfied
- ● Neutral
- ● Dissatisfied
- ● Highly dissatisfied
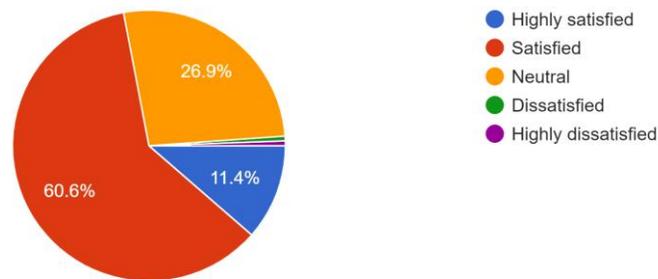
11. Monthly Income
169 responses

- ● 0-2000
- ● 2000-5000
- ● 5000-10000
- ● More than 10000
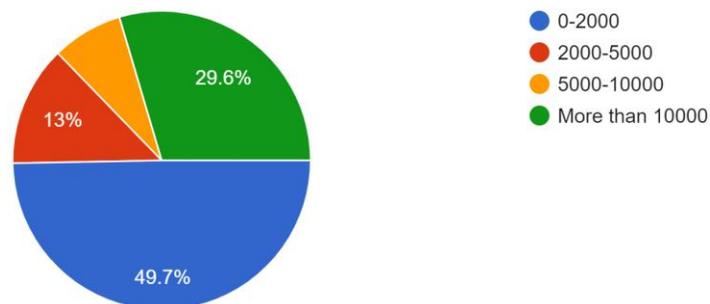
12. If you never had online shopping, please specify the reason
76 responses

- I dont know about online shopping
- Risk of credit card transactions
- Other reasons
- Nothing
- I had
- Z
- No
- I am done online shopping so many times
- nothing
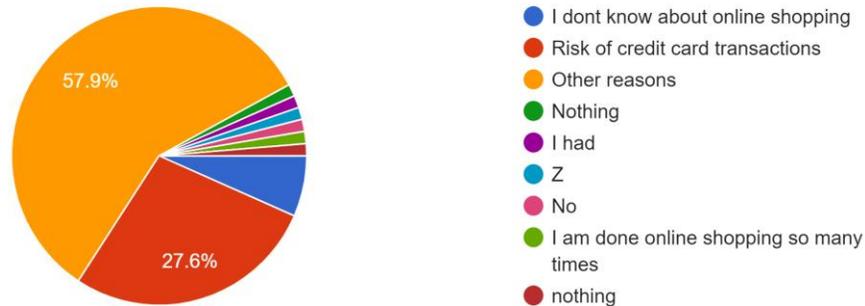
5. Findings:

- A maximum of 64% of respondents are between the age group of 21-25.

- A maximum of 51.4% of respondents are females.

- A majority of 81.7% of respondents are students.

- A maximum of 49.7% of respondents are earning 0-2000 as the more respondents are students.

- A majority of 89.7% of respondents have done their shopping at online shopping websites.

- A maximum of 44.6% of respondents acquired information of online shopping from family and friends followed by 26.3% of respondents acquired information from website Advertisement.

- A maximum of 57.1% of respondents are choosing online shopping rather offline shopping because of availability of Variety products from online shopping.

- A majority of 38.9% of respondents faced problem while purchasing products from online shopping.

- A majority of 65.7% of respondents prefer cash on delivery rather than any online payments.

- A maximum of 53.7% of respondents agreed for payment system security.

- A majority of 60.6% are satisfied with online shopping.

- A majority of 57.9% of respondents never had online shopping at some websites because of Risk involved in credit cardtransactions.

6. Suggestions:

1.The company can create a strategy to advertise their products focusing on men consumers.
2.The company has to keep an eye on the consumers who are above the age of 30 years by introducing various products through online marketing.

3.Online retailers should take proper measures to avoid risk involved in online shopping

4.People should also get updated with the computer knowledge and mobile application as the entire world is changing towards digitalization.

7. Conclusion:

The online shopping is becoming more popular day by day with the increase in the usage of internet. Understanding customer's needs and desires for online buying, the selling has become challenging task for marketers. Specially understanding the consumer's attitudes towards online shopping, making improvement in the factors that influence consumers to shop online and working on factors that affect consumers to shop online will help marketers to gain the competitive advantage over the others.Thus, The survey reveals that consumers shop online to save time, and for available varieties of products and services. Both male and female both have the same type of behavior towards liking and disliking factors; they like home delivery facility and dislike inability to touch and feel the product most.

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