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A Study on Customers Attitude towards Online Shopping in India and its impact: with special reference to Tiruvarur District.

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ABSTRACT

The growing no. of internet user in India provides a bright prospect for online shopping. If E-marketers know the key factors affecting behavior of customers and its relationship then they can formulate their marketing strategies to convert potential customers into loyal ones and retaining existing online customers. This researcher paper highlights on factors which online Indian customers keep in mind while shopping. After completion of study Researchers found that cognition, sensed usefulness, comfort of use; sensed enjoyment and security are the five components which affect consumer perceptions about online purchasing.

Internet has changed the way consumers purchase goods and services at the same time many companies have started using the Internet with the objective of cutting marketing costs, thereby reducing the price of their product and service in order to stay ahead in highly competitive markets.

Companies also use the Internet to convey, communicate and disseminate information to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to purchase the product online, but also to compare prices, product features and after sale service facilities they will receive if the purchase the product from a particular store. Many experts are optimistic about the prospect of online business.

KEYWORDS: Changing trends of using internet, online trends in India and Use of Online shopping impact in Tiruvarur District.

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INTRODUCTION

In simple words Online shopping is defined as purchasing items from Internet retailers as opposed to a shop or store or the act of purchasing products or services over the Internet. It 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 alternative vendors using a shopping search engine, which displays the same product's availability and pricing at different e-retailers the process is called business to- consumer (B2C) online shopping. As of 2017, customers can shop online using a range of different computers and devices, including desktop computers, laptops, tablet computers and smart phones. It is also popular as e- shop, e-store, online store and virtual store.[1-2]

Earlier food, cloth and shelter were called as primary need but today one more need is added in that is "internet". Due to revolution in telecommunication sector internet has changed the way consumers shop and buy goods and services. Both domestic companies as well as MNC's have started using the Internet with an objective of cutting marketing costs and thereby reducing the price of their products in order to stay ahead in heavy competition. Companies also use the Internet to convey communicates and disseminate information, to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities the will receive. In addition to the tremendous potential of the E-business market, the Internet provides a unique opportunity for companies to more efficiently reach existing and potential customers.[3]

The popular online retailing companies in India are Myntra, Flipkart Snap deal, Amazon.com and e-Bay etc. The five dominant factors which influence consumer perceptions for online shopping are information, easy to use, satisfaction, security, proper utilization of available information to compare the different products.

TRENDS OF INTERNET USERS AND E-BUSINESS IN INDIA

In 2017, India had 408.4 million internet users. This figure is projected to grow to 635.8 million internet users in 2021. Despite the untapped potential, India already is the second-largest online market worldwide.

India is one of the fastest-growing e-commerce markets worldwide, with millions of new internet users taking advantage of cheap mobile connections to send mobile messages, watch online videos, use mobile services, and of course, to shop. As of 2017, 26 percent of the local population was using the internet; almost ten times the audience size from a decade prior. According to recent market research, mobile phone internet user penetration in India is projected to reach 37.36 percent

of the population in 2021, representing a huge potential in terms of digital and mobile buyer audience. Total internet audiences in India are estimated to surpass 635 million online users in 2021.

As of 2017, the majority of online users in India were male, and the same held true for online shoppers. In India, men accounted for almost two thirds of online shopping audiences. Despite this imbalance in online presence and digital spending, female online shoppers are estimated to account for 42 percent of all Indian e-retail spending in 2020, up from only 20 percent of total retail e-commerce expenditure in 2017. Average annual e-commerce sales per digital buyer in India were 247 U.S. dollars in 2016 and are projected to reach 424 U.S. dollars in 2020.

SCOPE OF STUDY

It was proposed that instead of taking a wide coverage and making a broad study, this work should narrow down its focus and go deep into inquiry. Hence, the researcher proposes to concentrate this work in Tiruvarur District. E-Business includes variety of products, no. of companies and wide range of customer base present in industry. It is difficult to researcher to do segment customers, companies and very important customers for selection as a sample of study. Therefore the study undertaken by researcher was focused on "Attitude of customers towards online shopping in India and its impact: With special reference to Tiruvarur District".

OBJECTIVES OF STUDY

To study present status of online shopping in India

To analyze the factors those affects customers attitude towards online shopping in India.

To study factors motivates customers attitude towards online shopping in India

To study potential for development of online shopping in India

HYPOTHESIS OF STUDY

H0: Products purchased by consumer are independent of their occupation in online shopping.

H1: Products purchased by consumer are dependent of their occupation in online shopping.

METHODOLOGY OF THE STUDY

Researcher was intended to study Attitude of customers towards online shopping in India and its impact: With special reference to Tiruvarur District. Population of the study was restricted to users as well as non-users of products purchased through online shopping. The geographic territory was restricted to Tiruvarur District. Samples for each population were being selected as per convenience sampling method (As per their availability and willingness).

Sample size calculated for study was 100 consumers. First hand and Primary Information was collected with the help of well-structured Questionnaire along with personal interview. Secondary data was collected from Published literature in Books, Magazines, Journals and Newspapers and websites. A well-structured objective type and probing questionnaire was prepared. To collect personal views and to investigate the practical aspect, personal Interview and observation technique was used. The Information collected during data collection was coded first and tables were generated, analyzed and Interpreted with the help of excel sheets in computer. On the basis of findings based on tabulated information and Observations during data collection, conclusion was drawn.

REVIEW OF LITERATURE

"Consumer Attitude towards Online Shopping in Selected Regions of Gujarat" published in Journal of Marketing Management stated that online shopping is gaining popularity among people specially the younger generation but in today scenario to become equally popular among all age groups e-marketing will have to cover a longer distance. As per study mode of payment is depended upon income of the respondents. People from different age groups are doing online shopping regularly. The attitude of consumers is changing with the time. In a country like India, consumers are finding online shopping very comfortable because of many variables like cash on delivery, customization or personalization of the websites, home delivery etc.[4]

"Consumer's Buying **Behavior** towards Online Shopping A case study of Flipkart. Com user's 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 consumer's purchasing or buying behavior and the success of E-tailers in India is depending upon its popularity, its branding image, and its unique policies.[5]

DATA ANALYSIS AND INTERPRETATION

Table No.1: Respondent's status about use of Internet

Opinion about use of Internet by user				
Yes		No		Total
No.	%	No.	%	
82	82%	18	18%	100

From the above data it is clear data it is clear that majority (82%) of respondents are using internet whereas only 18% of respondents are not using internet.

TableNo.2: Respondent's opinion about shopping method on regular basis

Respondents opinion about Shopping method on regular basis				
Online		Manual		Total
No.	%	No.	%	
68	68%	32	32%	100

From the above data it is clear data it is clear that majority (68%) of respondents are still using traditional manual method of shopping on day today basis (regular basis) whereas only 32% of respondents are using online shopping method on regular basis.

Table No.3:Respondent's status about online purchase

Status of online Purchase						
Yes, Continue		No, Discontinued		Never		
No.	%	No.	%	No.	%	Total
64	64%	24	24%	12	12%	100

From the above data it is clear data it is clear that majority (64%) of respondents are using online method of shopping and they continued that whereas 24% of respondents used online shopping method earlier and they discontinued that and only 12% of respondents have not used online shopping yet.

TableNo.4: Motive behind online shopping by respondents

Motive for buying online		
Parameter	No. assigned	Rank
Saves Time	80	02
Easy to Purchase	64	04
Avoid hassles of shopping in store	60	05
Price	84	01
Superior selection / availability	76	03

Respondents selected more than one motive to purchase online.

From the above data it is clear that respondents ranked following reason for motive behind online purchase 01 to price followed by 2 for saves time, 3 for selection and availability, 4 for easy to purchase and last 5 for avoid hassles of shopping in store.

Table No.5: Respondents overall satisfaction towards online shopping

Satisfaction level of consumer towards online shopping						
Yes		No		Can't Say		
No.	%	No.	%	No.	%	Total
67	67%	23	23%	10	10%	100

Majority(67%) of respondents are satisfied with online shopping whereas only 23% of respondents shown dissatisfaction and only 13% are of opinion that they can't say.

Table No.6: Information about barriers to purchase online

Barrier to Purchase through online shopping		
Parameter	**No. assigned**	**Rank**
Worried about giving credit card no.	70	03
Like to see product in personal before buy	85	01
Product is expensive due to access	35	05
Net connectivity trouble	55	04
Wrong/ bad product arrived & could not return	80	02
Others	20	06

Respondents selected more than one barrier to purchase online.

From the above data it is clear that respondents ranked following barriers for online Purchase 01 for like to see product in personal before buy, 02 for wrong/bad product arrived & could not return , 03 for worried about giving credit card no., 04 for net connectivity , 05 for product is expensive and 06 for other reasons.

TESTING OF HYPOTHESIS

H0: Products purchased by consumers are independent of their occupation in online shopping.

H1: Products purchased by consumers are dependent of their occupation in online shopping.

Table No.7: Chi Square test

Occupation /product	Clothes	Electronic Appliances	Cosmetics	Accessories	Total
Student	12(8.61)	05(10.19)	06(6.31)	10(7.89)	33
House wife	10 (10.17)	06 (12.04)	14 (7.46)	09 (9.33)	39
Service	11 (13.57)	21 (16.05)	10 (9.95)	10 (12.43)	52
Business	14 (14.35)	19 (16.98)	09 (10.52)	13 (13.15)	55
Professionals	13 (13.30)	20 (15.74)	05 (09.76)	13 (12.20)	51
Total	60	71	44	55	230

Values indicated in brackets are expected values.

Results of Chi Square test are as below

Level of significance α = 0.05 at 5%

X^2 = 19.819

df = 12

P = 0.071

Since P > 0.05 Null hypothesis in accepted and Alternative hypothesis is rejected.

FINDINGS

1. Due to revolution in telecommunication sector no. of internet user increased in recent time.

2. Though usage of online shopping by customers is increased but still customers are giving first preference to manual shopping for regular purchase.

3. Majority of customers have used online shopping and shown willingness to continue but very few of them have done online shopping earlier and not showing willingness to continue.

4. Respondents are preferring online shopping due to various motives like less price or price discount, time saving, due to availability of no of sites rang and variety of products are available and customers are having choice to purchase, customers found purchase method very easy as websites are user-friendly and customers want to avoid hassles of shopping in store.

5. Majority of respondents are satisfied with online shopping

6. Following are barriers behind development of online shopping in large scale Customers want to see product in personal before buy.

   Customers are having fear of receiving wrong or bad product and could not return Customers are worried about giving credit card no.

7. Occupation of respondent is independent of purchase habit. Occupation is not playing any role in product choice.

CONCLUSION AND SUGGESTIONS

An attempt was made by researchers to study the present status of online shopping. 100 respondents from Tiruvarur District were selected. Opinion from these respondents was collected with the help of well-structured questionnaire. With the help of Data analysis and interpretation finding were drawn by researchers. With the help of findings following conclusion and suggestions were drawn by researchers.

Due to revolution in telecommunication sector no. of users of internet are increased in India in recent time and customers are using internet for online shopping but still for regular purchase most of customers first choice is manual shopping. To increase no. of customers for online shopping there is need of extensive publicity and promotion by online shopping companies to attract all class of customers.

Most of the customers are of opinion that shipping charges charged by companies are very high, it is suggested to companies to either reduce shipping charges or delivery of product should be given freely. Companies may use it as one of the promotional activity.

After research it is observed that major hurdle behind development of online shopping is of customer awareness. Majority of customers are not aware about various pre and post services rend by this online shopping companies.

Companies should aware customers regarding how security regarding customers credit card no. is maintained by companies.

Companies should made aware customers regarding return policy and procedure if wrong or bad product arrived. Companies should make returning procedure simpler, like few companies are asking customers to resend products if any wrong or bad product arrived. Instead of these companies should collect product from customers and deliver write product to them in minimum time.

Most of customers want to see product before purchase to make sure that same product arrived as per order. Most of companies are not having this facility. If companies want to increase no. of customers they should provide this facility because in manual purchase customers are getting chance to see and touch the product and this may be the important reason behind customers first preference for manual shopping on regular basis.

In home and electronic appliances after sales service in very important aspect, companies should inform customers regarding how to install and use the product or send company representative for installation very soon after delivery. Companies should inform customers regarding nearest service station if any problem arrived in product. Majority of customers are preferring manual shopping for home and electronic appliances in fear of after sales service.

From the above discussion, it is concluded that future of online shopping in India looks very bright. Online shopping give customers best alternative to save money and time. Companies Offers detail product information, easy mode of payment, facility of comparison of price and very important completely hassle free shopping experience. Success of online shopping depends on its popularity, its brand image and its unique promotional policies.

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