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Study of the online and offline purchasement in Indian perspective

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Abstract: Today's marketing is to identify needs and wants of the consumer and satisfy it profitably. The internet and traditional shopping both have their own advantages and disadvantages. Online shopping doesn't require traveling long distances, offers more variety, remains functional 24*7, offers huge discounts and extend the facility of customer reviews. On the other hand, traditional shopping allows customers to physically examining products which otherwise online shopping lacks. Consumers may be use both the online and traditional mode of shopping depending on their preferences at a particular moment, which results in fundamentally different behaviors across the two mode of shopping. Very less work has been done to compare the reasons for which people are motivated towards online shopping and also the factors for which consumer are attracted to shop by using online or offline modes. Online and offline mode of shopping of consumers depends on need or requirement. And Online and offline mode of shopping of consumers depends on the dealing and offers of the shoppers also.

Keywords: Consumers; Indian; Online; Offline.

Introduction:

Advancement in internet changes the marketing calculations. With rapid growth of the Internet and globalization of market, the retail sector has become an increasingly competitive and dynamic business environment. The advent of World Wide Web in the early 1990's led to the establishment of a new era in the retail sector i.e. online retailing. It refers to the selling of goods and services on business to business or business to consumer platforms through the internet. In today's epoch of extensive modernization and technological enhancement, the retail market has been revolutionized to a great extent. In order to dominate the market, new tactics have been developed leading to the dawn of usage of the internet as a medium to establish direct and ongoing relationship with customers. In a developing country like India, majority of people still depend on the brick and mortar stores to make purchases in different categories. Although in the last few years, online shopping has become quite a craze among the masses especially among the teenagers and youngsters, in absolute numbers; offline shopping is still way ahead of its online counterpart. Progressively, online retailing became one of the most important and effective mechanisms of the process of buying and selling. 2002 experienced a sudden shoot in the number of web users as it crossed the 50% mark and annual online retail sales rose up 25.6% to 54 billion dollars. Online shopping, which is a recent phenomenon in the Indian context has gathered steam in the last few years backed by increasing penetration of internet has resulted in consumers spoiled for choice. The competition in online and shopping is still continued to fulfill their shopping interests. Very less work has been done to compare the reasons for which people are motivated towards online shopping and also the factors for which consumer are attracted to shop by using online or offline modes. So the main aim of this research is to study of the online and offline purchasement in Indian perspective.

Material and Methods: The present review article is conducted where doctoral thesis and research papers and articles have been studied. It provide classification of research papers and articles on the basis of key factors, statistical tools used, number of respondents, journal wise and year wise frequency distribution. The research articles, research papers and doctoral thesis are extracted from the resources like, Google scholar, Shodhaganga, Research gate, infliibnet. The thesis and papers written and published in English are considered.

Review Of Literature:

Nagra Gagandeep and Gopal R (2013) found the impact of demographic factors of consumers on on-line shopping parameters like satisfaction with on-line shopping, future purchase intention, frequency of on-line shopping, numbers of items purchased, and overall spend on on-line shopping. The results of study reveal that on-line shopping in India is significantly affected by various demographic factors like age, gender, marital status, family size and income.¹

Smith and Brynjolfsson (2000) use data from an online shopbot to study the behavior of online book consumers. They find that brand has an effect on the consumers' willingness to pay.²

Dong-Mo Koo, Ji-Hoon Lee (2011) proposed an interrelationship among dominance, energetic and tense arousal, pleasure and their impact on intention. Results from the from a survey of 406 consumers (217 from offline store customers and 189 online store users) demonstrated that dominance had a significant positive and/or negative effect on both energetic and tense arousal, it has no impact on pleasure and intention under both offline and online environment; effect of dominance on tense arousal was not statistically significant in an online shopping environment; both energetic and tense arousal has a positive and/or negative impact on pleasure.³

Scott Morton, Zettelmeyer, and Silva-Risso (2001) document that consumers who used an online service to help them search for and purchase a car paid on average two percent less than other consumers.⁴

Kumawat Mahesh and VermaSanjeev(2012) showed that in the next 5 years, online retailing in India will strengthen even further.⁵

Yaobin Lu (2011) focused on factors that influence users' intention to transfer their usage from the offline to the online channel that offer similar services. The study revealed that innovativeness in new technology and relative benefit had positive effects on users' intention to transfer usage. Moreover, the findings of the study also indicated that internet experience moderates the relationship between relative benefit and consumers' intention to transfer usage from offline to online services.⁶

Discussion & Results: The five stage consumer decision making model is shown. Even though online and brick and mortar shopping channels are two entirely different mode of shopping, the five stage consumer decision making model is equally applicable for both the mode of purchase. Let us discuss each of the five stage consumer decision making model below.^{7, 1}

1. Need recognition: Irrespective of the mode of the purchase, most decision making starts with some sort of problem. The consumer feels a difference between the present stage he/she is in and the ideal stage he/she wants to be in. That missing thing which can satisfy the customer's dissatisfaction, is the need of the customer. Marketers need to identify this stage and offer products and services as per the requirement. For example, if a customer needs to buy a new set of dress to attend an upcoming marriage ceremony, then this is the need of the customer.
2. Information search: Most of us are not experts on everything around us. In this stage we evaluate the products and services which can satisfy our needs. Apart from our friends, family members and neighbors, nowadays we can look for information on the websites as well. The major difference between online and offline shopping regarding this particular stage is the search cost involved in it. Whereas in case of offline shopping, it's time consuming and physically demanding, in case of online shopping, the search cost is extremely low and it's a matter of pressing some keys. This is the stage where risk management commences.
3. Evaluation of alternatives: This is the stage where products and services are compared with each other to choose the best ones available. Now this decision is absolutely subjective as consumer choice varies from person to person. One

advantage online shopping companies have over their brick and mortar counterparts is the variety of products available online. Due to the higher varieties, customers have more options to choose from. Apart from that, the customer review option available online helps customers to go through the reviews and choose for themselves from the alternatives available. But one advantage of offline shops in this aspect is the tangibility factor. Customers can touch and feel the product. They can also get a first hand demo and try it on themselves. They can also interact with the salespeople of the store. That definitely helps them to make informed choices.

4. Purchase: This is the stage where products and services are purchased after deliberations. In case of offline shopping, products and services can be used immediately, whereas in case of online shopping, customers have to wait for the courier company to deliver the product. In case of services like softwares, it can be downloaded directly from the websites and can be used. At this stage a customer has either assessed all the facts and come to a logical conclusion, made a decision based on emotional connections/experiences or succumbed to advertising/marketing campaigns, or most likely a combination of all of these has occurred.⁸
5. Post purchase evaluation: The review stage is a key stage for the company and for the customer likewise. Did the product deliver on the promises of the marketing/advertising campaigns? Did the product match or exceed expectations? In case the customers is not satisfied with the product and want a replacement for it, he/she needs to act differently online and offline. In case of a brick and mortar shop, the replacement can be obtained by visiting the shop during the scheduled working hour. Whereas in case of an online shop, it requires calling up the customer care to lodge a complaint, waiting for the courier company to pick up the product and wait for the replacement to arrive.

The kind of business online retailer are doing is proof enough that they are providing some benefits to customer which offline shopping does not give to the customer. Those are as: 1. Risk, 2. Convenience, 3. Anxiety, 4. Previous online experience, 5. Pricing policy, (6) Quality, (7) Online trust, (8) Tangibility of the product, (9) Delivery time, (10) Income, (11) Preference, (12) Information, (13) Variety, (14) Discreet shopping, (15) Offers, (16) Instant gratification, (17) Available product and services.^{9, 10}

Offline shopping has existence since the existence of mankind. Offline shopping gives different types of benefits to the customer.¹¹ There are some factors which affect the shopping offline those are as:

1. Less number of choices: There are limited numbers of choices when it comes to offline shopping. The numbers of varieties are limited. The ranges of products available in the shops are limited. Sometimes, the stocks are old and are up for discount and sale. Basically in offline or any shop we get less numbers of choices as it consists of manual work. We have to choice in that less number of materials due to manual factor.^{12, 13}
2. Time consuming: It takes a lot of time to go shopping to a store. Distance from home or workplace to the store is time consuming. It is also time consuming while trying out the outfits in a store or even going through other products. In off-line shopping customer move one place to another and one shop to another in search of their desired product.
3. Information: What generally happens is that the information provided by a shopkeeper isn't correct. Also this information doesn't always suit our needs. And we buy products according to what they say when we ourselves don't have adequate knowledge about the products. Such purchases are based on goodwill when we happen to know the shopkeepers.
4. Authenticity: Offline shopping is more authentic than online shopping. While buying the product we can feel the texture of it and know what it's like. We exactly know what we are buying while buying anything. But in online shopping, we don't always know what exactly we are buying. This is because what we see on the websites is not always what we buy when the product reaches us.
5. Taste and preference: The taste and preferences of the customer change from time to time. While buying any product from a store we have the flexibility and the choice to try out 9 outfits. But while buying any product from a website we don't have this facility. Therefore, buying offline caters more to the changing taste and preferences of the customers.

6. Bargaining: In offline store a customer can do physical bargaining to the seller unlike shopping online. In online shopping a customer cannot do bargaining as the price of the product is fixed. Some of the customer purchased products depending upon bargaining so they do not go for online shopping as they feel shopping online is costlier than the market.¹⁴⁻¹⁸

Conclusion: According to present literature there are significant differences in purchasing style of the consumers. Online and offline mode of shopping of consumers depends on need or requirement. And the dealing and offers of the shoppers also affects the shopping mode selection.

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