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Factors Determining Consumer Buying Behaviour in Online Shopping

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ABSTRACT

The new improvement of online business and the buyer's growing income in purchasing over the net have basically changed the location of Indian retail market. Today customers are skewed to recognize the movements and maintain their eyes on the benefits they can gain from online retailers. The new delineation of changing client purchase configuration is the flipkart's 'Tremendous Multi day' Sale. The justification this examination is to appreciate and take apart the components influencing on the web purchase decisions of Indian customer. The disclosures of the examination show that customer online purchase points are basically related to their sex, guidance, age, security concern, mechanical shared trait, and past online purchase repeat. Purchaser buying conduct is moreover affected by thing type, purchase repeat and cost.

I. INTRODUCTION

Internet is charging the ay buyers drop shop and purchase products and ventures ,and has quickly advanced into a worldwide marvel . Numerous organizations have begun utilizing the web to reduce showcasing expenses, in this way lessening the cost of their items and administrations to remain ahead in exceptionally serious business sectors .Companies likewise utilize the web to pass on impart and scatter data to sell the item , to take input and furthermore to lead fulfillment overviews with clients. Clients utilize the web not exclusively to purchase the item on the web , yet additionally to look at measure , item includes and after deal administration offices the will get in the event that they buy the item from a specific store . Numerous specialists are hopeful about the possibility of online business.In expansion to the enormous capability of the E-trade market .the Internet gives a remarkable chance to organizations to all the more effectively arrive at existing and expected client , the experts of business – tocustomer E-business ought not lose certainty . It has been over 10 years since business-to-purchaser E-trade previously advanced .researchers and specialists of electronic business continually endeavor to acquire in improved understanding into shopper conduct in cyberspace.Along with the improvement of E-retailing , scientists keep on clarifying E-buyer conduct from alternate points of view . A significant number of their examinations have set new emanant elements or suppositions which depend on the conventional models of shopper conduct , and afterward analyze their legitimacy in the web setting.

Key Words: Consumer Buying Behaviour, Online Platform,Offline Platform,Awareness.

II.OBJECTIVE OF THE PROJECT

This project research helps to find out what are the main factors affect the online consumers when considering and making a purchase over internet .

- The objectives of the study are;**
- To know customers thoughts % perception about online shopping.
- To determine the attractive promotional activities helps to make the final buying decisions of customers towards online shopping.
- To know the factors which affect decision making process of customers while purchasing the online shopping's products.
- To spread awareness about online shopping even in the untouched niche in the market through marketing activities.

III.SCOPE OF THE PROJECT

- At any given time there are millions of people online and each of them is a potential customer form a company providing onlinesales.
- Due to the rapid development of the technologies surrounding the internet , a company that is interested is selling products from to websites will constantly has to search for an edge in the fiercecompetition.
- There are so many potential consumers it is of the out most important to be able to understand what the consumers wants and needs.
- The importance of analysing and identifying factors that influences the consumers when he or she decides to purchase on the internet is said .since the internet is a new medium for there have been new demands set by theconsumers.
- It is crucial for the online retailers to know what influencethe online consumers , since online retailing is a new retailing medium and online consumer behaviour is diverse from traditional consumers behaviour , one most identify what influences the online consumers.
- Consumers are considered there factors need to be identifiedand taken into account by online retailers in order to satisfy consumers demands and compete in the online markets.
- Thus this study will be beneficial to the online marketer in making the strategy to fulfil the need of consumers through knowing the attitude and satisfaction level.

IV. LITERATURE REVIEW

1. In his article he has tested and developed the Technology Acceptance Model (TAM) which is introduced by Davis in 1986 which tries to explain attitudes of end users to computing technology. The output of his analysis shows no relationship between the variables he used and the model. His analysis conforms that TAM is important and valuable tool to predict the attitude, satisfaction & usage from belief and external variables. Said S. Al-Gahtani, Attitudes, Satisfaction and usage: Factors contributing to each in the acceptance of information Technology, Behavior and Information Technology.18 (4), July 1999.
2. Authors in their research paper have focused mainly on how a large number of people in US and Europe frequently shop online and has fragmented on reasons behind the consumers online shopping. Their review showed that consumer's attitude towards online shopping and intention to shop online are not only affected by ease of use and enjoyment but also by exogenous factors like consumer traits, situational factors, product characteristics, previous online shopping experiences and trust in online shopping. TonitaPereayMonsuwe, Benedict G.C. Dellaert, Koderuyter,, What drives consumers to shop online?, International Journal of Service Industry Management, Feb 2004.
3. In his research he mentions how the online shopping in this new generation has become a part of life and it is expected that online shopping will lead to retail growth in India due to digitalization. The main objective of his research was to understand the attitude of consumer towards online shopping & their intentions behind online shopping. Sunil Atulkar, BikrantKesari. A review on consumer shopping attitude towards online shopping, National conference on Digitalization and Innovation for Organization Management and Research, April, 2019
4. According to the author online shopping is the process whereby consumers buys goods and services as per their requirement and convince as it is the main reason behind online shopping & through seller in real time without an intermediate service over the internet. According to the analysis the huge discounts and offers on online shopping are the major reasons behind increasing tremendous sales in online shopping. This study was attempted to find customers satisfaction towards online shopping on amazon.com. Furthermore they have also studied the attitudes of consumer towards online shopping and factors influencing consumers to shop online on amazon.com. Lakshmanan, A., Consumer satisfaction towards Online Shopping in Amazon.Com-A study with reference to Udumaplet Taluk., International Journal of recent research and applied studies, Vol. 3, 12(6), 2016.
5. In his article he mentions about how does an online customer judge a product's attributes in digitalized market. Furthermore alliterative assumes that the consumer's ability to evaluate product quality on the web differs according to the product attributes. And based on this the purpose of the research was to determine whether a consumer's dissatisfaction and readiness to complain on the web differ depending on product category. It also examines how selected variables influence the impact of product category on customer dissatisfaction. Yoocheong Cho, II IM, Jerry Fjermestad, Starr Roxanne Hiltz. The impact of product category on consumer dissatisfaction in cyberspace, Business Process Management Journal 9(5), October, 2013.

6. In his article he says that financial security of the online payment convenience and site design are the most important factors that affect e-satisfaction EvanschitzkyHeiner, IyerGopalkrishnan R, Hesse Josef, and AhlertDieterE- Satisfaction: a re-examination, Journal of Retailing,2004.

7. In his article he concluded that there are seven factors that affect consumer's online shopping behavior and those factors are perceived ease of use, perceived risk, perceived usefulness, effect of website design, Economic factor, availability of products, and customer satisfaction. AnuragPandey, Jitesh S. Parmar, Factors Affecting Consumer's Online Shopping Buying Behavior.

8. In his article he found that environment of online shopping is playing a major role between the marketers and their consumers. The exploratory factor analysis shows that convenience, website features, safety & security along with time saving are the factors that affect behavior of an online shopping customer. The regression analysis shows that convenience, safety & security, time saving, website features are positively and significantly influencing the purchasing decision of an online shopping customer. According to him online retailers need to ensure that the online shopping for any consumer should be designed easy, simple and convenient. R.Ganapathi, A study factors affecting online shopping behavior of consumers in Chennai. Journal of Management Research and Analysis, April – June 2015.

9. In her blog she mentioned that behavior of a customer shopping online is a bit complicated socio-technical phenomenon and has been the focus of researchers for the last decades. It was difficult trying to judge the psychological state of consumers while they are making purchases. WiebkeReile, SearchFit, Factors influencing online shopping behavior of consumers, 1st may 2017.

10. In her article she mentions how technology has changed the retailing process drastically which is beneficiary for both sellers and buyers. Her study is totally focused on non – metro cities consumers which are the future potential for e – retailers. According to the result obtained she found that Psychological factors and some demographic factors have been found significantly impacting consumer buying decisions. Dr. VandanaSonwaney, SnehalChincholkar, Identifying the Factors impacting online consumer behavior, INTERNATIONAL

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11. In his article he mentions that though the technology is growing along with the number of users but it has not reflected to the online sales. So it is important to identify factors affecting Indian consumer's buying behavior through online sites in order to find the way to stimulate their online shopping behavior. The main objective of his study was to identify factors affecting Indian consumers' attitude toward shopping online by investigating Indian consumers' risk perceptions about shopping online. JayendraSinha and Jiyeon Kim (2012). Factors affecting Indian consumers' online buying behavior. Innovative Marketing ,8(2)

12. In his study he examines the factors influencing online shopping behavior of urban consumers in the State of Andhra Pradesh, India and provides a better understanding of the potential of electronic marketing for both researchers and online retailers. His study identified that recognized risk and price positively influences online shopping behavior. Furthermore the analysis indicated that positive attitude, product risk and financial risk affect negatively the online shopping behavior. NittalaRajyalakshmi, Factors Influencing Online Shopping Behavior of

Urban Consumers in India,

13. International Journal of Online Marketing.

V. RESEARCH METHODOLOGY

TITLE OF THE STUDY :

"Customers cognition towards online purchase"

OBJECTIVES OF STUDY:

For what purpose we are doing this research, what we want to reveal out are the objectives which we want to find such as :

- ★ To identify the Male and female buyer's.
- ★ To identify the age group.
- ★ To identify the most trusted e-commerce site.
- ★ To identify the issues faced by the consumer while shopping.
- ★ To summarize the findings and offer suggestions.

SAMPLING UNITS:

The sampling units are local customers from GUJARAT areas .

SAMPLE SIZE:

The sample size taken was 100

SAMPLING METHOD:

Data were collected by us with the help of survey as per the Objectives needed.

We have circulated questionnaire randomly & had collected the information's.

COLLECTION OF DATA

SOURCE OF INFORMATION

Basically the source of the information for the project was taken from those who were residing GUJARAT region only .

METHODS USED FOR DATA COLLECTION:

a) PRIMARY SOURCES:

The primary data is collected by approaching the individuals with a questionnaire and was filled after making them understand the use of the information. It was done to make sure that the information provided is true and unbiased and close ended questions are used while conducting the survey.



The techniques which I used to collect these data are as follow:

- Survey
- Questionnaire

b) SECONDARY SOURCES:

Secondary research is a means to reprocess and reuse collected information as an indication for betterments of the services or product:

- Newspapers
- Magazines
- Internetsites

Both the primary and secondary data are useful for businessman but both may differ from each other in various aspects .but this research based on secondary data .

RESEARCH DESIGN :-

A research design is the arrangement of conditions for the collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in position the research design in the

conceptual structure within which research is conducted it contains the blueprints for collection and analysis of data .

The purpose of the methodology is to design the research procedure .the includes the overall design , the sampling procedure , the data collection method and analysis procedure .

Marketing research is the systematic gathering recording and analyzing of data about problem retaining to the marketing of goods and services .

The essential purpose of marketing research is to provide information, which will facilitate the identification of an opportunity of problem situation and to assist manager in arriving at the best possible decision when such situations are encountered .

Basically there are two types of researches , which according to their applicability , strength, weakness , and requirements used before selecting proper type of research , their suitability must be seen with respect to a specific problem two general types of researchers are exploratory and conclusive .

a) EXPLORATORY RESEARCH DESIGN:-

It is also known as qualitative research it seeks to discover new relationship it aims a defining the main problem & inducing the identification of the relevant variables and the possible alternative solutions it can further be divided in to three parts .

b) CONCLUSIVE RESEARCH DESIGN:-

- It is also known as quantitative research it is designed to help executives of action that is to make decision.
- When a marketing executive makes a decision are course of action is being selected from among a number of available .the alternatives may be as few as two or virtually infinite.
- Conclusive research provides information , which helps the executives make a rational decision.

□ Type of research here Is “descriptive research design” .the kind of design is used for more precise investigation or of developing the working hypotheses from an operational point for view.

VI. DATA ANALYSIS AND INTERPRETATION

QUE 1: To know the age group of the respondent?

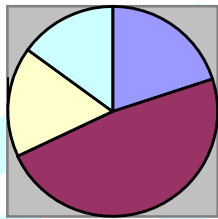
PRATICULARS	NUMBER
15-20	20
20-25	48
25-30	17
30 AND ABOVE	15
TOTAL	100

15%

17%

20%

48%



15-20

20-25

25-30

The above diagram shows us the percentage in the age of respondents . as it show that from the number of respondents are 20 % in age group 15-20 and from 20-25 age group . it is age 48 % from 25-30 and it is 17% from 25-30 and 30 above it is 15% . the above chart shows that high respondents of online shopping fall in 20-25 age group .

QUE 2 : To know the monthly income of the respondents ?

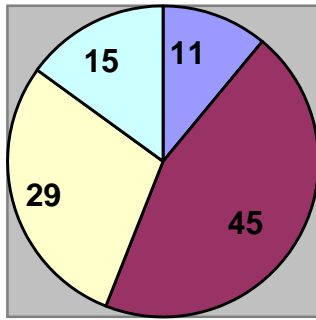
PARTICULARS	NUMBERS
10000-20000	11
20000-30000	45
30000-40000	29
40000 ABOVE	15
TOTAL	100

10000-20000

20000-30000

□ 30000-40000

40000 ABOVE



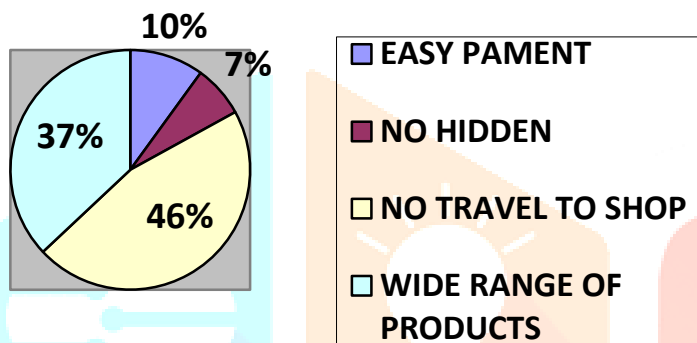
□

The above graph shows the percentage that the monthly income of the different respondents and it show that respondents between 20000- 30000 have bought more online products because most of them are graduates and they use electronic products like music cds, mobiles , laptops, trendy clothes , etc.



QUE 3 : What motivates you to buy products online ?

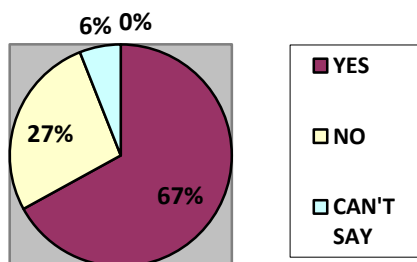
PARTICULARS	NUMBERS
EASY PAYMENT	10
NO HIDDEN COST	7
NO TRAVEL TO SHOP	46
WIDE RANGE OF PRODUCTS	37
TOTAL	100



The graph shows that what motivates the people to buy internet , as from above result we found out that no travel to shop is the main thing and wide range of products available at one place which help respondents to compare the products from various variety which motivates the people to buy products online .

QUE 4 : Do you feel that the online marketers are providing competitive prices?

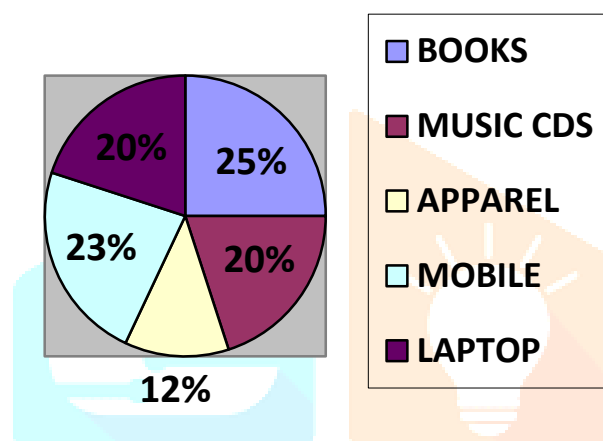
PARTICULARS	NUMBER
YES	67
NO	27
CAN'T SAY	6
TOTAL	100



The diagram shows as that whether online marketer are giving competitive price or not and result which came out is that most of the people thought that online marketers are providing competitive prices than physical stores because they provide various scheme like discount coupons , free offers ,etc which boast the customers to buy products online rather than retail stores shop .the results shows 67% of people say that it provides competitive prices and only 27% people says no .

QUE 5 : What products to you buy on internet ?

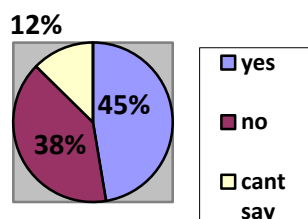
PARTICULARS	NUMBER
BOOKS	25
MUSIC CDS	20
APPAREL	12
MOBILE	23
LAPTOP	20
TOTAL	100



The above graphs gives result that most of time people use to buy books 25% but the margin with other things is very less as music cds& laptop share the same % i.e, 20% and mobiles is 23% while apparel have the lowest of 12% . so this graphs shows us this useful data .

QUE 6: Do you feel that online shopping is better than shopping at physical store ?

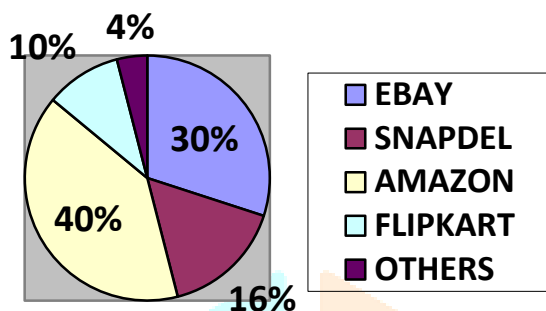
PARTICULARS	NUMBER
YES	45
NO	38
CAN'T SAY	12
TOTAL	100



After analysing the above graphs shows that the People are in favour of that online shopping is better than physical store the percentage of people who says shopping is better is 47% and the people who say it not good is 40% .still the percentage of people who says yes is more than other who says no .

QUE 7 : Which of the following stores have you ever visited for shopping online ?

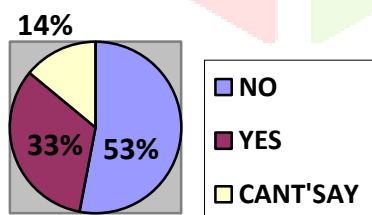
PARTICULARS	NUMBERS
EBAY	30
SNAPDEAL	16
AMAZON	40
FLIPKART	10
OTHERS	4
TOTAL	100



This graphs shows that 30% people visit e-bay for online shopping . 40% go at amazon.com for electronic products 16% people go to snapdeal for affordable deals, 10% people visit flipakrt& remaining 4% go to other sites.

QUE 8 : Have you faced any problems while shopping online ?

PARTICULARS	NUMBERS
NO	53
YES	33
CAN'T SAY	14
TOTAL	100

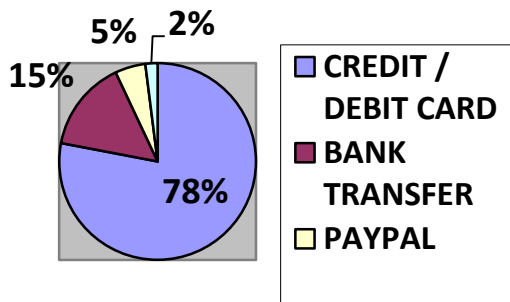


The graphs shows that whether people faces any problem while during online shopping or not and the result show that 31% people says that they have faced problem while buying online and 53% people says that they don't face any problem and 14 % says that we can't say.

QUE 9 : How do you make your purchase on intenet ?

PARTICULARS	NUMBERS
CREDIT/DEBIT CARD	75
BANK TRANSFER	15
PAYPAL	5
ANY OTHERS	2

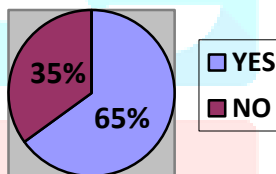
TOTAL	100
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The diagram shows that 75% people use credit/ debit card to pay their payments 15% through bank transfer and 6% through pay pal and 4 % from any other.

QUE 10 : Are you satisfied with the online services ?

PARTICULARS	NUMBERS
YES	65
NO	35
TOTAL	100



65% people are in the four of online shopping where as 35% is not . This is what the above pie chat signifies.

FINDINGS

- 45% of respondents monthly income in between 20,000 – 30,000 they bought online because they are graduate people and use electronic products.
- 45% of respondents are motivated by online shopping to purchase the product and 7% of respondents buy the products at physical store.
- 62% of respondents thought that online marketer provide the competitive price than physical stores. Because they provide various schemes discount , coupons , free , offers ,etc.
- 28% of respondents buy books and 23% of respondents buy mobiles through online shopping and lowest 12% buy apparels.
- 20% of respondents are age group in 15-20 and 48% of respondents are age group in 25 – 30.
- 47% of respondents said yes online shopping is better than physical store and 40% of respondents said no.
- 40% of respondents visited the online shopping Amazon for electronic product and 16% of respondents visited in snapdeal for affordable deals and 10% of respondents visit flipkart.
- 43% of respondents faced no problem in online shopping and 53% of respondents faced problem in online shopping.

- 73% of respondents make the payment through credit/debit card and 15% through bank transfer .because its convenient and suitable for them.
- 65% of respondents are satisfied and 35% of respondents are not satisfied online shopping.

SUGGESTIONS AND RECOMMENDATIONS

- As we came to know after researching on this topic we recommend that , the online sellers have to make their payment transparent , and as people are coming on their sites and they are buying their products.
- Retailers have to give more discounts to their customers so that they can visit again and again it their site , and it also helps to make people more aware about the low risk shopping of the net.
- One more thing is that there should be transactions of money is very slow they have to make it fast so that customer don't have to face much problem to pay for the product , if customer is going to face problem he is not going to visit our site and buy product.
- Following implications should be followed:
 - Discount price
 - A transfer and reliable retailer
 - Fast transaction
 - Focus on customer satisfaction

LIMITATIONS

- Limitation of the study is the selection of the existing studies.
- Owing to the limitations , I only searched a few member of journals . This may leave some other prominent empirical studies out.
- This research is only done in GUJARAT region .so the study is not vast and the we didn't get the proper result . and sometimes people didn't give answer and there is always a business.
- Owing to the multidisciplinary nature of online shopping it would be very interesting to compare IS literature to other disciplines that study online shopping attitudes and behaviour.

CONCLUSION

- Increased internet penetration, a hassle free shopping environment and high levels of net services see more and more Indians shopping online.
- The companies need to reduce the risks related to consumer incompetence by tactics such as making purchase websites easier to navigate and introducing internet , computers and other aids in stores.
- The goal is not to convert all shoppers to online purchasing but to show them it's an option . In addition to above , effort need to be taken to educate the online buyers on the steps the need to be undertaken while making an online purchase.
- The feedback of an done through online communities and blogs that serve as advertising and marketing tools and a source of feedback for enterprise.
- It is a challenge for E – marketers to convert low frequency online buyers into regular buyers through successful website design and by addressing concern about reliable performance.

□ Online retailing raise more issues than the benefits it currently offers .the quality of products offered online and procedures for services delivery are yet to be standardized.

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