Working Individual Perception of Online Shopping Behavior in India

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Abstract: In Today's world every business is coming up with a new creative way to promote their product through an online platform. This is visible as the modern market is taking over the traditional market. To determine the online shopping behavior of working individuals in India, this study set out to determine customer satisfaction from their decision. With the help of a quantitative approach, this study examines the sample of 113 respondents. A well-structured questionnaire was designed and circulated to collect the samples among the working class who are the main target of online shopping. The results from the well-set hypothesis reveal that factors that affect the perception of these individuals are the online payment system of quality, speed, perception of their service as a factor, and privacy or security anxieties. Based on the result the study recommends online retailers take necessary initiatives to be more admired and trustworthy by the customers.

Index Terms - Customer perception, Consumer Behavior, E-commerce, Online shopping, SPSS, Technology.

1. INTRODUCTION

With 749 million internet users India has one of the second largest web users next to China. Slowly many bricks and mortar are making a shift towards online retailing because of the trend toward growing online shopping. It is estimated that the web penetration rate of India for the year 2020 is 50% which is more than five consecutive years. The convenience of online shopping from home and also the impact caused by Covid made this huge surge of demand for online shopping. Whereas 300 million web users consume the online content but prefer to shop offline because of a lack of trust in getting products online [3].

In India, especially after Covid, most customers bought online because of ease of procurement, and administration of quality products without getting infected. To retain those customers and to trust and expansive brand loyalty E-commerce sites need to ensure that consistent product quality of all goods is sold on their dedicated platform. Five dimensions of perceived service quality play a predominant role in factors enriching the customer's satisfaction among working-class people who are the major customers of these retail stores, the factors need to be assessed and analyzed with that product reliability, service assurance, service guarantee, customer alliance, fast responsiveness to customer queries and solvable complaint of the customer.

The purpose of this study is to address the perception of working customers whose beliefs in increasing towards online despite their low key to full swing shopping. The objective of this is to analyze the Indian working customer's satisfaction depending on the factors such as product quality, speed of delivery, or trust in a brand through offers of online shopping.

Factors that prompt the buyer to order or restrain from the order is the main area where this paper concentrates on factor analysis and hypothesis framing. Based on this analysis a conceptual framework has been developed concerning factors such as Information privacy, Price satisfaction, information usage, Offers & Discounts, QCD (Quality, Cost, Delivery), Speed & Brand, Customer service, and customer satisfaction as factors leading to good online delivery according to the customers. Online retailers when identifying the association concerning this factor [1] and adopting a strategy can easily convert the potential customers into active ones and prevent the switching of the loyal customers.

2. REVIEW OF LITERATURE

Jaya Subramanian et al. [4] addressed that the shopping experience of customers as a whole was very good except for viewing a lot of items that are not in stock as an inconvenience. Retailers had added a lot of products into their database with big catalogs but were ran out of stock when found out. This paper identified that the services provided by online retailers have led to consumers' satisfaction levels.

M. Rajeswari [5] identified different motivating factors that influence online shopping in metro cities and non-metro cities. The different categories of products that customers were willing to purchase online depend upon the customer's perception of risk. It denoted product categories for which customers favor online shopping and product categories for which they started to abide by the traditional approach, features that customer expect at an online shopping portal, and the different payment and delivery systems preferred by the customers.

Rashed Al Karim [2] discussed Companies' modern usage of building a closer relationship using the Internet with its consumers and marketing partners. Instead of competing in traditional marketplaces, they now can access exciting new market spaces as technological development. This research explored the reasons why despite the increase in internet users, online shopping has not been increasing in general.

Noura Said Al-Jahwari et al. [6] studied that online shopping was affected by factors that play an important role in the improvement of customer satisfaction during online shopping and the ways that increased their reputational smooth delivery. It claimed that online retailing was one of the easy ways to influence the customers and also emphasized that factors such as trust, customer service, the price of products, and security, encourage people to buy online products.

Dr. Pratima Merugu et al. [7] explore the factors influencing customer satisfaction for the online shopping in Jalandhar city and identified a few product category preferences of online shoppers, the most appealing features of online customers who shop, the problems they faced while performing online shopping has recommended few ideas to improve customer satisfaction for retailers to retain their customers for their service.

Dr. Harpreet Singh et al. [8] described that due to less amount of physical interaction has led to a critical impediment in online retail sales followed by the privacy concern of individual information and security while performing financial transactions over the internet. The research has shown the demographic features of the customer shopping online and the relationship between customer satisfaction and customer loyalty in online shopping.

Anusuya.An et al. [9] Implemented precautionary steps to solve these problems which created consumers' confidence in online shopping. Delivery of goods delayed and products were also one of the problems that affect the serenity of the customer. Paper established the main problems like credit card information theft and less security on online payments in internet marketing and how it was concretely different from other marketing platforms.

Deepayan Ghosh [10] observed that Indian Fast food promising potential from the survey, the main concern of loyal customer retention. Technology has been so important in the modern world because of which once the disruption of information was evident across industries it would become tough. Thus, the modern business thrived to leverage technology as a source of competitive advantage.

2.1 RESEARCH OBJECTIVE

- To discover the motives in shopping patterns of customer satisfaction because, despite growth in web users, online purchasing has not been increasing.
- To find out the factors that might push a consumer to make a decision or restrain from it.
- To examine which issue is influencing people in purchasing whether the quality of the product or product safety or speed of transport or the discounts in online purchasing.

2.2 RESEARCH DESIGN

This research utilized quantitative data concerning the questionnaire survey. Likert type of scale was used with 1-Strongly Agree, 2- Agree, 3-Neutral, 4- Disagree, and 5- Strongly disagree to see how the respondents view themselves while doing online shopping. Purposive random sampling has been carried out covering samples of graduates from all fields like teaching, service, trading, finance, IT, freelancer, and other industries from 10th to post-graduation finished working individuals. Respondents who have shopping experience alone get filtered for further analysis leading to 113 samples.

3. Methods

The primary data have been collected directly from the target audience who were working-class people through a well-structured questionnaire. It was circulated among them across diverse age groups and occupational profiles. A total of 113 respondents disclosed their views along with the 20 items where the questionnaire was mailed and the Purposive snowball sampling technique was observed while collecting those responses.

The secondary data has been collected from various possible records like books, magazines, periodicals, journals, and internet sources. The data collected for this study were tabulated and analyzed by using SPSS 22.0 statistical tool. Through the tool different types of bar charts, scatter plots, and pie diagrams were developed to determine the factors influencing the buyer's choice.

3.1 Respondent Demographics

The questionnaire received 150 responses were received out of which 113 remained after approval of incomplete questionnaires and data cleaning. The questionnaire demographics profile was shown in Table 1.

Table 1: Demographics of Respondents

Characteristics		Count (%)
Gender	Male	43.7
	Female	56.3
Age	Under 18	5
	18-24	25
	25-34	42.5
	35-44	20.8
	Above 44	6.7
Degree of Education	Under Secondary	-
	Secondary School	3.3
	High School	14.2
	Associate	4.2
	Bachelor Degree	37.5
	Master Degree	34.2
	Above Master	6.7
Current Occupation	Student	8.3
	Service industry	15.8
	IT industry	18.3
	Trading industry	9.2
	Financial industry	14.2
	Freelancer	8.3
	Teaching Industry	19.2
	Other	6.7
Current Monthly Income	less than Rs. 10000	11.2
	Rs.10000- Rs.15000	6
	Rs.15000-Rs. 20000	13.8
	Rs.20000-Rs. 25000	21.6
	Rs.25000-Rs. 30000	18.1
	Rs.30000-Rs. 35000	12.1
	Rs.35000-Rs. 40000	8.6
	Rs.40000-Rs. 45000	5.2
	Rs.45000-Rs. 50000	1.7
	Above Rs. 50000	1.7
Online shopping in the last six months	Everyday	-
	Twice a week	11.7
	Weekly once	20
	Once every two weeks	20
	Once a month	25
	Every 2 or 3 months	23.3
Factor affected shopping experience previously	Price	20.2
	Way of solving the complaint	21.8

Loyalty for online shop	27.7
The speed of delivery	21.8
Differences between expectation and products.	8.4

3.2 Reliability Statistics Cronbach's Alpha

Table 2: Cronbach's Reliability Test

Reliability Statistics	
Cronbach's Alpha	N of Items
.752	11

The questionnaire's reliability was checked concerning the latent feeling of satisfaction using the Cronbach alpha test. Thus, Cronbach's Alpha results of 0.752 as shown in Table 2 for the items were above the suggested threshold of 0.70. Analysis showed the internal consistency between variables and it reflected the high reliability of the measuring instrument. Results indicated a high level of internal consistency concerning the collected sample for further analysis.

3.3 Factor Analysis

Table 3: KMO and Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.761
Bartlett's Test of Sphericity	Approx. Chi-Square	218.343
	df	55
	Sig.	.000

Principal component analysis was carried out with enough cases, SPSS deleted the incomplete case. The principal components. Covariance), the variables had very different means and standard deviations because cases were measured on different scales of 1 to 5. Exploratory factor analysis was executed on the 113 responses, with Principal Component Factoring and the Eigenvalue cutoff rule of less than 1 was taken as factors influencing purchasing behavior of working customers. Varimax rotation components were isolated and the table shows the KMO(Kaiser-Meyer-Olking) test result of 0.761 which was considerable for further factor analysis to be carried out concerning the significant value of 0.00 (p-value < 0.05) from Bartlett's test of Sphericity as shown in Table 3.

The 4-factor whose eigenvalues were greater than 1 model has been verified by the Scree plot where there was a level off after the 4th component. Loading lied between two or more components so that checking was done with rotation matrix where 11 significant items got grouped under 4 components with the help of scree plot as shown in Figure 1.

Figure 1: Scree Plot
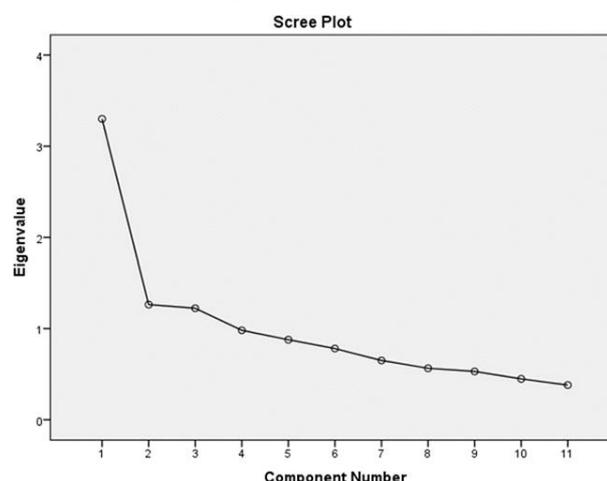
4. Grouping of Components

4.1 Factor 1 (Quality)

Table 4: Grouped Factors

Factor 1	Factor 2	Factor 3	Factor 4
QCD	Speed, Brand	Customer Service	Customer perception
Q2: Online quality Satisfaction. Q5: Price is important while shopping. Q6: Online price Satisfaction. Q9: If the Complaint gets solved will continue to buy in that online shop. Q4: Delivery speed Satisfaction. Q11: Overall online shopping Satisfaction.	Q1: The brand of the online seller important Q3: Speed is important to me.	Q7: Never repurchase the products if there is a great difference between online and offline Q8: I will buy the products again from the same shop if gratified	Q10: Negative comments to friends or return products directly if not gratified.

This factor was with an Eigen Value of 3.300 explained 61.521% of the total variance in the data set and grouped the items such as online product quality, online product price, Price satisfaction, Price importance, Availability, and Security as shown in Table 4. This factor encompassed both Price, Delivery, and Quality Related attributes, it was named "QCD" (Quality, Cost, and Delivery) was in line with the most important factor obtained in this study, and was in line with most previous studies which point out that Online Product Quality, Price and Delivery had the highest positive effect on Customer Satisfaction in the online medium context. Attributes under this Factor have been examined to increase the satisfaction levels of their customers, and hence increased loyalty and more revenues with repeat purchases. This was the most important factor affecting the Satisfaction levels of Customers in this study. Quality-related attributes enhancement should therefore be the priority of Online Product Sellers and Aggregators.

4.2 Factor 2 (Speed, Brand)

This factor with an Eigenvalue of 1.263 explained 52.128% of the total variance in the data set. The factor groups attributed to the Brand of the seller, the Brand of the product, and Speed. This factor entailing similar attributes was named "Satisfaction with Customer with the brand of product and seller speed". The factor qualified as the second most important factor towards determining Satisfaction level of Customers as it entailed a very important aspect of Branding, which were Tagline, Positioning of customers. Modern online businesses should thus aim to be as in a good branding position as possible while dealing with working Customers with a robust grievance handling system and prompt feedback.

4.3 Factor 3 (Customer Service)

The eigenvalue of 1.223 for the third factor explained 37.352% of the total variance in the dataset grouping attributes such as repurchasing with the same seller and same product. Customer service had been found significant in previous studies in the offline medium context, and in some cases even more significant than Service Quality this was the third most important factor in this study and explained why Good Customer Service is difficult as well as necessary in the context of marketing. Online businesses in the online space should pay special attention to Customer service and justify the value for customers' money paid by their customers to increase Satisfaction Levels and develop Brand Loyal action.

4.4 Factor 4 (Customer Perception)

The fourth factor in this study, with an Eigenvalue of 0.981 explained 20.011% of the total Variance grouping attributes such as Customer perception of dissatisfied product delivery between the expectation and their reality. To examine service encountered at the help desks of online platforms and denoted the events and behaviors. It causes customers to distinguish satisfactorily from very dissatisfactory service it was carried out. Online sellers in the Online space should pay attention to Service redesign management of their services due to the combined concerns of Customers in terms of providing a product that can be prepared relatively with good quality as well as it was being through a constructive medium.

5. T-Test

From the 113 responses, the mean value of female online shoppers 4.39 was considered to be great than the mean value of male shoppers 4.18 who did online shopping for the last six months.

Table 5: Independent Sample T-Test

	Levene's Test for Equality of Variances				t-test for Equality of Means	
	Sig	t	df	Sif (2-tailed)	Mean Difference	Std. Error Difference
Equal Variances assumed	0.757	-0.852	110	0.396	-0.217	0.255

With the assumption of homogeneity of variance, both groups had the same variance. From the Table 5, Levene's test value of 0.757 (p-value > 0.00), equality of means has been checked with Equal variance assumed. The mean value of the non-significant value was found to be t-0.852= 110, with p-value-0.396 >0.01, the null hypothesis of online shopping.

6. Cross Tabulation

The frequency distribution of males and females in terms of their internet usage was mapped using Cross-tabulation. Of the 113 respondents, cross-tabulation considered 112 respondents where 42 respondents with 3 to 6 hours of internet usage have been segregated with a large amount of 57.14 % of females and 42.85% of males as shown in Table 6. Correspondingly 72% of females used 2 to 3 hours of internet which is comparatively high for online shopping than 28% of a male during the peak hours.

Table 6: Independent Sample T-Test

Crosstab

		Everyday Internet usage							
Gender		Below 1 hrs	1 hrs	2-3 hrs	3-6 hrs	7-9 hrs	10-12 hrs	12-15 hrs	Total
M	Count	2	3	7	18	8	10	3	51
	% Within Respondents	100.0%	75.0%	28.0%	42.85%	34.78%	76.92%	100.0%	45.53%
F	Count	0	1	18	24	15	3	0	61
	% Within Respondents	0%	25.0%	72.0%	57.14%	65.21%	23.07%	0%	54.46%
Total	Count	2	4	25	42	23	13	3	112
	Expected Count	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Equations

The 'B' column in the co-efficient table provided the values of the gradient and intercept terms for the regression line. The model was:

Returning Product (y) = -1.836 + 0.225 *(Dealing with Complaint)

The gradient (β) was tested for its significance concerning product return percentage on complaint handling. If there was no relationship, the gradient of the line (β) would be 0 and therefore every complaint would be predicted to be the same one. The p-value against dealing with the complaint was less than 0.05 and so the gradient value of complaint handling was significant concerning product return (p < 0.001).

7. Conclusion

Over the past years, the Shopping pattern of individuals has been revolutionized to satisfy the customers. This research identified that the standard of living increased Internet usage which in turn affected the shopping pattern of the customers. It has also been found that customer satisfaction concerning the product quality alone does not positively influence customer loyalty in online shopping. Therefore, an online retailer can use this information in their decision-making process. This study explained that working customers especially high-earning individuals that are high-end customers play a crucial role in customer satisfaction and customer loyalty and success for the business. Future research is suggested in this area for developing countries as the potential of online platforms is becoming more there.

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