

# CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING

## Abstract

Online shopping is the utilization of technology for superior performance of marketing. And retailers are devising strategies to meet the demand of online shoppers; they are busy in studying consumer behavior in the field of online shopping, to see the consumer attitudes towards online shopping. The population selected for the research is Mohali, and narrowed down to online users in Mohali, the sample size selected for this research is 100 and we have used convenience sampling technique. Our findings indicated that among the four factors selected for this research the most attractive and influencing factor for online shoppers in Mohali is Website Design/Features, following convenience the second most influencing and thirdly time saving. Results have also showed that security is of important concern among online shoppers in Mohali.

**Key words:** Online shopping, Buying Behaviour, Consumers etc.

## INTRODUCTION

This study is an attempt to analyze the features related to the buying behaviour of online shoppers. It will also provide a support that help 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 study results suggests consideration of consumer buying behaviour can contribute to a improved consumer buying behaviour understanding in respect of online shopping.

## PURPOSE AND RESEARCH QUESTIONS

The prime purpose of the research is to identify and analyze the factors influencing consumers to shop online. Besides the factors influencing another purpose of the study is to analyze who are online shoppers in terms of demography. The findings of this research not only help marketers to formulate their marketing strategies for online shoppers but also increase the knowledge and research in field of online shopping.

## INTRODUCTION TO THE TOPIC

e-Shopping or Online shopping of products and services has become characteristic of the current era. Research indicates that about seventy percent of the population who fail to find a product around their area taps online retail stores to buy it.

Online shopping is gaining this fame due to the obvious reason that it is much more convenient and had transformed the task of shopping into an exciting hunt for best deals and offers. The world has shrunk and everything that is available online can be at your doorstep by just a click.

## ONLINE SHOPPING IN INDIA

Online shopping has evolved over the years and has the potential to grow remarkably in the years to come. Online shopping, often referred to as online retailing or e-tailing, is growing every day in India. Although most studies in the past have pointed out that the process has been rather slow and unsuccessful in gathering much steam with the Indian users. But the trend is changing now and a good number of savvy online users are making big purchases on the digital space.

## OBJECTIVES OF THE STUDY

The main objectives of the study are:

1. To study the detail information available while shopping online.
2. To study the site preference and reasons for using online shopping.
3. To study factors influence consumers to shop online.
4. To study safety and ease of navigation while shopping online.
5. To study the familiarity and quality of information during online shopping.
6. To study how shopping online save time in evaluating and selecting the product.
7. To study how trustworthy is website which protects consumers security.

## REVIEW OF LITERATURE

1.	Shahriar Azizi and Masoud Javidani (2010) Measuring e-shopping intention: An Iranian perspective	Descriptive Study, Stratified Sampling	Sample drawn from 120 people households in Tehran	- E-Shopping -- Intention is not affected by perceived benefits. -E-shopping intention has positive impact on attitude towards online shopping in Iran. - The results showed that Iranian users have not confronted any risky situations while shopping online.
2.	Shergill and Chen (2005) Consumers Attitudes towards Online Shopping In New Zealand	Non Probability and convenience sampling.	149 online shoppers selected but only 102 usable questionnaires collected	-The research found one of the major reasons of not shopping online is security issues. - The study concluded that many online shoppers are less satisfied with website design.

3.	Osman, Yin-Fah and Hooi-Choo (2010) Undergraduates and Online Purchasing Behavior	Convenience sampling	100 undergraduate students were selected.	-Writers have concluded that mostly students buy books, cloths, travel bookings and computer hardware's. - Website quality and purchase perception have significant relationship with online shopping.
4.	Sami Alsmadi (2002) Consumer Attitudes Towards Online Shopping In Jordan: Opportunities And Challenges	Convenience sampling	500 Self administered questionnaire distributed in Ibrid Jordan.	-Security of online users is important factor that stops the willingness of online purchasers. - The study concluded that the higher the incomer the more attitude towards online shopping.
5.	Sarigiannidis and Kesidou (2009) Consumer characteristics and their effect on accepting online shopping, in context of different product types.	Descriptive study	A total of 232 internet users are selected.	-Product involvement positively affects consumers to shop online. - It is concluded that privacy have no effect over consumers intentions towards online shopping.

## RESEARCH METHODOLOGY

### Research Method

Research regarding Consumer's attitude towards online shopping will be a descriptive research because we just want to draw a picture of our topic as what are the factors that influence consumers to shop online. In general two types of research methods are being used quantitative and qualitative. We would like to go for quantitative method in our research as it is a precise way.

### Data collection

When it comes to data collection there are two methods in general used by researchers to collect data, primary and secondary method. If we talk about primary data it includes observation method, Interview/questionnaire method, case study method, projective techniques and sociometry. Whereas, secondary data is one which is already collected by some other researcher not for the reason for particular study or research. We would like to go for primary data collection method that will include questionnaire from consumers as what are the factors that influence consumers to purchase online. As our study covers Mohali online shoppers so we feel it would be easy for us to distribute the questionnaire and then analyze the situation.

### Sampling

In general there are two types of sampling techniques probability sampling and non probability sampling. In Probability sample there is a nonzero equal chance for each population element to be selected, Bryman and Bell (2007). There are four types of probability sampling as stated by Bryman and Bell (2007) simple

random sample, systematic sample, stratified random sampling and multi stage cluster sampling. Whereas, in non-probability sampling there is no random sampling. As stated by Bryman and Bell (2007) there are three types of non probability sampling i.e. Convenience Sampling, snowball sampling and quota sampling. As time and resources are one the constraints faced by the researchers convenience sampling is helpful, and it seemed suitable for our research purpose as we are unaware of the online shoppers in Mohali and besides this we could not get the list of online shoppers

### **Sample design**

As mentioned by Kent (2007) In particular research a procedure that is being followed for selecting a sampling unit is called probability sample design. The procedure that is being followed by the writers to select a sampling unit is a mixed process. A mixed process means distributing survey online as well as in person to online shoppers. The population selected for the study is mainly online users.

### **Sample size**

The population for the research is online users and keeping in view the limitation of time and resources writers have decided to take the sample of 100. Questionnaires will be distributed both by online and by hand to respondents and enough time given to respondents to fill the questionnaire to reduce sampling error. Questionnaire is constructed in simple language in order to reduce the risk of ambiguity.

### **Questionnaire design**

The questionnaire is carefully designed to meet the requirements of the research. The questions are taken from previous literature on Consumer's attitudes towards online shopping with a view to validate the research more and some of the questions are self structured to cover the diversity of research problems

Part A: Demographics: This is concluding section of questionnaire, as declared by Grossnickle (2001), "easy" questions must be at the end of the questionnaire.

Part B1: Introduction to Online Shopping: Second part of the questionnaire covers the questions relating to preferable products, site, reason for online shopping, payment mode, security and problems during online shopping.

Part B2: Factors swaying consumers for online shopping: Part second of the questionnaire includes the questions relating to factors influencing consumers to shop online, these factors are Convenience, Time Saving, Website Design/Features and Security.

### **Data analysis**

The tool that we will use for our data analysis is a 5 Point Likert Scale (1=Strongly Disagree, 2=Disagree, 3=Uncertain / Not applicable, 4=agree, 5=Strongly Agree). The Likert scale is a scale that is commonly used for questionnaires, and is mostly used in survey research. Research will be survey based research so it would be easy for us to interpret the analysis. The advantage of using likert scale can be to create interest

among respondents as according to Robson (1993) as likert scale can be interesting for users and they often enjoy completing a scale like this.

## DATA ANALYSIS

**Table - I: Profile of the online buyers**

Basic Factors	Categorization	Frequency	Percentage
Gender	Male	66	66%
	Female	34	34%
Age	15-20	13	13%
	21-25	48	48%
	26-30	26	26%
	31-35	6	6%
	36-40	7	7%
	Above 40	0	0%
Education	Bachelors	35	35%
	High School	24	24%
	Masters	40	40%
	Phd	1	1%
Income	Below 5,000	34	34%
	Between 5,000-10,000	40	40%
	10,001-15,000		
	15,001-25,000	5	5%
	25,001-35,000	13	13%
	Above 35,000	4	4%
		4	4%

Table – II (A)

Basic Factors	Categorization	Frequency
1. Have you ever shop online	Yes	100
	No	0
2. How often do you shop online	Very Often	39
	Often	26
	Sometimes	21
	Rarely	14
3. What kind of Products do you prefer shopping online	Mobiles	21
	Appliances	11
	Rail/Airline reservation	39
	Computer&Peripheral	16
	Apparel	24
	Hotel Booking	9
	Cosmetics	13
	Other	5
4. Which online shopping site you prefer	E-Bay	21
	Jabong	24
	Myntra	41
	Snapdeal	15
	Flip Cart	21
	Amazon	9
	Other	3
5. Your reason for using online shopping	Saves Time	11
	Saves Money	93
	Easy to Shop	32
	Wide Variety	47
6. What mode of payment do you use for online shopping	Credit Card	7
	Debit Card	39
	Net Banking	21
	Cash on Delivery	45
	EMI	23
7. Do you feel secure when you shop online	Yes	67
	No	33
8. Have you felt any problem shopping online	Yes	27
	No	73
9. What kind of problem you felt while shopping online	Delay in Delivery	19
	Cheap Quality of Products	5
	Non Delivery	3

Table – II (B)

Basic Factors	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Likert Scale Average
<b>Convenience:</b> Convenience factor carries first four modules						
10. I get on time delivery by shopping online.	15	66	17	1	1	3.93
11. Information in detail is available while online shopping.	19	55	19	6	1	3.85
12. I can purchase the goods anytime 24 hours during online shopping.	56	31	6	5	2	4.34
13. It is easy to choose and make comparison with other products while shopping online.	25	42	16	15	2	3.73
14. The website design helps me in searching the products easily:	25	41	25	8	1	3.81
15. While shopping online, I prefer to purchase from a website that provides safety and ease of navigation and order.	52	30	13	3	2	4.27
16. The website layout helps me in searching and selecting the right product while shopping online.	29	48	12	9	2	3.93
17. I believe that familiarity with the website before making actual purchase reduce the risk of shopping online.	33	45	15	6	1	4.03
18. I prefer to buy from website that provides me with quality of information.	43	45	10	1	1	4.28
<b>Time saving:</b> Time saving is divided into three modules; we will analyze and discuss each module individually.						
19. Online shopping takes less time to purchase.	17	39	24	18	2	3.51
20. Online shopping doesn't waste time.	15	29	34	19	3	3.34
21. I feel that it takes less time in evaluating and selecting a product while shopping online.	6	31	24	34	5	2.99
<b>Security:</b> Security is divided into three modules.						
22. I feel safe and secure while shopping online.	4	36	25	26	9	3.00

23. Online Shopping protects my security.	1	17	46	24	12	2.71
15. I like to shop online from a trustworthy website.	46	47	12	2	2	4.34

## FINDINGS

- Detail information is available while shopping online and respondents can buy the products anytime 24 hours a day while shopping online
- It is easy to choose and make comparison with other products while shopping online and website design helps consumers in searching the products easily.
- Website layout is important element for Mohali consumers while shopping online and past experience with website while shopping online reduces the risk of shopping online, website that provide quality of information can influence consumers more that a website with less quality information
- Shopping takes less time to purchase as compare to traditional shopping and Mohali online shoppers believe that online shopping doesn't waste time.
- Online shoppers in Mohali have security issues while shopping online and declining trend, by interpreting the statement and results one gets to know that online shopping security is important aspect which negatively influence consumers to shop online.
- After analyzing the statements provided by respondents we have found another important attribute that is price of the product or services and discount, as they perceive while shopping online they get items in lower prices and the get better discounts while shopping online.
- Convenience is also important factor as our study also indicated and one of the respondent said" Living in Mohali makes it sometimes hard to find certain things anywhere but by online Shopping is probably my strongest reason for shopping online".
- Online shoppers are also concerned about security issue and quality and reliability of information

## OBSERVATIONS

In the comparative analysis of four factors we will take the averages of each factor by their corresponding modules, for instance "Convenience" as one of the four factors contains four modules, we will take the average of four modules under convenience and compare with other factors averages to see which factor is relatively more attractive, we will also discuss the each factor as well. In Graph 25 in appendix you can see Convenience contains 4 modules, Website design/ Features contains 5 modules, Time saving with 3 modules and Security contains 3 modules. The average score for convenience is 3,9625 which is high score and it indicates convenience is the important factor for online shoppers in Mohali. The corresponding average scores of Website Design/Features is 4,064 which the highest score we have received as compare to



other factors, so it is concluded that for online shoppers in Mohali website design/Features is the most attractive factor that influence consumers to shop online. Though time saving has the lowest score of all i.e. 3,28 but still the score is positive and it indicates that time saving is also an attractive factor for online shoppers in Mohali. At Last for security, the average i.e.3,35 shows positive and above 2, which shows security is a significant factor that shoppers remain in mind while shopping online.

## LIMITATIONS

Almost every study has some limitations and so as in our study.

- One of the limitations in this study is time limit. At the same time cost is also another limitation in our study. In the beginning we had a plan to comparative analysis between Mohali online shoppers. But later on considering time and budget we changed our mind, so we have made survey about online shoppers in Mohali specially the study is conducted in the Online users, university cafeteria, and people in Mohali.
- Another limitation in our study is the convenience sampling; due to unavailability of data on online users we could not draw random sampling. And most of our respondents are online users so generalization is also limited but this study provides a base for further extension in the field of online shopping in general in Punjab and specifically in Mohali.
- Lastly the sample size is also not so much high as only sample of 100 online shoppers is taken.

## CONCLUSION

Our study has focused mainly on two research questions, i) what are factors that influence consumers to shop online and to see what factors are most attractive for Mohali online shoppers. ii) Who are online shoppers in terms of demography? We foresee that our findings will give a clear and wide picture to online retailers and will help them understand the specific factors that influence consumers to shop online, so they can build up their strategies to cater online shoppers in Mohali.

We have also worked on demographic factors of online shoppers in Mohali, to see a correlation within demography factors such as Age, Income and Education; this will also give an insight to online retailers to see the online shopping attitudes within these demographic factors.

The findings that we have gained in this research are as follows; starting from demography the results indicated that there is a quite strong negative relation between age and attitude to on-line shopping, i.e. elderly people are not so keen to shop on-line. This will help online retailers to make strategies according to different age brackets. Results showed very high negative relation between education and attitudes towards online shopping and would point toward that higher education makes on-line shopping less attractive. The relational results between income and attitudes towards online shopping is very weak. Results concluded that the most influencing and attractive factor among four factors is website design/features with average score of 4,064, following convenience that is second most influencing factor with average score 3,96, time

saving with average score 3,28 and security with average score 3,35 is also important, particularly the security concerns are very important while shopping online.

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### INTERNET RESOURCES

- [http://en.wikipedia.org/wiki/Online\\_shopping#History](http://en.wikipedia.org/wiki/Online_shopping#History)
- <http://www.saching.com/Article/Disadvantages-of-Online-Shopping/3488>

- <http://rdindia.hubpages.com/hub/rise-of-online-shopping-in-India>
- <http://www.ebrandz.in/seasons.htm>
- <http://www.brighthub.com/money/personal-finance/articles/40015.aspx>

