

A Study on Consumers acuity towards online grocery shopping

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ABSTRACT

Internet plays gradually a more crucial role to connect information and people, the pressure has continued to rise on markets which have already employed online services, and especially on markets to which selling products online is novel. The trend of the retailing store is changing as a growing number of retailers are shifting their focus from general brick and mortar retailing to new formats such as electronic retailing or e-tailing. The study depicts the expectation of a customer while buying groceries online and in physical market is totally different. The study reveals that the major reason for purchasing groceries online is saving time and effort and there are no time restrictions on shopping.

Keywords- Internet, physical market, online services, e-tailing.

1.1. INTRODUCTION

Over the last two decades, the Indian e-commerce sector has witnessed rapid growth. Increasing internet availability and mobile phone penetration are the two main drivers of this growth. Also, growing acceptability of online payments and favorable demographics has changed the way companies communicate, interact and do business with customers. It has altered the way the Indian e-commerce sector works. As the Internet plays gradually a more crucial role to connect information and people, the pressure has continued to rise on markets which have already employed online services, and especially on markets to which selling products online is novel. The trend of the retailing store is changing as a growing number of retailers are shifting their focus from general brick and mortar retailing to new formats such as electronic retailing or e-tailing.

1.2. EMERGENCE OF E-GROCERY

Groceries have been traditionally bought in stores, where consumers have an opportunity to touch and inspect products before the purchase and also control the transportation of fragile products. E-grocery retailing is still at the infancy stage and the volume of internet groceries buying leaves much to be desired for e-grocers in India to sustain profitable growth in the long run. The thought of purchasing perishable products including fish over the internet provokes some skepticism among most customers as the reliability and accountability of the service comes into question. E-grocery retailers can build brand equity, generating repeat business and this will result in market penetration in this industry. The real benefit of online grocery shopping is convenience. By ordering online, one can quickly search for the products one needs and order them without having to physically walk through those long aisles.

1.3. OBJECTIVES OF THE STUDY

- To ascertain the consumer perception towards online grocery shopping.
- To determine whether online grocery shopping will be beneficial and on what factors.
- To determine whether consumers are aware of the availability of online grocery sites.
- To analyze whether product and service quality affect consumers buying behavior online.

1.4. SCOPE OF STUDY

E-grocery is happening in India in a big way. The E-shopping will replace traditional in-store shopping in the near future. Though the traditional shopping is still to stay but the online buying could change the way people experience shopping grocery. The study is to identify whether people are changing the way they shop their food and grocery from the next door Kirana store to online web stores. The study is conducted to reveal the consumer's attitude on e-grocery and their preference towards the same. This study will help to find out whether e-grocery will exceed the preference of using the traditional way of shopping and increase the response of online grocery shopping in future. There are numerous opportunities for innovative new services.

1.5. METHODOLOGY

The survey was administered to explore consumers' perceptions of Online Grocery Shopping in Coimbatore. An online questionnaire was developed to collect the required data in the most efficient manner possible. The questionnaire was distributed via electronic mail to the potential participants. The unit of analysis was any grocery consumer with or without experience in Online Grocery Shopping who lives in Coimbatore.

1.5.1. Sample size

It comprises of 90 respondents from Coimbatore city spread across various socio demographic profiles.

1.5.2. Sampling Design

A random sampling method was adopted to draw the sample respondents for the study. Random sampling means each individual element in the universe has an equal chance of being chosen.

1.3. TOOLS

The following tools are used in this study for the analysis:

- Percentage analysis
- Chi-square test

1.4. LIMITATIONS OF THE STUDY

- The survey is conducted limiting to Coimbatore district
- The research will only study the consumer perception towards online grocery shopping and not the dealers.

2.. LITERATURE REVIEW

Amol Ranadive (2015) has made a study which looks into the levels of acceptance among consumers in Vadodara city. It focuses the factors that affect the consumers buying intentions and shopping preferences. The results of the study conducted have reaffirmed that the framework of Theory of Planned Behaviour (TPB) is applicable to the measurement of consumer's behavioral intentions while shopping for groceries online. This study presents substantial empirical support for the sufficiency of Ajzen's TPB model in online shopping behavior. Thus with all the other three variables of the TPB, the study demonstrates the predictive utility of the TPB to determine online shopping behavior, specifically for grocery shopping in the city of Vadodara.

Vijayasathy (2004), in his research, used a sample of 281 consumers to test a model of consumer intention to use online shopping. The study found compatibility, usefulness, ease of use, and security to be significant predictors of attitude towards online shopping, but privacy was not. Another finding showed that intention to use online shopping was strongly influenced by attitude toward online shopping, normative beliefs, and self-efficacy

Gulten Bozkurt (2010) study was based on the comparison of the consumer environmental characteristics of regular grocery shoppers who buy online from those who buy in the store. It also aimed at the food shopping habits between consumers who buy online against those who buy in the store. The results obtained in this study showed that there was no variation between the online and the physical store participants in relation to environmental characteristics when shopping for food or groceries.

3. ONLINE GROCERY SHOPPING

A grocery store allows private individuals and businesses to purchase groceries and grocery products online. Online grocery delivery services are available throughout Europe, Asia, and North America, mostly in urban centers. The online ordering is done through e-commerce websites or mobile apps.

3.1. COMPANY PROFILE

➤ **Bigbasket**

Bigbasket.com (Innovative Retail Concepts Private Limited) is India's largest online food and grocery store. With over 18,000 products and over 1000 brands in their catalog, we can find everything we are looking for. Right from fresh Fruits and Vegetables, Rice and Dals, Spices and Seasonings to Packaged products, Beverages, Personal care products, Meats everything is available at ease. We can choose from a wide range of options in every category, exclusively handpicked to find the best quality available at the lowest prices. A time slot for delivery is provided on a day and our order will be delivered right to our doorstep.

➤ **Godrej Nature's Basket**

Godrej Nature's Basket is the retail venture of Godrej Group and is today India's foremost retail destination for fine foods from across the world. Started in 2005 as a single fresh food store, we have today morphed into a 36-store chain of premium gourmet stores strategically located at high street locations in Mumbai, Delhi/NCR, Pune, Hyderabad, and Bangalore. With the growing palate preference of the Indian consumers, they are ready to embrace sophisticated and exotic tastes from around the world. They are traveling more than ever before, and as they take a bigger place on the world stage, they want to explore everything it has to offer.

➤ **AaramShop**

AaramShop is a hybrid retail platform that enables sales and marketing of FMCG / CPG brands to "short on time – high on stress" consumers. It enables grocery shopping by leveraging the strengths of the neighborhood retailers and integrates them with opportunities provided by the internet. Only branded products are listed in AaramShop; commodities and private labels are excluded from their platform

➤ **Grofers**

Grofers India Private Limited is a Private incorporated on 26 May 2015. It is classified as Subsidiary of Foreign Company and is registered at Registrar of Companies, Delhi. Grofers is an e-commerce marketplace for your daily shopping. It allows to shop from our favorite store in our neighborhood and get delivery within 90 minutes. We can shop for Grocery, Fruits & Vegetables, Bakery items, Flowers, Meats, Pet Care, Baby Care and Cosmetics products with just a few taps.

4. DATA ANALYSIS

Analysis and interpretation are central steps in the research process. The first step in the process of analyzing the data would normally be to recode all variables measured, however, due to the compatibility of SPSS programs the values were already coded accordingly when importing the raw data.

4.1. PERCENTAGE ANALYSIS

Percentage methods refer to the specific kind which is used in making a comparison between two or more series of data collected. The percentage is based on descriptive relationship. It compares the relative items. Through the use of percentage, the data are reduced in the form with base equal to 100% which facilitate relative comparison.

$$\text{Percentage} = \frac{\text{No of respondents}}{\text{Total no of respondents}} * 100$$

TABLE 4.1.1
TABLE SHOWING THE AGE OF THE RESPONDENTS

AGE	RESPONDENTS	PERCENTAGE
Below 20 years	29	32.2
20-30	42	46.7
30-40	12	13.3
Above 40	7	7.8
Total	90	100

INTERPRETATION:

Out of the total number of respondents 32.2% are below 20 years, 46.7% of respondents are 20-30 years of age, 13.3% of people are from 30-40 of years of age and nearly 7.8% of respondents are above 40.

Majority of the respondents (46.7%) are of the age of 20-30

TABLE 4.1.2
TABLE SHOWING THE GENDER OF THE RESPONDENTS

GENDER	RESPONDENTS	PERCENTAGE
Male	29	32.2
Female	61	67.8
Total	90	100

INTERPRETATION:

The numbers of respondents who are male are 32.2% and the percentage of the female is 67.8%. Majority of the respondents (67.8%) are female.

TABLE 4.1.4
TABLE SHOWING THE EDUCATIONAL QUALIFICATION OF THE
RESPONDENTS

EDUCATIONAL QUALIFICATION	RESPONDENTS	PERCENTAGE
Up to school level	8	8.9
Under graduation	63	70
Post-graduation	13	14.4
Professional	6	6.7
Total	90	100

INTERPRETATION:

From the above table, it is seen that 8.9% of people are up to school level, 70% of respondents are under graduation, 14.4% of respondents are post-graduation and 6.7% of respondents are professional.

Majority of the respondents (70%) are undergraduates.

TABLE 4.1.5
TABLE SHOWING THE FAMILY MONTHLY INCOME OF THE
RESPONDENTS

FAMILY MONTHLY INCOME	RESPONDENTS	PERCENTAGE
Below 10000	8	8.9
10000-20000	23	25.6
20000-30000	26	28.9
Above 30000	33	36.6
Total	90	100

INTERPRETATION:

From the above table, 8.3% of respondents earn below 10000, 25% of respondents earn from 10000-20000, 26.4% respondents earn a monthly income of 20000-30000 and 40.3% of respondents earn above 30000.

Majority of the respondents (36.7%) have a monthly income of above 30000.

TABLE 4.1.8
TABLE SHOWING THE FREQUENCY OF PURCHASE OF
GROCERIES

FREQUENCY	RESPONDENTS	PERCENTAGE
Daily	10	11.1
Weekly	38	42.2

Monthly	29	32.2
Only when required	13	14.5
Total	90	100

INTERPRETATION:

From the table, the frequency of purchase of groceries are 11.1% who purchase daily, 42.2% purchase weekly, 32.2% respondents purchase monthly, 14.4% purchase only when required.

The majority (42.2%) shows that people purchase groceries weekly.

TABLE 4.1.11
TABLE SHOWING EXPERIENCE OF ONLINE GROCERY SHOPPING

EXPERIENCE OF ONLINE GROCERY SHOPPING	RESPONDENTS	PERCENTAGE
Yes	51	56.7
No	39	43.3
Total	90	100

INTERPRETATION:

From the above table, it is clear that 56.7% of respondents have an experience of purchasing groceries online and 43.3% of respondents have not experienced online grocery shopping.

Majority of the respondents (56.7%) have an experience of shopping groceries online.

TABLE 4.1.12
TABLE SHOWING REASONS FOR ONLINE GROCERY SHOPPING

REASONS	RESPONDENTS	PERCENTAGE
Mobility problems	17	18.9
Shopping too tiring	20	22.2
Recommendation	18	20
Any time shopping	24	26.7
No time to go to store	11	12.2
Total	90	100

INTERPRETATION:

From the above table, 18.9% of people face mobility problems, 22.2% of respondents feel instore shopping is tiring, 20% of people initiate e-grocery shopping due to the recommendation, 26.7% of people need any time shopping, and 12.2% of respondents have no time to go to the store.

Majority of the respondents (26.7%) choose online grocery shopping because they can shop anytime.

TABLE 4.1.14**TABLE SHOWING RESPONDENTS PREFERRED GROCERY SHOPPING SITES**

SHOPPING SITES	RESPONDENTS	PERCENTAGE
BigBasket	35	39
Amazon	24	27
Godrej Nature's basket	14	16
Grofers	17	18
Total	90	

INTERPRETATION:

From the above table, it is clear that 39% of respondents buy their products from the big basket, 27% from Amazon, 16% from Godrej Nature's basket and 18% from Grofers.

Majority of the respondents(39%) have preferred big basket.

TABLE 4.1.15**TABLE SHOWING THE PRODUCTS PREFERRED IN ONLINE SHOPPING**

PRODUCTS	RESPONDENTS	PERCENTAGE
Groceries	4	4.44
Edible Oils	11	12.22
Beverages	4	4.44
Milk and dairy	10	11.11
Baby and childcare	5	6
Laundry supplies	12	13.33
Household and cleaning	2	2.22
Snacks	10	11.11
Imported and gourmet	6	6
Fruits and vegetables	11	12.22
Personal care	15	17

Total	90	100
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INTERPRETATION:

The table shows the products that people prefer to buy online. The above are the products that are commonly available to the consumers which include the perishables such as fruits and vegetables and milk and dairy products. The table shows that 16.66% of respondents prefer personal care products, fruits, and vegetables 12.22 %, 6.66% imported and gourmet, 11.11% prefer snacks, 2.22% prefer household and cleaning, 13.33% laundry supplies, 5.55% baby and child care, 11.11% prefer milk and dairy products, 4.44% prefer beverages, 12.22% buy edible oils and 4.44% prefer buying groceries.

Majority of the respondents (16.66%) prefer buying personal care product

TABLE 4.1.17
TABLE SHOWING THE ATTRIBUTES OF E-GROCERY

ATTRIBUTES	RESPONDENTS	PERCENTAGE
Convenient delivery slots	10	11.11
Cash free transactions	39	43.33
Better deals/discounts	12	13.33
Return policy	14	15.55
Website design	10	11.11
None	5	5.55
Total	90	100

INTERPRETATION:

The above table shows the attributes that people prefer while using e-grocery sites. It clearly shows that 11.11% of the respondents choose convenient delivery slots, 43.33% of the respondents prefer cash-free transactions, 13.33% with better deals or discounts, 15.55% with the return policy, 11.11% choose website design and 5.55% say none of the attributes are remarkable.

Majority of the respondents (43.33%) favor cash-free transactions

TABLE 4.1.19
TABLE SHOWING THE METHOD OF PAYMENT BY THE RESPONDENTS

PAYMENT METHOD	RESPONDENTS	PERCENTAGE
Credit card	9	11.11
Debit card	21	23.3
Net banking	15	16.7
Cash on Delivery	43	47.8

Total	90	100
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INTERPRETATION:

The above table shows the method of payment by the respondents where 7.8% of people use a credit card for a purchase, 23.3% use debit card, 17.8% use net banking and 47.8% use cash on delivery.

Majority of the respondents (47.8%) prefer cash on delivery

4.2. Chi-Square Test

The Chi-Square Test of Independence determines whether there is an association between categorical variables i.e., whether the variables are independent or related.

TABLE 4.2.1
TABLE SHOWING THE AGE FACTOR RELATIVE TO SAVING OF
TIME THROUGH SHOPPING ONLINE
Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	31.180 ^a	16	.013
Likelihood Ratio	23.348	16	.105
N of Valid Cases	86		

a. 19 cells (76.0%) have expected count less than 5. The minimum expected count is .02.

H0: Online grocery shopping saves time is not associated with the age of the respondents

H1: Online grocery shopping saves time is associated with the age of the respondents

The above table has a significance level $0.013 < 0.05$ which shows that online grocery shopping saves time is associated with the age of the respondents. Thus, the alternative hypothesis is accepted and the null hypothesis is rejected

5.1 FINDINGS

- Majority of the respondents are of the age of 20-30
- Majority of the respondents are female.
- The maximum number of respondents is students
- Majority of the respondents have a monthly income of above 30000.
- The majority shows that people purchase groceries weekly.
- Majority of the respondents have an experience of shopping groceries online

- Majority of the respondents choose online grocery shopping because they can shop anytime
- Majority of the respondents have preferred big basket.
- Majority of the respondents prefer buying personal care products
- Majority of the respondents favor cash-free transactions
- Majority of the respondents prefer cash on delivery.
 - Chi-square tests show that the association between the age of the respondents and quality of fruits and vegetables in e-grocery shopping are not significant. Quality of fruits and vegetables is considered important irrespective any of age of people.

5.3 CONCLUSION

The online grocery industry is one of the growing industries in India. customers because they get access to the internet more often and tend to buy things online always prefer to shop from the brands in the online that give them the best customer service and satisfaction among other brands that the major reason for purchasing groceries online is saving of time and effort and there are no time restrictions in shopping. The expectation of a customer while buying groceries online and in physical market is totally different. most of the respondents get to know about the brand from the Internet

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