



A Comparative Study on Consumer's Perception Towards Online Shopping Over Traditional Mode of Shopping

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Abstract

Life includes shopping every day. While some consumers merely buy the necessities, others buy more. It is viewed as a method to relax, to satisfy a mental need, or to inject some flavour into the mechanical way of life. The two primary types of shopping are conventional and online. Both of them have advantages and disadvantages. Due to the ubiquitous usage of computers nowadays, an increasing number of people opt to make purchases online. By simply clicking one word, thousands of items might be displayed on the screen. There's no need to push your way through a throng of people and cross a wide street to buy a pair of expensive shoes. Just make your selection and click on the keyboard, and the items will be delivered immediately.

Key Word - Factors Limitation and Statistical tools

Traditional shopping

The benefits of traditional shopping include being able to physically pick up an item and examine its characteristics as well as how it looks, feels, and compares to similar items. This is the reason why some customers still favour conventional shopping over internet shopping since it enables them to properly inspect an item, among other benefits. Lack of product knowledge results from the lack of physical interaction between buyers and sellers while making online purchases. For a number of reasons, such as a lack of trust, a lack of personal touch, security concerns, etc., the consumer does not demonstrate any interest in purchasing the items despite visiting the online site.

Online shopping

Online shopping, sometimes referred to as e-shopping, is a kind of electronic commerce that allows customers to make direct purchases from merchants using the internet and a computer browser. Virtual store, online sort, web-store, web-shop, internet shop, e-store, e-shop, e-web-store, etc. are other names for online shopping.

Shopping has surely changed since the internet came into existence. Due to the benefits of the internet, anybody or any organisation from anywhere in the globe that has the ability to publish and sell things online via a website has the ability to sell. Additionally, because there are several payment options available to consumers in addition to online banking, they do not need to worry about finding a way to convert money paper.

Online vs. Traditional shopping

Online shopping has been incredibly popular recently, in large part because individuals prefer to make purchases from the convenience of their home or place of employment rather than having to make the effort of visiting several stores in search of their desired goods.

Online shopping is a sort of e-commerce that allows people to buy goods and services directly from an online business (also known as electronic retail or e-shopping). Myntra, Homeshop18, Snapdeal, Flipkart, Amazon, etc. are now the biggest online retailers in India.

Selling products and services to customers conventionally involves using several channels of distribution. Retailers, whether small or large, conventional or physical, often operate according to the "purchasing to sale" model of business. The old form of trade, which predates civilization, is the most basic variety.

Factors affecting online shopping

Online shopping has been increasingly significant in the last ten years. The sort of business that online merchants conduct shows that they are giving clients advantages that physical transactions do not. The following variables influence internet shopping:

- **Risk**

Online shoppers cannot directly touch or feel the items they are buying. We are thus aware that there are a number of hazards involved in making an online purchase. There is a risk that the item's quality, size, fit, and colour might differ from what is actually seen or perceived, in addition to the risk that it might not come on time. Sometimes the ordered item is somewhat damaged.

- **Convenience**

Online purchasing is far more practical than offline shopping. You may shop while sitting at home rather than leaving your car and going from store to store. The order is sent to your address after a quick payment process. Without having to worry about doing business with dealers or distributors, we may choose from a wide variety of materials over there.

- **Anxiety**

Concerns include people's nervousness about visiting the locations, experimenting there, and enjoying themselves. People who are unfamiliar with websites like Flipkart, Myntra, or any other websites occasionally believe that using the internet is a difficult activity. They are more annoyed by this behaviour than by any fatal internet trade.

- **Previous online experience**

A big source of worry is how a person's prior experiences with the internet buying technique have been. What matters most is previous online buying experience because it might affect people's views or moods. One

experience is about a positive experience, while the other is about a poor experience. Thus, this aspect affects internet buying as well.

- **Pricing Policy**

Due to the fact that they are not responsible for paying bills, shop rent, etc., online sellers have an inherent advantage in price. They are able to pass on their value to the client directly and typically charge less than an offline market. Even with delivery fees, online purchasing is still preferable than offline shopping. Lower costs lead to more demand, higher costs lead to lower demand.

- **Quality**

The quantity of online purchasing is influenced by how much the product quality varies between online and offline retailers. As a consumer, you want to get an excellent product for the money you invested. Quality is a prerequisite for every form of shopping since it imparts a positive purchasing experience or acts as a guarantee for the desired goods.

- **Online credibility**

Whether a consumer believes in a certain website and the products and services it offers depends on their perspective. As a result, how frequently someone shops online relies on how much they trust a certain website. Varied clients have different personalities and worldviews; while some customers trust internet transactions, others are wary of them. There are several examples of trust, including trust about the same product's size, amount, weight, and security.

- **Tangibility of the product**

Before making a purchase, customers may touch and feel the item at the store, which helps them decide whether to make the purchase or not and whether the item will meet their needs. The tangible nature of any object affects internet buying as well. Nobody can be sure of the worthiness, quality, or sensation of any favoured thing without actually touching the preferred or sought substance.

- **Delivery time**

When a consumer orders a product online, it typically takes six to seven days for the goods to reach the customer. However, while shopping the old-fashioned way, the customer immediately becomes the owner of the products. Therefore, this is a crucial component that influences online buying. People want to receive a product at a specific moment or within a short period of time, thus they want a good delivery time. Another extremely significant aspect impacting product demand is duration.

- **Income**

The person with a higher income shops online more often than the one with a lower income. Income is a key factor in deciding what to purchase online. Higher-income individuals like internet shopping over traditional retail because it is more dependable and convenient. Higher income levels will lead to increased online shopping and viceversa

Factors Affecting Traditional Shopping

Online and traditional retail have existed since the dawn of time. Consumers can benefit from a number of benefits from traditional retail. Some factors that affect offline buying include the following:

- **Number of choices**

There are a limited number of alternatives or brands available for offline purchases. There aren't many various types. There is a limited assortment of goods available at the stores. Periodically, the stocks could be old or discounted. Since they involve physical labour, retail establishments typically have fewer alternatives. Less option is available because there is a manual component.

- **Time consuming**

It takes a lot of time to shop at an offline business. To travel to the company from home or any other location takes some time. Additionally, it takes time to try on clothes at a store or even just browse other items. In order to locate the items and alternatives they desire while making an offline purchase, customers walk from one place and business to another.

- **Information**

In most cases, the information given by a merchant is inaccurate. Additionally, we don't always require this information. And when we don't know enough about the things ourselves, we buy them based on what others say. When we happen to know the store owners, these purchases are made based on their reputation.

- **Authenticity**

Online purchasing is less authentic than traditional shopping. We may touch the merchandise and experience its texture before purchasing it. When making an offline purchase, we are well aware of what we are getting. However, while shopping online, we are not always sure of what we are purchasing. This is due to the fact that what we purchase may differ from what we view online.

- **Taste and preference**

The customer's taste and preferences fluctuate throughout time. When purchasing anything from a store, we have the freedom and option to try on several ensembles. But we don't have this sort of convenience when purchasing anything from a website. Therefore, purchasing offline better accommodates customers' shifting tastes and inclinations.

Bargaining

Unlike online shopping, a typical store allows for in-person negotiations between the buyer and the vendor. When shopping online, a customer cannot barter because the product prices are fixed. Some clients choose not to shop online because they feel it is more expensive than going to a conventional market since they bargained for their purchases.

Problems in Internet Shopping

- **Quality & Right Product**

One of the primary issues with online purchasing is finding the right product with the right quality. Customers could discover that they ordered the incorrect thing after they receive their deliveries. They may have picked the incorrect size, or the size they chose does not fit their needs. In addition, the colour of the purchased item could not match the colour of the actual goods. Sometimes a product's quality may not be up to par with industry standards or the price tag. In any case, you can ask for a refund or a replacement product, but you must again cover the shipping costs. Check the product review before making an online purchase because there may be fraudulent reviews as well. However, you will at least learn more about the product.

- **Return Policy**

This is yet another crucial element that is crucial while purchasing online. There is a potential that when the thing is delivered you won't like it since you don't have a complete sight and feel of it. There might be further reasons why you would like to return the goods and get your money, in which case their return policy would apply. There isn't much of an issue if you buy from well-known retailers like Amazon, Flipkart, or other prominent shopping sites, but if you buy from other sites, you must carefully review their return policies.

- **Hidden Charges**

When purchasing online, be sure to verify the whole cost because the delivery costs could not have been included in the display price and the product price might have been different. So, whenever you make an online buy, be careful to check the product's subtotal. Some reputable online businesses charge for shipping, or they charge it only if the order exceeds a specific amount. Websites like Jabong charge more if you pay in person or after the delivery rather than online. So make sure to thoroughly inspect the final sum so that you don't feel taken advantage of or overcharged.

- **Security**

There are certain "scam internet retailers," and while they may sell goods at inexpensive prices, they could also acquire your credit card information and other personal information. Therefore, avoid making purchases from websites that are not recognised. Always purchase from websites that have received safety certification. Even if you are purchasing online from trusted websites, using a computer from a cybercafé, connecting to a public Wi-Fi network, or connecting to a machine that is not virus-protected might put you at danger.

- **Lack of Customer Support**

Many websites still don't offer adequate customer service during or after internet purchases. Customers may become frustrated or uncertain about a product's size while buying and may wish to talk, but websites may not offer prompt assistance. They should have a direct phone line the consumer may call or have an online chat option available. Online retailers offer email addresses, but this is insufficient because you might not get a response right away or at all.

- **Delivery problem**

Some websites, but not all, provide delivery information as soon as the product is purchased. There is no point in shopping online if you are expecting to wear the clothes you bought for a specific occasion and the delivery is days late. So, while purchasing online, consider the delivery time. Online stores like Amazon provide things at inexpensive prices, but the delivery date may be long off, making online shopping inappropriate in this situation. Additionally, delivery times vary across metropolitan regions and major cities. Although there are issues with internet purchasing, the number of individuals who use it is rising in India.

Review of Literature

Harn and Adeline (2008) focus on how Malaysians navigate the web with regards to making purchases online. The results suggest that the majority of the consumers were well educated, holding at least a bachelor's degree; their ages ranged from 19 to 34; and they were all single. This study has effectively demonstrated that web browsing patterns play a substantial role in predicting the likelihood of making an online purchase but have little bearing on the actual decision to make one. The sluggish rate at which online sites downloaded was the most annoying aspect. The findings offer some guidance when creating websites, keeping in mind that they should be user-friendly, beautiful, and quick to download.

JuxtConsult, (April 2007) the survey, which was done by a Delhi-based internet research company on 10,000 homes in 31 cities (with populations of 20,000 or more), revealed some fascinating data regarding the state of Internet shopping in India. According to research, Rediff is the second most popular site for online shopping, followed by Google, Yahoo, and eBay (excluding online travel websites). 34% of internet users still choose to visit eBay, making it the market leader. Rediff is in second place, as 25% of online consumers choose to go there.

Mohamed & Badhusha, Factors Influencing Consumers' Purchase Decision Towards Online Store: An Exploratory Study, 2015 The trend of increasing online shopping demand has drawn attention from the general public and new online store visitors to its effects on economic activity. The issues facing internet users have received a great deal of attention. This also raises the question of whether consumers value online shopping more highly than they do traditional brick-and-mortar stores. The influence of online shopping on consumer purchasing decisions in Tiruchirappalli has a significant impact on this study. According to this study, online retailers may increase the efficacy of the present network system by encouraging and motivating the sellers to offer prompt delivery in all regions, smart advertising support, prompt post-purchase assistance, and check-out to lower the price of the goods. With this tactic, they are attempting to pitch plans for the widespread online sale of products in this region.

Bama & Ragaprabha, Satisfaction On Online Shopping - A Study With Special Reference To Pollachi Taluk, 2016, The study identified attitudes regarding online purchasing as well as variables impacting online shoppers' use of the most prominent shopping websites. The survey also revealed that in addition to the problems encountered when conducting online shopping, solutions were also suggested. The government needs to set up categories with the aid of NGOs so that people in the study area, especially in the rural areas of the Pollachi Taluk, can see the technical knowledge.

N & R, An Empirical Study On Consumers Perception Towards Online Shopping, 2016, Online shopping gives consumers the freedom to buy from anywhere in the world at any time, opening up more opportunities and offering benefits like cash on delivery, convenient replacement, speedy refunds, time savings, protected delivery of the goods, secrecy, etc. They may explore the website before making a purchase and read product reviews to increase their comfort level while making a purchase. The website provides more visibility and sales.

Objectives of the study

- To learn how people feel about utilising traditional and internet purchasing methods
- To analyse the criteria for choosing the mode of shopping
- To investigate the strain of competition between conventional and online shopping in respect to different items
- To find out the difficulties faced by the consumers

Hypotheses of the study

H₁: There is no significant difference in consumers' behavior towards acceptance of online shopping over traditional shopping

H₂: There is difference between amounts spent online purchase and offline purchase on a single purchase.

Methodology

The systematic, theoretical study of the methods used in a given field of research is known as methodology. It involves a method or procedure where several phases or processes of data collection are described and the analytical approaches are provided. Methodology may also be understood as

- The investigation or theoretical evaluation of various working procedures.
- The area of logic that is concerned with the fundamental ideas behind how knowledge is formed.

Methodology can refer to a collection of procedures and concepts specific to a subject of knowledge or to the theoretical examination of the methods suited for a topic of study.

Method of data representation and analysis

Data was processed and examined when collection was complete. Data processing includes editing, coding, categorization, and tabulation in accordance with needs. Data that is presented properly is simple to grasp. It is simpler to read, make conclusions more quickly, and do statistical analysis when data is organised and presented in tabular form and through graphs.

The next step after presenting the data is to analyse it. The term "data analysis" refers to the examination of certain metrics as well as the search for patterns and relationships between various data sets. To make conclusions for analysis, statistical procedures like the frequency % method—which is suitable for the majority of questions—have been applied.

Statistical tools for analysis

Primary data was gathered to support the study's goal, and several pieces of computer software were employed for the analysis. A Comparative Study of The preference of consumers for online shopping over traditional methods of shopping Regression Analysis, T-test, ANOVAs, correlation, factorial analysis, KMO- Bartlett, and component Rotated Matrix software, all from SPSS (version 20).

Limitations of the study

Every study has its limits. Typically, they offer some important suggestions for further study. The following restrictions apply to this study:

- The sample was self-selected by convenience sampling, which raises the possibility of bias.
- The main limiting factors were time and financial constraints.
- Because the sample size is tiny relative to the population, the results might not be generalizable.
- In this study, a key limiting aspect was a lack of experience.
- A small number of respondents could have provided information inattentively or fabricated their genuine response.

Hypotheses Testing

H₀: There is difference in consumers' behavior towards acceptance of online shopping over traditional shopping

H₁: There is no significant difference in consumers' behavior towards acceptance of online shopping over traditional shopping

Table No. 1 Consumers’ response to know the reduction in the frequency of traditional shopping due to online shopping

| | | | Reduction in the frequency of traditional shopping due to online shopping method | | Total | |
|--------|--------|---------------|--|-------|-------|------|
| | | | Yes | No | | |
| Gender | Male | Count | 93 | 136 | 229 | |
| | | % with Gender | 40.6% | 59.4% | 100% | |
| | Female | Count | 71 | 100 | 171 | |
| | | % with Gender | 41.5% | 58.5% | 100% | |
| | | | Count | 164 | 236 | 400 |
| | | | % with Gender | 41% | 59% | 100% |

59.0% (236/400) of respondents who were questioned whether they preferred online shopping for trendy brands denied having less frequent conventional shopping as a result of internet shopping. Only 40.6% of men and 41.5% of women polled reported doing less conventional shopping as a result of internet shopping.

Table No.2 Group Statistics

| | Gender | N | Mean | Std. Deviation | Std. Error Mean |
|--|--------|-----|--------|----------------|-----------------|
| Reduction in the frequency of traditional shopping due to online shopping method | Male | 229 | 1.5939 | .49218 | 0.03252 |
| | Female | 171 | 1.5848 | .494420 | 0.03779 |

Table No.3 Independent Samples Test

| | Levene's Test for Equality of Variances | | t-test for Equality of Means | | | | | | |
|-----------------------------|---|------|------------------------------|---------|-----------------|-----------------|-----------------------|---------|--------|
| | F | Sig. | t | Df | Sig. (2-tailed) | Mean Difference | Std. Error Difference | Lower | Upper |
| | | | | | | | | | |
| Equal variances assumed | .131 | .718 | .182 | 398 | .855 | 0.00909 | .4983 | -.08887 | .10706 |
| Equal variances not assumed | | | .182 | 365.554 | .855 | 0.00909 | .04986 | -.08896 | .10714 |

The independent sample t-test analysis indicates that the significance value is 0.855 which is more than the P value 0.05. Hence, Null hypothesis is rejected so alternative the hypothesis that there is no significant difference in consumers’ behaviour towards acceptance of online shopping over traditional shopping with respect is accepted.

H₀: There is no significant difference between amounts spent online purchase and offline purchase on a single purchase.

H₂: There is difference between amounts spent online purchase and offline purchase on a single purchase.

Table No. 4 Paired Sample Statistics

| | Statements | Mean | N | Std. Deviation | S.E. Mean | t | Sig. (2-tailed) |
|--------|--------------------------------------|------|-----|----------------|-----------|------|-----------------|
| Pair 1 | Amount spent on Online Shopping | 2.01 | 400 | 1.05 | .06 | 6.45 | .000 |
| | Amount spent on Traditional Shopping | 2.46 | 400 | .53 | .03 | | |

Because it has been discovered that in the pertinent research area, the difference between the amount spent on online shopping mode on a single purchase (mean=2.46) is significant, we reject the hypothesis and come to the conclusion that people are willing to spend more money on traditional modes of shopping when compared to online shopping on a single purchase. It follows that people continue to be keen to spend their money on expensive items that are available online.

Conclusion

India is one of the economies that is rapidly expanding, hence this development is driving the market. Provisions and other earlier essentials were purchased from local shops, but now the situation is completely paradoxical. Customers are now choosing to buy their necessary goods from internet retailers. This has had a significant effect on the market. The goal of this study is to better understand Gujarati consumers' perceptions of online and conventional purchasing, as well as their preferences in these areas. Additionally, it emphasises how buyers prefer to buy their favourite goods from conventional or online stores. The survey clearly showed that consumers were changing and weighing their preferences while making purchases of products and services. Currently, people choose shopping at stores that provide them convenience and benefits. This study also uncovered a number of variables that influence how frequently people use the internet to purchase.

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