



# A STUDY ON CONSUMER PERCEPTION TOWARDS ONLINE SHOPPING WITH REFERENCE TO CONSUMER DURABLES

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**Abstract:** Customer perception is the awareness, perceptions, and opinions that customers have of your company, goods, and brand. Numerous factors, such as direct and indirect experiences with your services, influence how customers see you. This study aims to investigate how consumers see online purchasing for a specific range of durable goods. It also examines respondents' demographic differences towards Consumer perception towards online shopping. There were four durable products: television, air-conditioner, washing machine and refrigerator were identified to study the perception towards online shopping. The data was collected with the help of structured questionnaire through google form by using non-probability convenient sampling technique from 123 respondents of Surat city and analyzed with the help of reliability analysis, Chi-Square test, Factor Analysis and descriptive statistics.

**Key Words:** Online Shopping, Consumer Perception, Consumer Durables

## I. INTRODUCTION

The Internet has become a part of modern life across the globe. It has offered so many benefits such as Time saving, Easy to access, Cost benefit, international brand etc. The growth of internet usage has led to e-commerce. Online shopping is a modern way of shopping. It is one of the most preferred platforms for shopping under the conditions of a pandemic. The Internet provides a virtual platform for online shopping of products and services to customers. A great variety of products and services of different brands can be accessed online and compared quickly on a one clicks in online shopping. Online shopping helps customers to make customized purchase decisions based on comparative price, product features and after sale services offered by competitive marketers. It provides a channel, where desired products and services are delivered at the customer door.

Currently, India has around 624.0 million Internet users. It looks like the Internet revolution is in full swing in India. In effect, online shopping has become an essential part in the lives of many people in India. There are reasons behind the ever-improving popularity of online shopping stores, and they assuredly offer huge advantages when compared to personal shopping. Online shopping is part of everyday life. Some get the necessities from online shopping, and others get something more. It is viewed as a way to release stress and a way to complete some desire or a way to add some flavor to the shopping experience.

The world's second-biggest consumer market is in India. The characteristics of Indian consumers, such as their media habits, income, occupation, and reference group, have evolved and altered throughout time. Consumer brand preferences for durable goods have changed within the past 10 years. Consumer purchasing preference are swiftly evolving towards high end technology products with acculturation. Products that were before regarded as luxury goods are now necessities due to shifting consumer preference and rising income level of people. With growth in disposable incomes, the demand for up market products such as television, washing machine, refrigerator, and air conditioners has increased drastically. It is also facilitated by the easy

availability of easy EMI option and prevalence of nuclear families. Increasing demand for consumer durables in the market causes the fall in prices as Indian consumers continue to attach a high degree of importance to value for money. The consumer prioritizes brands but isn't necessarily committed to any one brand. They might opt for a dependable private label if it delivers excellent value in terms of price and quality. The penetration of consumer durable in India is among the lowest, indicating significant untapped potential. Both manufacture and traders would be compelled to explore all possible methods to enhance operational efficiency, aiming for significant and profitable business expansion. Since the initiation of liberalization policy process in 1991, the Indian consumer durable markets have experienced a significant transformation. The markets size, product penetration, products verity and technological advancements of the products sold have all undergone a significant leap forward. Enhanced product variety and decreeing real price, coupled with rising consumer income have propelled the market growth rate to impressive levels. Currently brand is evolving into the most valuable assets that business can own. The marketers are facing a lot of challenges: regarding differentiation which is valued by the customers. Brands in this context are new business warriors. Brands are wealth generators of the twenty-first century. In factories, products lack differentiation, bust in mind of customer brand stand apart. Brands have power to turn ordinary products into coveted objects of desire. Accordingly, the market value of a business is determined by the number and types of brands it holds. In today's competitive markets the concerns revolve around the company survival within the market. The answer is survival of companies by branding. A well-devised branding strategy is essential for attaining revenue, sales, quality and market share goals. A good strategy differentiates one company's brand from the other competitor's brands. (Sathya & Indirajith, 2018).

## II. LITERATURE REVIEW

(van Scheers & Radipere, 2008) in their exploratory study examined Consumer perception towards online shopping in Hyderabad. They have used a Snowball sampling method to collect data. Statistical techniques such as mean, standard deviation and ANOVA-test are used for data analysis. They compared online buyers' differences concerning frequency of purchase with respect to traditional and web-based shopping channels. And future research could investigate differences of shopping values based on different consumer market segments based on other variables such as age, education, income.

In their research, (Gurleen, 2012) looks at Punjabi consumers' perceptions about online shopping. For the purpose of data analysis, a sample of 400 respondents was employed. According to the study, factor analysis was used to comprehend the many reasons why respondents chose to accept or not adopt online purchasing. Price, Consciousness, Convenience, Variety, Easy Payment choices, and Online Shopping Challenges are important elements that impact customer behavior. Because internet purchases provide significant savings over in-store purchases, many customers choose to buy certain things online. Customers also show confidence in trustworthy websites for their online buying requirements. Customers believe that there are more alternatives available to them when purchasing online. Well-informed consumers were aware of the online purchasing process, which they perceived to be rather straightforward. Customers' main concerns were about a website's credibility, especially when they have to enter their credit card information to complete an online purchase. Because many customers were aware of the several internet frauds, they were hesitant to provide their credit card information online.

(Shukla, 2016) examines how customers' perceptions of online buying are influenced by their gender in their study. They also discovered a noteworthy gender disparity in the amount of time it takes for online shoppers to get their purchases. More men than women expressed worry in their responses about how their online purchasing habits would be impacted by the length of time it takes for a product to arrive. The study also showed that women are more likely than men to see internet buying as less risky when they receive a referral from a friend.

Road and Manjunatha (2018) investigated Convenience is a big factor in the rising popularity of e-shopping (and typically reduced pricing). Online shopping typically saves people the hassle of looking through many stores and then standing in long lines to purchase a certain item during the holiday season. The internet is swiftly turning into a worldwide phenomenon Numerous, changing the way that consumers buy and make purchases. In an effort to compete, businesses have begun to use the Internet to reduce marketing expenses and, as a result, lower the price of their goods and services. Without a question, the Internet has had a

significant and unique influence on our lives. Apart from the enormous potential of the e-commerce industry, the Internet offers businesses a unique chance to more effectively connect with both current and new clients.

In their study article, Singh and Road (2019) investigated how customers perceive online buying. For data analysis, they used a sample of 200 respondents. Product information, online payment, convenience and variety, consumer attitude, ease of accessibility, flexibility, price, consciousness, and the difficulties associated with online buying were all shown to be significant variables in the process. Thus, it was determined that customers consider a variety of aspects while making online purchases. Therefore, website owners should consider these elements in order to increase the popularity of their shopping websites and increase client satisfaction, which will increase sales and profitability.

(M et al., 2019) in their study aims Consumer Perception towards online shopping of Household Products. They have used a sample of 680 respondents for data analysis. Study is aimed to investigate the perception of consumers towards online shopping of household products. Considering the empirical evidence of the present study, it is concluded that the online market has a great potential. By ensuring more secured payment options, quality product display in the sites, delivery and return, improving the after sales services, providing more, timely delivery of the goods with better packaging can further boost the demand of various products and services through online stores. The market segment of household products must be targeted by the marketers through e-retail penetration. And the market for other products and services must be expanded through more awareness among the consumers. As many people have shown fear of unsecured transactions in online payment therefore the online stores specifically mention about the security of transactions of their online stores which will increase the faith of customers for online shopping. Further the policy makers can also focus on the internet penetration plan of the government to understand the future expansion of online shopping in India.

In their study, (Hariramani, 2020) looked at how consumers felt about internet buying during a lockdown. For the purpose of data analysis, 270 respondents were used. They discovered that trust, intricacy, relative benefit, trialability, and observability are crucial factors influencing how young people, particularly students, see the efficacy of online buying. After taking these variables into account, marketers aiming to attract younger consumers may increase the utility of their online shopping platforms. They can then create corresponding marketing strategies. They can put more of an emphasis on creating a user-friendly purchasing website. To increase the observability of their goods online, they might provide the features of virtual display and demo.

After developing an expanded model of consumers' perceptions of online shopping, Kannaiah (2020) came to the conclusion that each consumer's perception of online shopping is unique and that it is only possible to perceive it within a specific range when the necessary connectivity and exposure to online shopping are present. Additionally, there are similarities and discrepancies in the consumer's perception depending on personal traits. According to the survey, older adults utilize internet shopping less frequently than younger people since younger people are more accustomed to it. The study focuses on the fact that young people in the 20–25 age range are more likely to purchase online. It is also discovered that the majority of online shoppers purchase books since they are less expensive there due to numerous discounts and deals. The survey also revealed that the biggest determinant of online buying behavior is product pricing. The items' security is the second most important consideration, followed by guarantees and warranties, delivery time, and the company's dignity, information isolation, and accurate product description. These factors are the third most important factors when making an online purchase. The research emphasizes the effortless navigation and accessibility of internet, as people prefer easy access to online shopping for greater convenience. The study also releases that the majority of the respondent purchase clothe from flipkart.com which subsequently ranks as one of the leading online shopping website in India. Additionally, the majority of product purchase online by the respondent are books, followed by tickets (railway, movie, concerts).

Another study was done by (Hariramani, 2020) on consumers' perceptions of online shopping where they used a sample of 765 respondents. Six key characteristics were identified by factor analysis: technical knowledge & product comparison (TP), customized offers & customer commitment (COCC), fun & lifestyle (FL), social & rational buying (SRB), advertisement & promotion strategies (AP), and convenient & time saver (CTS). Among all the elements influencing customers' opinions of online purchasing and their overall level of satisfaction, "Social and Rational Buying" was shown to be the most significant. According to SEM,

the main factor influencing online buyers' overall happiness is fun and lifestyle (FL), which is followed by social and rational buying (SRB), customized offers, and customer commitment (COCC). In order to attract more and more people to online shopping, marketers need focus more and more on the advertising techniques of their websites. Online shopping is popular because it fits with their lifestyle and they find it enjoyable. Thus, marketers should endeavor to create user-friendly websites and, finally, simplify processes and navigation while providing a growing range of products and precise and comprehensible product information.

### III. RESEARCH METHODOLOGY & OBJECTIVES

A descriptive research design was used to study consumer perception towards online shopping with reference to selected consumer durables in Surat city.

The present study was designed to achieve following research objectives:

- To know consumer perception towards Online Shopping
- To examine impact of demographic variables on customer perception.

Primary data were collected from respondents of Surat city through online mode with the help of a structured questionnaire. The survey was done with a Non-Probability Convenient sampling method. 123 responses were received from the respondents of Surat city. The data collected was tested for its reliability using Cronbach's Alpha which was found as 0.874 which shows a fair reliability. Secondary data were retrieved from past research papers published in various journals and magazines, books and articles. For analyzing the data, various statistical tools like, frequency distribution, chi-square test, One-way ANOVA, Exploratory Factor Analysis were used with the help of SPSS.

### IV. ANALYSIS AND DISCUSSION

The demographic profile of respondents is as given below:

**Table 1: Demographic comparison**

Demographics		Percentage
Age	18-25 yrs	67.5
	26-35 yrs	28.5
	36-50 yrs	4.1
Gender	Male	51.2
	Female	48.8
Marital Status	Married	28.5
	Unmarried	71.5
Qualifications	HSC or Less	17.1
	Graduate	45.5
	Post Graduate & Above	36.6
	Professionals	0.8
Occupation	Student	48.8
	Salaried	32.5
	Professional	4.1
	Businessman	8.1
	House Wife	6.5
Monthly Income (Rs.)	Below Rs. 50000	56.1

	Rs. 50001 to Rs. 75000	16.3
	Rs. 76001 to Rs. 100000	9.8
	More than Rs. 100000	17.9
<b>Internet Users</b>	Less than 1 Yr.	21.1
	1-2 Yrs.	27.6
	3-4 Yrs.	21.1
	More than 5 Yrs.	30.1

**Table 2: Online Shopping Frequency**

	Frequency	Valid Percent
Once in Six Months	44	37.9
Once in Three Months	37	31.9
Once in a month	27	23.3
Once in Week	8	6.9
Total	116	100.0

**Interpretation:**

The above table 2 shows how often consumers buy durable products online. It shows that 44 responders (37.9%) buy once in six months, while 37 respondents (31.9%) buy once in three months which indicates that consumers do not buy durable products online very frequently.

**Table 3: Descriptive Statistics**

Sr. No	Statements	N	Mean
1	I opt to purchase durable products online due to the substantial discounts offered.	116	4.01
2	Online shopping offers greater convenience compared to traditional store visits.	116	3.91
3	When I am Buying durable products online gives me more options to select from.	116	3.93
4	I find it more convenient to make online payments using credit cards or direct bank transfers.	116	3.84
5	I trust that durable products bought from reputable websites are of high quality and offered at affordable prices.	116	3.93
6	I am confident that shopping online saves both time and money.	116	<b>4.16</b>
7	I believe that purchasing products online is highly secure and protects the privacy of my payments.	116	3.76
8	I trust that the products we purchase online are delivered to our preferred location promptly	116	3.88
9	I prefer not to use credit cards, which limits my ability to shop online frequently.	116	3.40
10	favor online purchases because of the streamlined buying process online.	116	3.94



11	I trust in reading customer reviews before making online purchases, as it aids me in making informed decisions.	116	4.06
12	I prefer to personally inspect durable products before making a purchase.	116	3.99
13	I trust that online sellers offer good after-sales service when I purchase products from them.	116	3.87

### Interpretation:

From the above table 2 relating to descriptive statistics, the highest mean score was recorded to statement 6 which indicates that respondents are strongly agree with factor of time saving in online shopping. While for rest of the factors score mean value near to 4 which indicates respondents are agreeing towards variable for perception towards online shopping.

### Factor Analysis

Factor analysis is a good way to identify the underlying factors from the variables. In the present study, factor analysis was applied to identify different factors affecting consumer's perception towards online shopping. "KMO and Bartlett's Test" was carried out in order to test sampling adequacy and Bartlett's Test of Sphericity. According to Table 3, the Approx. Chi-Square value was 569.167 with df 78, which is significant at 0.000 level. The value of KMO statistics (0.852) is greater. Hence, all factors are not considered equally important for online shopping.

**Table 4: KMO and Bartlett's test**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.852
Bartlett's Test of Sphericity	Approx. Chi-Square	569.167
	df	78
	Sig.	.000

**Table 5: Total Variance explained**

Component	Initial Eigen values <sup>a</sup>			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.934	40.145	40.145	4.934	40.145	40.145	2.619	21.307	21.307
2	1.278	10.399	50.544	1.278	10.399	50.544	2.216	18.028	39.335
3	1.098	8.931	59.475	1.098	8.931	59.475	2.034	16.549	55.884
4	.947	7.707	67.182	.947	7.707	67.182	1.389	11.299	67.182
5	.799	6.500	73.682						
6	.617	5.023	78.705						
7	.553	4.502	83.207						
8	.461	3.747	86.954						
9	.412	3.352	90.306						
10	.381	3.101	93.407						
11	.305	2.480	95.887						
12	.302	2.456	98.343						
13	.204	1.657	100.000						

From the above table 4, it clearly shows that first four variables represent 67.182 % of variance. Therefore, these four factors with variance more than 1 are considered and other factors are not included in the model. Thus, from the Eigen values, only four factors are extracted from 13 variables.

**Table 6: Rotated Component Matrix**

Sr. No.	Factors	Component			
		1	2	3	4
1	I opt to purchase durable products online due to the substantial discounts offered.	.760			
2	Online shopping offers greater convenience compared to traditional store visits.		.723		
3	When I am Buying durable products online gives me more options to select from.		.555		
4	I find it more convenient to make online payments using credit cards or direct bank transfers.			.750	
5	I trust that durable products bought from reputable websites are of high quality and offered at affordable prices.	.700			
6	I am confident that shopping online saves both time and money.		.582		
7	I believe that purchasing products online is highly secure and protects the privacy of my payments.				.719
8	I trust that the products we purchase online are delivered to our preferred location promptly	.768			
9	I prefer not to use credit cards, which limits my ability to shop online frequently.				1.042
10	I favor online purchases because of the streamlined buying process online.				.689
11	I trust in reading customer reviews before making online purchases, as it aids me in making informed decisions.			.611	
12	I prefer to personally inspect durable products before making a purchase.				.716
13	I trust that online sellers offer good after-sales service when I purchase products from them.	.812			

#### Extraction Model: Principal Component Matrix Analysis

Principal component analysis in the rotation method of Varimax, the following factors are extracted:

Component 1 (Price Sensitivity): Factors 1, 5, 8, 13

Component 2 (Convenience and diversity): Factors 2, 3, 6

Component 3 (Effortless transection): Factors 4, 11

Component 4 (Obstacles): Factors 7, 9, 10, 12

The above rotated component matrix suggested that the four factors are interrelated.

**Table 7: Factors Extracted**

<b>Name of Component</b>	<b>Item No.</b>	<b>Factors</b>	<b>Factor Loading</b>
<b>Price Sensitivity</b>	1	I opt to purchase durable products online due to the substantial discounts offered.	.760
	5	I trust that durable products bought from reputable websites are of high quality and offered at competitive prices.	.700
	8	I trust that the products we purchase online are delivered to our chosen location promptly and as expected.	.768
	13	I trust that the seller offers good after-sales service when I purchase products online.	.812
<b>Convenience and diversity</b>	2	Shopping online is more convenient compared to visiting a physical store.	.723
	3	Purchasing durable products online provides me with a wider range of options to choose from.	.555
	6	I firmly believe that purchasing online is a practical way to save time and money.	.582
<b>Effortless transection</b>	4	In my experience, paying online through credit card or direct bank transfer is more convenient.	.750
	11	I trust in reviewing customer feedback before making online purchases, as it assists me in making informed decisions.	.611
<b>Obstacles</b>	7	I believe that purchasing products online is highly secure and protects the privacy of my payments.	.719
	9	I prefer not to use a credit card, which limits my ability to shop online frequently.	1.042
	10	I opt for online shopping because of the simplicity and convenience it provides in the buying process.	.689
	12	I prefer to inspect durable products in person before making a purchase.	.716

**Factor 1: Price Sensitivity:**

With 21.307 percent of total variance explained it is the most significant factor. This explains price sensitivity of consumers of Surat city. Consumer are attracted to buy selected durable products online which provides heavy discounts against store purchase.

**Factor 2: Convenience and diversity:**

It is the second factor which is most significant with 10.399 percent of total variance explained. Durable products buying consumers perceive that shopping online provides them more options to choose in online mode. Buying online provides them ease to buying as one can buy the products by just using their laptop or computer.



**Factor 3: Effortless transaction:**

The third most significant factor with 8.931 percent of total variance explained is easy payment availability. Consumers perceive that it is useless to carry cash and cards all the time with them if they can buy the products online instead.

**Factor 4: Obstacles:**

Challenges in online buying is the fourth significant factor with 7.707 percent of total variance explained. Consumers may have problem regarding trustworthiness with related to websites as they need to provide their credit and debit card credentials to buy online.

**V. CONCLUSION:**

It was observed from the analysis that most of the respondents were of the age group of 18-25 yrs. who tend to select online shopping. Male respondents spend more time behind online shopping compare to female respondents. Further, from the Exploratory Factor Analysis was applied to following four significant factors were found out Price Sensitivity, Convenience and diversity, Effortless transaction and Obstacles. From the analysis it was found that most of the consumers buy selected durable products online to get heavy discounts against store purchases. Consumers perceive that it is useless to carry cash and cards all the time with them if they can buy the products online instead. Consumers may have problem regarding trustworthiness with related to websites as they need to provide their credit and debit card credentials to buy online.

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