

A STUDY ON FACTORS AFFECTING ON ONLINE SHOPPING OF CONSUMERS IN RURAL HARYANA

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ABSTRACT

Online Shopping is a present trend which has developed an immense substance in the modern business world. The progression of online shopping has opened the door of opportunity to exploit and provide a competitive advantage over firms. Wide spread internet access and availability of technological advanced gadgets to people and e-commerce usage by traders gave online shopping a massive growth in recent years. This particular paper attempts to find out the reasons to go for online shopping and the importance of various influential factors of online shopping. The study was undertaken among the rural population of Charkhi Dadri and Bhiwani District. The results of the study highlighted that there is a significant relationship of online shopping with age and youth are more attracted towards online shopping.

KEYWORDS: Online Shopping, Shopping Portal, Website, Internet, First Generation, Internet Usage, Internet Literacy

INTRODUCTION

Online Shopping Scenario in India

Online shopping has become a new trend of shopping nowadays and is quickly becoming an important part of the lifestyle. Weiber and Kollmann, (1998) investigated that online technologies provide many competitive advantages like agility, selectivity, individuality and interactivity. **Online shopping** is a form of electronic commerce, which permits customers to directly purchase goods or services from a seller over the Internet using a web browser. Consumers search a product of his requirements by visiting the website of the retailer directly or by searching among other vendors using a shopping search engine, which displays the same product's availability and pricing at different e-retailers. Michael Aldrich-an English entrepreneur was a pioneer of online shopping in 1979.

According to the Associated Chambers of Commerce and Industry of India (Assocham) retail industry is projected to spend an extra \$500 million to \$1 billion on logistics functions, leading to a cumulative spend of \$950 million to \$1.9 billion till 2017-20, it said. At present, over 25,000 people are employed in e-retailing warehousing and logistics functions to make convenience and speedy delivery for consumers. It is anticipated that there will be a further employment of close to 1, 00,000 people in these two functions alone by 2017-20. Kotlar P, Keller et al., (2009) advocated that consumer shop online because it is convenient. Gordan A and Bhowan K, (2005) in their study concluded that convenience (no traffic, crowds, 24 HR. access), better product selection and useful delivery mode are responsible to attract towards online shopping. Key drivers of Indian commerce have been noted as increasing broadband Internet and 3G penetration, growing, living standards, availability of much wider product range, busy lifestyles and lack of time for offline shopping, increased usage of online categorized sites, and evolution of the online marketplace model with websites like eBay, Flipkart, Snapdeal, etc.

LITERATURE REVIEW

Rohini, R. and Kajapriya R. (2016) studied about drivers behind the reason contributing towards online shopping and the recent trend and future of online shopping in India. The Indian retail sector is moving from the brick-and-mortar model (physical retailing) to click-and-mortar model (online retailing) because of expanding internet base, mobile integration, rapid adoption of internet by the typical population, retail based social networks, multi channel commerce strategy, discount, offers and cheap rates, changing buying behavior, rising living standards and lifestyle, increasing recognition of purchasing power, growing online mushrooming e-commerce sites and recent government initiatives.

Jaganathan, A. T. et al. (2016) conducted a primary study to know customer perception towards online shopping at Namakkal district. The data were analyzed using the simple percentage analysis and ANOVA (analysis of variances) methods. He found that the young generations are intake in the future online shopping in the way of intention for getting a product through internet websites such as EBay, Flipkart etc. And elder people don't use online shopping and further suggested to advertisers to focus on their every customer's effort to tap the market assuming that the influence of the television ads in the online shopping behavior and increase flexibility for the buyer's convenience.

Upadhay Payal and Kaur Jasvinder (2015) studied the relationship between consumer factors and attitude toward online shopping, and analyze factors that influence attitude toward online shopping. They have developed a survey indicating online shopping behavior and acceptance among customers in India. The factor analysis technique was used on 100 respondents to classify these factors which they keep in mind while shopping online. In their study, they found the online customer's satisfaction level is very high, they generally prefer cash on delivery and mostly respondents' use internet for ticket booking.

Jain Dipti et al. (2014) conducted field survey to study the impact of Perceived Risk, Perceived enjoyment, Perceived usefulness and Perceived ease of use factors on online shopping behavior of with 160 online shoppers in Delhi. He studied the impact of four dimensions of online shopping, as perceived by consumers in India and the different demographic factors which are the primary basis of market segmentation for retailers. He concluded that perceived risk negatively impact consumer attitude towards online shopping while perceived usefulness, perceived ease of use and perceived enjoyment has no impact on consumers' attitude towards online shopping. Perceived risk indicates the lack of trust among consumers and many other reasons like that of chance of being cheated, inferior quality of products, non returnable policy etc.

Singh Prashant (2014) conducted a primary survey in which he found that the future of e-tailors in India is very bright. E-trailers give customers the best way to save money and time through purchasing online within the range of budget. He concluded in his study that, online shopping has altered consumer's purchasing or buying behavior and the success of E-commerce in India depends on the popularity, branding image and their unique policies. **Nagra Gagandeep and Gopal, R.(2013)** used Qualitative and Quantitative research methods, to study the impact of Demographic variables of consumers on on-line shopping parameters like satisfaction with on-line shopping, future purchase intention, regularity of on-line shopping, information of items purchased, and in general spend on on-line shopping. In his study, he analyzed that on-line shopping in India is significantly affected by various Demographic factors like age, gender, marital status, family size and income.

Further, he suggested to devise the policies and strategies to magnetize repetitive buying, emphasizing on female segments than male, and strengthen call centers, which could guarantee that the customer get a chance to officially interact with the other party before the actual purchase and solving after purchase problem.

OBJECTIVES OF THE STUDY

- The main objective is to the student perception of customers towards online shopping.
- To find out the factors affecting the online shopping behavior.
- To study the factor important while using the online shopping.

MILESTONE OF E -COMMERCE IN INDIA

Now days people have begun browse the website to make their purchase. Online shopping is purchase of products or service with the help of internet. In India, HomeShop18 has launched India's first virtual-shopping wall. The milestones of e-Commerce in India as follows:

- In 2002, the journey of online shopping is started when IRCTC introduces online ticket reservation system. With the help of this system, passenger can book their ticket at anytime from anywhere and make easy payment. Today India stands number five in e-commerce throughout the world.
- In a way, e-Commerce in India was started in 2004 when eBay started its operations in India by acquiring Avnish Bajaj's Baazee.com, which was India's largest online auction portal.
- In 2007, Sachin Bansal and Binny Bansal start Flipkart by investing 2 Lac rupees each as an online book retailer.
- In the same year, Mukesh Bansal, Ashutosh Lawania and Vineet Saxena started an online portal to customize goodies called Myntra
- In the year 2010, Flipkart pioneered the Cash on Delivery (CoD) model, which results, increasing e-commerce and reach dramatically. At the same time Myntra expanded its catalogue to retail fashion and lifestyle product.
- In 2013 Myntra.com has acquired San Francisco based virtual fitting room startup Fitiqqette and Baby product - seller Babyoye.com merged with Hoopos.com, which also sells baby products.
- In 2014, the sector attracted the attention of investors, including top global firms and leading Indian industry leaders like Azim Premji and Ratan Tata, said ASSOCHAM- PwC study, adding that brands like Flipkart and Snapdeal are enjoying edging over global players like Amazon in the country.

As of June 2012, India has the base of 137 million internet users and the leaning towards online shopping in youth will help the online retail industry to reach a score of 7,000 crore by 2015.

RESEARCH METHODOLOGY

Data is collected through online structured questionnaire and schedule method having multiple-choice based questions and five point Likert scale was used to know the various reasons and importance of various factors, for online shopping. A questionnaire was divided into two sections: i) Questions related with the demographic profile of respondents and ii) Questions related to online shopping. The random convenience sampling method is used to collect the primary data

from respondents residing in Charkhi Dadri and Bhiwani District. Primary data were collected from 39 respondents.

ANALYSIS OF RESULTS

Collected data were coded with the help of SPSS (21.0) and MS-Excel. The study is conducted with the help of statistical tools like frequency analysis.

To find out the significant differences only highly satisfied guests are taken into the consideration as satisfaction is the lead factor that influences the guest while making his re-visit decision.

Table 1: General Information of Respondents

Particulars		Online Shopping		Total
		Yes	No	
Gender	Male:	10	6	16(41%)
	Female:	12	11	23(59%)
Age	Below 30:	18	7	25(64.1%)
	31-40:	3	0	3(7.7%)
	41-50:	0	0	0
	51-60:	1	2	3(7.7%)
	Above 60:	0	8	8(20.5%)
Occupation	Student:	7	4	11(28.2%)
	Self-Employed:	2	4	6(15.4%)
	Salaried:	11	2	13(33.3%)
	House-wife:	2	4	6(15.4%)
	Retired:	0	3	3(7.7%)

Table 1 represents out of 39 respondents, Only 22 respondents are used to go for shopping out of which 55% are females. The majority of respondents who prefer online shopping are Below 30 age group and are salaried people (33.3%) followed by student category (28.2%).

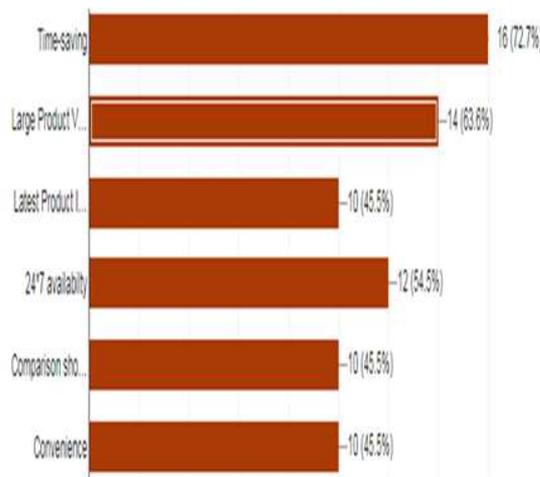


Figure 1

Reasons to Buy Online

During the study, respondents were revealed their reason to go for online shopping for them are time saving (72%), availability of a large product variety (63.6%), 24*7 availability followed by latest product information, easy comparison of products and convenience.

Type of Products Purchased Online

We can easily see from the diagram, 81% of respondents prefer online shopping to purchase mobile phones and accessories, followed by electronic appliances (61.9%), apparels (52.4%) and gifts (52.4%) and very less prefer for software and grocery in that region.

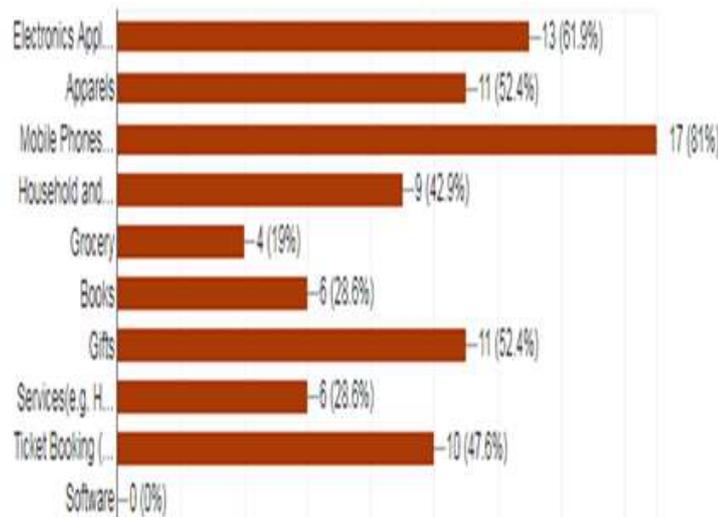


Figure 2

Table 2: Relationship of Online Shopping with Gender, Occupation and Age

		Gender	Online Shopping	Occupation	Age
Gender	Pearson Correlation	1	-.102	-.226	-.033
	Sig. (2-tailed)		.535	.167	.843
	N	39	39	39	39
Online Shopping	Pearson Correlation	-.102	1	.205	.584**
	Sig. (2-tailed)	.535		.211	.000
	N	39	39	39	39
Occupation	Pearson Correlation	-.226	.205	1	.417**
	Sig. (2-tailed)	.167	.211		.008
	N	39	39	39	39
Age	Pearson Correlation	-.033	.584**	.417**	1
	Sig. (2-tailed)	.843	.000	.008	
	N	39	39	39	39

** . Correlation is significant at the 0.01 level (2-tailed).

This test is conducted to find out the correlation of gender, occupation and age with online shopping. There was a positive correlation between age and online shopping where $r = 0.584$, $n = 39$ and $p = 0$ i.e. Young generation (Below 30) are more prone to do online shopping as compare to other age category.

Table 3: Impact of Gender on Frequency of Online Shopping

		Levene's Test for Equality of Variances		T-Test for Equality of Means						
		F	Sig.	t	df	Sig. (2-Tailed)	Mean Diff.	Std. Error Diff.	95% Confidence Interval of the Difference	
									Lower	Upper
Frequency of Online shopping	Equal variances assumed	9.808	.003	.402	37	.690	.280	.695	-1.129	1.689
	Equal variances not assumed			.419	36.237	.677	.280	.667	-1.073	1.633

An independent samples T-test was conducted to compare frequency of online shopping between male and female. There was not a significant difference in the scores of male (M=1.94, SD=1.843) and female (M=2.22, SD=2.315) conditions; $t(37) = 0.402$, $p = .690$.

Table 4: Impact of Age on Importance of Factors while Shopping Online

		Sum of Squares	df	Mean Square	F	Sig.
Website Appearance	Between Groups	79.696	3	26.565	7.158	.001
	Within Groups	129.893	35	3.711		
	Total	209.590	38			
Easy to navigate	Between Groups	81.799	3	27.266	7.829	.000
	Within Groups	121.893	35	3.483		
	Total	203.692	38			
Product Warranty	Between Groups	91.071	3	30.357	7.880	.000
	Within Groups	134.827	35	3.852		
	Total	225.897	38			
Special Discounts Offers	Between Groups	84.663	3	28.221	7.916	.000
	Within Groups	124.773	35	3.565		
	Total	209.436	38			
Detailed Product Information	Between Groups	96.529	3	32.176	8.473	.000
	Within Groups	132.907	35	3.797		
	Total	229.436	38			
Free and fast Shipping	Between Groups	87.641	3	29.214	8.030	.000
	Within Groups	127.333	35	3.638		
	Total	214.974	38			
Legal Certification	Between Groups	89.641	3	29.880	7.766	.000
	Within Groups	134.667	35	3.848		
	Total	224.308	38			
Privacy Policy	Between Groups	85.052	3	28.351	7.835	.000
	Within Groups	126.640	35	3.618		
	Total	211.692	38			
Easy Refund and Return Policy	Between Groups	88.240	3	29.413	7.893	.000
	Within Groups	130.427	35	3.726		
	Total	218.667	38			
Customer Communication(Call Center)	Between Groups	92.000	3	30.667	8.342	.000
	Within Groups	128.667	35	3.676		
	Total	220.667	38			

A one-way between groups analysis of variance was conducted to explore the impact of age on the importance on factors while purchasing online. Participants were divided into five groups according to their age (Below 30 years, 31-40 years, 41- 50 years, 51-60 years and Above 60). There was a statistically significant difference at the $p < .005$ level of

importance on factors while purchasing online

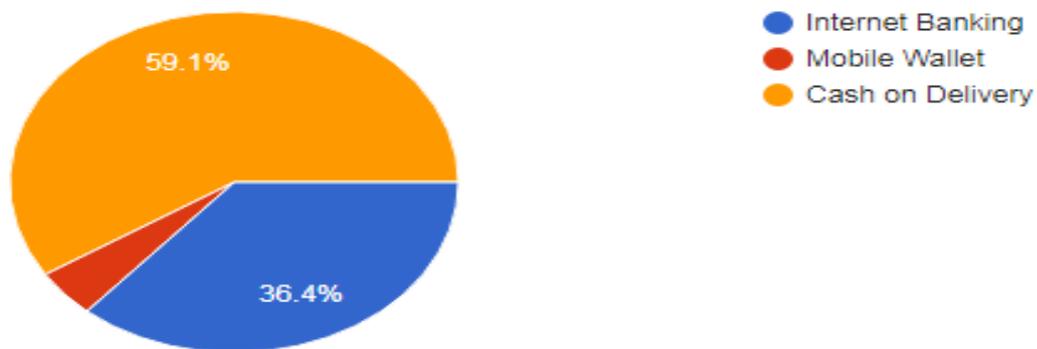


Figure 3: Analysis of Secure Payment Gateway for Online Shopping

From the above diagram it is clearly shown that Out of 22 respondents (who do online shopping), the majority of online shopper uses cash on delivery as a safe option to pay their payment which is followed by internet banking.

CONCLUSIONS

Above analysis and discussion clearly indicate that online shopping has become a regular part of our lives among the young generation, mainly because it is so convenient. Every day, millions of people go online to do research about products and make purchases from thousands of different online merchants. Consumers are looking for time saving, 24*7 availability, trust, product detailed information, Security and privacy of information, convenience, customer service, and competitive prices during online shopping.

LIMITATIONS

Although the objective of the study is met, but still there are some limitations of the present study.

- Firstly, the study conducted is limited to respondents of Bhiwani and Charkhi Dadri District.
- Secondly, the numbers of variables selected for the present study are not many in number.
- Finally, the outcome is subject to general control of biasness of response.

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