A Study on Consumer's Online Shopping Behavior with Reference to Sabarkantha District

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Abstract

Online shopping is one type of activity, in which a buyer purchases goods and services through the internet by using a web browser. With the help of the internet, the sellers can find the buyers for selling their products or services. Online shopping provides many facilities like shop anytime and anywhere, time-saving, large selection of product, and price comparison. These all are the most attractive reasons for online shopping.

This is why it is highly demanding to study on consumer's online shopping behavior for which we chose Sabarkantha district and in this study, we have examined the buying behavior of consumers towards online shopping in the context of demographic factors and level of buying frequency. The researcher applied descriptive and exploratory research design. The population represents online shoppers of Sabarkantha district. The sample comprised of business professionals, students and educated people among others. The sample size was taken as 384. The required primary data was collected through a sample survey by using structured and close-ended questionnaire. SPSS 20 and MS EXCEL are used as data analytical tools. Statistical tools such as Reliability test, ANOVA, t-test, frequency distribution etc. No significant difference in different groups of gender, age, marital status, and family type has been found in online shopping behavior. But, different behavior has been observed in different groups of occupation. The buying behavior of the consumer is also the same at different frequency levels of buying.

Key Words

Online shopping, e-commerce, e-business, Internet Shop, Web Shop, Web Store, Online Store, Virtual Store.

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1. Introduction

The accelerated evolution of internet technology provides opportunities to the seller to reach the customers in a much faster way than the traditional market. In this way, the modern market surpasses traditional market. Online market, with the help of the internet, has become one of the popular and easy ways for both businesses and customers. The success of online shopping mostly depends on the satisfaction of the customer at the time of buying. Online shopping is also known by alternative names like E-Web-Store, E-Shop, E-Store, Internet Shop, Web Shop, Web Store, Online Store, Online Storefront, Virtual Store, M-Commerce, and E- Retailing. A business model refers to the method of doing business by which an organization can create revenue. E-commerce is a type of business model by which a firm or company can conduct a business deal over the internet browser. Many types of business model of e-commerce are available like B to B, B to C, B to G, C to B, and C to C. E retailers provide various alternative options which include credit card, debit card, cash on delivery, net banking, E-wallet, and prepaid card. Many factors affect to shopping attitude of consumers. According to Angel et al., (1968) "Consumer buying behavior is categorized in three ways which are social, psychological and personal factors" Customers, Product Selection, Payment, Product Delivery, Design, Consumer Needs and Expectations are the components of Online Shopping.

Online shopping is in practice since 1971; In 1979, Michael Aldrich started online shopping by using ''videotext'' which was used for communicating between buyers and sellers. Videotext is an online service, which is accessed by telephone lines. It is used to make online shopping, tickets booking, checking stock prices, communication also using telephone directory. World's first online shopper who ought something online was at Tesco store. In India, online trading was started with the introduction of Online Passenger Reservation System by the Indian Railway Catering and Tourism Corporation (IRCTC) in 2002. According to ASSOCHAM, Indian e-commerce market is expected to grow by 64 billion in 2020. In 2017 Indian e-commerce market is 38.5 billion US dollar. There is a very strong relationship between internet users and e-commerce market. Reason for increase in internet users are mobile, Tablets, technologies, hi-speed internet facilities etc. and banking industry also supported to e-commerce market by providing secured payment facilities for an easy and convenient way for online payment. As per the RBI report 2018, the ratio of debit card and credit card, e-wallet and net banking increased very fast in comparison to last years.Top 10 E-Commerce shopping sites in India includes flipcart.Com, snapdeal.Com, Jobong.com, limeroad.com, yebhi.com,myntra.com, amazon.com, e-bay.com, yepme.com and locanbaniya.com. The product sold and bought online include Electronics, Clothes, households products, gifts, books, groceries, beauty products, furniture, toys and sports, footwear, travelling tickets, agriculture products, computer products, fashion product, art and crafts, lawn and garden products, entertainment tickets, health and medicine, and cleaning products.

2. Review of Literature

Generally, it was identified that no work can be fulfilled without studying the existing work or the study done by others. With the help of a comprehensive study of existing work, it is possible to find out what is already investigated and what is not still investigated or highlighted in a particular area. If we know that which part is not investigated and which is already researched after studying the entire matter, the researcher can start the study.

Research for buying goods online is going to be trendy day by day (Barnes, 2013). Many Researchers think the reason of buying online is convenience. Internet shopping is notable to the customers (Chaing and Dholakia 2003, Monsuwe et al 2004). Some of the consumers believe that online shopping is very comfortable only because of price comparison (Monsuwe et al 2004 Palmer 2013) only 15% online shoppers give importance to price comparison (Chaing and Dholakia 2003). One another observable rationale factors of influencing the customer are to avoid very large queues but against that checking out process consumes more time than traditional shopping. It is more inconvenient to them to shop from actual stores queuing. There is no need to wait for the product if purchased from the actual store but if buying from e-store, the customer has to wait for a few days for delivery of the goods. But, the customer can shop at any time and anywhere even though he/she is busy with work, like during the cooking, exercise, cleaning, during office hours and at midnight. There is no holiday in the e-store (Chaing and Dholakia). With the heavy workload, customers can't go outside, In this way, they can fulfill their requirement by online shopping without going outside the retail store. He can purchase the product only in few clicks and one-third proportion of people purchase online during late night or at midnight.

The study investigated demographic factors affecting online buying behavior of consumers in 6 major Indian cities namely New Delhi, Hyderabad, Mumbai, Chennai, Bangalore and Kolkata. The results found that females from the age group of 20-30 years buy more frequently in comparison to males. It shows that females shopped 3-4 times in a month as compared to males who shopped only once a month in online shopping. The results further revealed that different age group, marital status, different income group, and education level did not impact significantly online shopping behavior much in India. However, family size significantly affected the online shopping behavior of consumers. (Reddy &Srinivas, 2015)

The study was conducted for checking out how demographic factors affected to various online shopping parameters like; buying intention, satisfaction, the frequency of shopping, type of product, number of items purchased, and their budget to spend on, online shopping. At last, result revealed that factors like age, gender, marital status, family size, income significantly affect online shopping behavior. But occupation does not affect significantly on online shopping behavior of consumers. (Nagra&Gopal, 2013)

The Study investigated the attitude of the consumer towards online shopping in Chennai city of Tamil Nadu. The result found that attitude of consumer towards online shopping was positive and also negative in nature. Positively it was related to age, gender and income and negatively it was related to educational qualification, size of family and the nature of family. Hence, the results show that consumers' behavior is significantly different and changes with demographic factors while shopping online (Yakumar& Kumar, 2013).

The study was conducted on the influence of demographic factors on online shopping behavior of consumer in five cities Delhi, Mumbai, Chennai, Hyderabad and Bangalore. The results concluded that age does not influence significantly for the behaviour of the consumer towards online shopping in India. It also further revealed that females buy more frequently in comparison to males and however, marital status and income does not influence on online shopping behavior, family size has a significant relationship with the online shopping behavior of consumers (Dahiya, 2012)

3. Motivation for the Study

This research study examines the buying behavior of consumers towards online shopping in the different groups, demographic factors and frequency level of purchase online. With the help of this study, e-retailer can understand their consumer and try to satisfy them by fulfilling their expectation. The company can apply strategy to attract consumer and identify the demographic factors which influence to the intention of buying behavior towards online shopping and in this way try to make atmosphere superior and make their image better in the market by attracting consumers in the competitive market. In addition, this study will be helpful to research agencies, students, consumers, e-retailers and for academic purpose. Keeping in mind this background, the objective is to examine the buying behavior of consumers towards online shopping in the different groups of demographic factors (Age, Gender, Occupation, Marital status, Family type).

4. Research Methodology

The research study on effect of consumer behavior towards online shopping was descriptive & exploratory research design. Population represents online shoppers belonging to Sabarkantha district. Sample was selected comprised of business professionals, Students, educated people among others. Researcher used convenient sampling. Sample size was taken as 384 questionnaires. The required major type of primary data was collected through a sample survey by the use of face to face structured and close-ended questionnaire. SPSS 20, MS EXCEL, tables and charts etc. are used as data analytical tools. Statistical tools such as Reliability test, ANOVA, t-test, frequency distribution have been used. Researcher had developed the following hypothesis.

1. H10: There is no significant difference in buying behavior of consumers towards online shopping in different group of gender.
2. H20: There is no significant difference in buying behavior of consumers towards online shopping in the different type of marital status.
3. H30: There is no significant difference in buying behavior of consumers towards online shopping in the different group of family type.
4. H40: There is no significant difference in buying behavior of consumers towards online shopping in the different group of age.
5. H50: There is no significant difference in buying behavior of consumers towards online shopping in the different group of occupation.
6. H60: There is no significant difference in buying behavior of consumers towards online shopping in the level of purchase online.

5. Results

The respondents are classified according to their age, gender, marital status, family type and occupation. 212 (55.2%) respondents are males and rest are females. With regards to occupation, that the respondents as businessman 70 (18.2%), professions 73 (19%), educated 36 (9.4%), retired / others 17(4.4%), with students 77 (20.1%) and remaining are employer. With regards to age, the respondents in the age group of 18-25 years are 143 (37.2%), in the age group of 26-35 years, 125 (32.6%), in the age group of 36-45 years 86 (22.4%) and the remaining 7.8% of them are above 46 years. With regards to marital status, the respondents that are married are 214 (55.7%) and the remaining are unmarried. With regards to family type the respondents with nuclear family are 165 (43%) and the remaining are with joint family.

From total respondents, it was observed that majority of the respondents 116 (30.20%) gather information through advertisement about various products for doing online shopping. Most of the respondents 200 (52.1%) prefer online shopping as per their need or occasion. The majority part of the respondents 246 (64.10%) felt difficulties while conducting shopping online and the rest of the respondents did not experience any difficulty while conducting online shopping. The major part of respondents (323) preferred to purchase online fashion products like watches, jewelry, sunglasses, bags, wallet, perfumes, etc. followed by electronic items purchased by the 280 respondents. 279 respondents purchased traveling tickets online. Very few and least only 3 respondents purchase agriculture product from the web store. Majority of respondents used cash on a delivery method for the payment of online purchasing. Because they have no trust in online payment and they don't want to give their financial information to online websites. Then 159 consumers prefer credit card for payment of shopping. It means that they have fear about the security of payment transaction online from the bank account and they don't like to pay in advance before delivery of the product. The major reasons for online shopping are time-saving, able to shop any time and price comparison easy and discount or promotional offers. But there are some barriers which affect the consumers while shopping online like; required more delivery time, security issues for financial information, description of the product not accurate, unable to touch product physically, return and refund policies issues etc. So these all factors affect the behavior of consumer for shopping online.

India's infrastructure is now developing so many consumers want improvement in e-commerce websites. Consumers give very much importance to the price of the product, comparison, guarantee, warranty, the privacy of the financial and personal information, delivery time and reputation of the company. The major part of (n=322, 83.9%)m respondents continue to buy online if the online shopping websites deal with their complaints efficiently very well and very small part of (n=62, 16.1%) respondents do not agree to buy even if e-commerce websites deal with their complaints. The major part (n=265, 69%) of respondents give positive responses to purchasing shopping online in next 12 month. Majority of respondents are not satisfied with the online shopping. From the total respondents, 54 respondents are highly satisfied with online shopping.

The t-Test evaluates whether the means of two groups are statistically different from each other. It is a ratio of a difference between the sample mean to their standard error.

$H1_0$: There is no significant difference in buying behavior of consumers towards online shopping in a different group of gender.

T-test was applied to take a group of gender as an independent variable and variable of the behavior of consumers towards online shopping as dependent variables**.**

For this test, the assumption about equal variances for both the group of gender is satisfied [F=0.221, p= 0.639>.05]

Therefore t-test assuming equal variance was applied. The t value was t= -1.525 with significant value p = 0.128 indicating no significant differences between mean buying behavior of consumer with respect to male and female.

$H2_0$: There is no significant difference in buying behavior of consumers towards online shopping in the different type of marital status.

T-test was applied to take marital status as an independent variable and variable of the behavior of consumers towards online shopping as dependent variables

For this test, the assumption about equal variances for both the different group of marital status is satisfied [F=0.120, p= 0.729>.05]

Therefore t-test assuming equal variance was applied. The t value for equal value assumed was t= -0.285 with significant value p = 0.776 indicating no significant differences between buying behavior of consumer with respect to marital status.

$H3_0$: There is no significant difference in buying behavior of consumers towards online shopping in the different group of family type.

T-test was applied to take a family type as independent variable and variable of the behaviour of consumers towards online shopping as dependent variables.

For this test, the assumption about equal variances for both the different group of family type is satisfied [F=0.222, p= 0.638>.05]

Therefore t-test assuming equal variance was applied. The t value for equal value assumed was t= 1.192 with significant value p = 0.234 indicating no significant differences between the buying behavior of consumer with respect to family type.

$H4_0$: There is no significant difference in buying behavior of consumers towards online shopping in the different group of age.

ANOVA Test was applied to take a different group of age as an independent variable and behavior of consumers towards online shopping as dependent variables.

The Table values are found 0.662 which is greater than the significant value of 0.05; therefore the buying behavior of consumer's online shopping is equal in the different age groups.

$H5_0$: There is no significant difference in buying behavior of consumers towards online shopping in the different group of occupation.

ANOVA test is applied to take a different group of occupation as independent variable and behavior of consumers towards online shopping as dependent variables.

The Table values are found 0.00 which is less than the significant value of 0.05; therefore the mean buying behavior of consumer's online shopping is not equal in the different occupation groups. Note that ANOVA alone does not tell us specifically which means were different from one another. To determine that, we need to follow up with multiple comparison (Post hoc) test.

Multiple comparisons using the Tukey HSB test indicated that the buying behavior of consumers among employer, students, businessman and retired/other groups significantly different as p-value is less than significant value 0.05.

$H6_0$: There is no significant difference in buying behavior of consumers towards online shopping in the level of purchase online.

ANOVA test is applied to take a different level of frequency of buying as independent variable and behavior of consumers towards online shopping as dependent variables.

The Table values are found 0.623 which is greater than the significant value of 0.05; therefore the mean buying behavior of consumer's online shopping is equal in the different groups of the frequency of buying.

6. Conclusion

After examination consumers' buying behavior towards online shopping, there is no significant difference found in the behaviour of different groups in terms of gender, age, marital status, and family type. Females are working in a good position like male hence the behavior of both of them is the same towards online shopping. But buying behavior of online shopping consumers is not equal in different groups of occupation. It means that occupation affects the consumer's behavior towards online shopping. The buying behavior of consumers towards online shopping is different between Retirees/others, students, employees, businessman. But there is no significant difference in the behaviour of the professional others towards online shopping. The frequency of buying is not significantly affected by the buying behavior of the consumer towards online shopping.

7. Suggestions

E-retailer companies should measure the steps for improvement on secured websites and try to resolve the problem of unsecured websites, return and refund policy, product tracking process, websites quality, purchasing process, delivery time reduction, description about the product accurately and sufficiently. The company should avoid asking personal questions. The company should take the review of the consumers who make online shopping occasionally and should try to understand their reviews for the online shopping - positive and negative. They should show the real and clear image of the product so that the consumer is not confused about the product quality.

8. Scope for future study

In this research limited variables are considered to study about demographic factors so that researcher can examine more variable for extensive research. The researchers can reach to better result by expanding the study in other cities, districts, states or countries and further determine the consumer behavior towards online shopping. This research study is examining mean buying behavior of consumer towards online shopping and their significant effect on demographic factors. The further researchers can identify the factors and their effect and relation between the identified factors.

9. Limitation of the study

1. The study was based on the possibility of the generality of results which was restricted due to convenience sampling.
2. The study results are limited to the respondents of Sabarkantha district.
3. The questionnaire included limited questions that mean limited variables have been studied.
4. Information provided by respondents was sometimes unfair. It is possible that the respondents might not have given proper and exact responses matching to their beliefs and behavior.

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