

## A STUDY ON CONSUMER BEHAVIOUR ON ONLINE SHOPPING

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### ABSTRACT

Online retailing is a new retailing medium and online consumer behaviour is diverse from traditional consumer behaviour, one must identify what influences the online consumer. Analysing the process that the online consumer goes through when deciding and making a purchase over the internet, shows some factors that consumers consider. These factors need to be identified and taken into account by online retailer's in order to satisfy consumer demand and compete in the online market. The purpose of this study is to analyze factors affecting on online shopping behaviour of consumers that might be one of the most important issues of e-commerce and marketing field.

*Key words: Consumer Behaviour, Online shopping, Price, Time, Convenience*

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## 1. INTRODUCTION

The internet has developed into a new distribution channel and online transactions are rapidly increasing. The intention of the internet has created a paradigm shift of the traditional way people shop. A consumer is no longer bound to opening times or specific locations; he can become active at virtually any time and place and purchase products or services. The internet is a relatively new medium for communication and information exchange that has become present in our everyday life. The number of internet users is constantly increasing which also signifies that online purchasing is increasing. Internet makes life simple and innovative. People are doing business online and trade has become more easy and fast due to this. Internet provides new ways to promote business. Website becomes the essence of online business as to show their services and products. Internet gathers all competitors and consumers in one place. It brings new lane to promote, advertise products and services in market.

Electronic commerce has become one of the major characteristics in the Internet era. Online shopping behaviour (also called online buying behaviour and Internet shopping/buying behaviour) refers to the process of purchasing products or services via the Internet. The process consists of five steps similar to those associated with traditional shopping behaviour. In the typical online shopping process, when potential consumers recognize a need for some merchandise or service, they go to the Internet and search for need-related information. However, rather than searching actively, at times potential consumers are attracted by information about products or services associated with the felt need. They then evaluate alternatives and choose the one that best fits their criteria for meeting the felt need. Finally, a transaction is conducted and post-sales services provided. Online shopping attitude refers to consumers psychological state in terms of making purchases on the Internet.

Online consumers are always seeking new products, new attractiveness and the most important thing being price compatibility with their budget. The internet is the best way to save time and money through purchasing online within their range of budget at home or in anywhere. Online consumers don't have limits to online shopping. They also use internet for comparison of prices of goods and services, news, visit social networks and search information and so on. The purpose of this study was to examine if there are any particular factors that influence the online consumer.

## 2. OBJECTIVES

Researcher seek to achieve the following objectives in this research

1. To identify the most important factor which influence the online shopping behaviour of the consumer.
2. To find out the relationship between agreement and consumer purchase decision.
3. To identify the nature of products consumers interested to purchase online.

## 3. REVIEW OF LITERATURE

Payal Upadhyay and Jasvinder Kaur advocates that there are several indicators, belonging to four major categories; the value of the product, the shopping experience, the quality of service offered by the website and the risk perceptions of Internet retail shopping. There are some nine factors associated with users' perception of online shopping. Among those factors the risk perception of users was demonstrated to be the main discriminator between people buying online and people not buying online. Other discriminating factors were; control over, and convenience of, the shopping process, affordability of products, customer service and ease of use of the shopping site.

Adil Bashir (2013) advocates that there are so many factors involve that have influence on online consumer behaviour such as social, culture, education, race, personality, environment and resources availability.. There are other factors as well like building trust factor, confidence, appealing website, proper and full information about goods and services by this purchasing decision would be more encouraged.

Mohammad Hossein Moshref Javadi and Hossein Rezaei Dolatabad (2012) reveals that compared to physical stores, online stores have many advantages: They are convenient and time saving and no more travelling and waiting in lines is needed. They are open in all time and they are accessible anytime and anywhere. These stores provide consumers with free and rich information about products and services. They also have some online tools to help consumers compare and make purchase decisions among various products and services.

Li and *Li & Zhang* (2002) found that customers who purchase Internet stores more frequently are more convenience-oriented and less experience-oriented. These consumers regard convenience during shopping as the most important factor in purchase decisions, because they are time-constrained and do not mind buying products without touching or feeling them if they can save time in this way.

Kwek Choon Ling (2010) discovered that the antecedents of the customer online purchase intention could be applied in both low uncertainty avoidance countries and high uncertainty avoidance countries, particularly among Generation Y. To create the condition for prior online purchasing experience, e-retailers can provide free samples or free subscription for the potential web shoppers to test the products or services. To increase the customer impulse purchase, e-retailers can provide e-mail updates on product development or offer special discounts for a limited time to the potential online customers. E-retailers may offer loyalty programmes or club memberships for those online customers who exhibit strong brand orientation. For targeting quality-orientated customers, e-retailers can provide full online version of product quality information and product search information through the website to them.

Oppenheim C and Ward L (2006) examines that the current primary reason people shop over the internet is the convenience. They also found that the previous primary reason for shopping online was price, which has now changed to convenience.

#### 4. RESEARCH METHODOLOGY

The purpose of this study was to analyze the factors influencing online shopping behaviour of consumers in Kottayam District. Convenience Sampling was used for the study. The substantial portions of the target customer that are sampled to achieve reliable result are 50. So the sample size of this study is 50. The study was conducted by the means of personal interview with respondents and the information was collected through questionnaire method. Both primary and secondary data were extensively used for the study. The primary data were collected through questionnaire and secondary data were collected from Journals, Reports, and Websites relevant to online marketing. Data analysis was done through percentage analysis and Chi square test.

#### 4. RESULTS AND DISCUSSION

Table 1

Demographic Profile of the Respondents

Item	Description	No.of Responses	Percentage
Sex	Male	28	56
	Female	22	44
	Total	50	100
Age	20-30	12	24
	31-40	18	36
	41- 50	11	22
	Above 50	9	18
	Total	50	100
Educational Qualification	Matriculation	4	8
	Degree	26	52
	Post Graduation	12	24
	Others	8	16
	Total	50	100
Income	Below 10,000	5	10
	10000- 14000	10	20
	15000- 19000	17	34
	Above 20000	18	36
	Total	50	100

Gender wise distribution of the respondents reveals that out of the 50 consumers, 56% are male and 44% are female. The predominant age group (36%) of the consumers in the sample ranges from 31-40 years. About 24% of the consumers belong to the age group of 20-30 and 22% of the consumers belong to 41-50. The highest frequency of 52% respondents falls under the

qualification of degree level followed by the 24% of who has the Masters degree. The table shows that majority of the consumers belongs to the income group of above Rs. 2000.

Table – 2

The most important factor which influence the online shopping behaviour of the consumer

Response	Number of Responses	Percentage
Best Prices	16	32
Convenience and Time saving	14	28
Attractive offers	12	24
Product Reviews Available	8	16
Total	50	100

From this table it is clear that 32% of the consumers consider price as the most important factor influencing them to purchase online. 28% of the respondents opined that convenience and time saving is the another factor which leads them to purchase online followed by 24% of the people consider attractive offers. The remaining 16% falls under the category of those respondents for whom the product reviews are available.

Table -3

The nature of the products consumers interested to purchase online.

Response	Number of Responses	Percentage
Books	6	12
Electronic products	32	64
Clothes	8	16
Others	4	8
Total	50	100

From the above table, total 50 respondents out of which 64% of the respondents interested to purchase various electronic products followed by 16 % of the consumers consider clothes. 12% of the consumers interested to purchase books and 8 % of the consumers were interested to purchase various types of products available in online shopping.

Table -4

The relationship between convenience and time consuming in making purchase decision

Chi-square test

H1: There is a significant relationship between agreement (convenience and time consuming) and purchase decision

	Observed N	Expected E	Residual
Strongly Agree	22	10	12
Agree	9	10	-1
Neutral	8	10	-2
Disagree	6	10	-4
Strongly Disagree	5	10	-5
Total	50		

Test Statistics

Chi – square	19
Df	4

Calculated Value – 19

Table value-9.4

From the analysis it is concluded that calculated value is greater than the table value. So there is a significant relationship between agreement and purchase decision.

Table 5

The relationship between price and consumer purchase decision

Chi-square test

H1: There is a significant relationship between agreement (price) and consumer purchase decision.

	Observed N	Expected E	Residual
Agree	25	16.66	8.34
Neutral	14	16.66	-2.66
Disagree	11	16.66	-5.66
Total	50		

#### Test Statistics

Chi – square	6.514
Df	2

Calculated Value – 6.5

Table value-5.99

From the analysis it is concluded that calculated value is greater than the table value. So there is a significant relationship between agreement and consumers purchase decision.

## 5. CONCLUSION

In this study the researcher examined some factors affecting on online shopping behaviour of consumers. The online shopping is getting popular among the consumers as they feel it is more comfortable, time saving and convenient. It is analyzed from the survey that majority of the consumers are interested to purchase electronic products through online market. To purchase online things the electronic goods are in demand because of the best price, convenience and time saving. The best price factor is popular among people because generally in online markets prices are lower as against the physical markets. People compare prices in online stores and then review all feedbacks and rating about product before making the final selection of product and decision. Chi – square test showed a significant relationship between agreement and consumers online purchase decision.



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