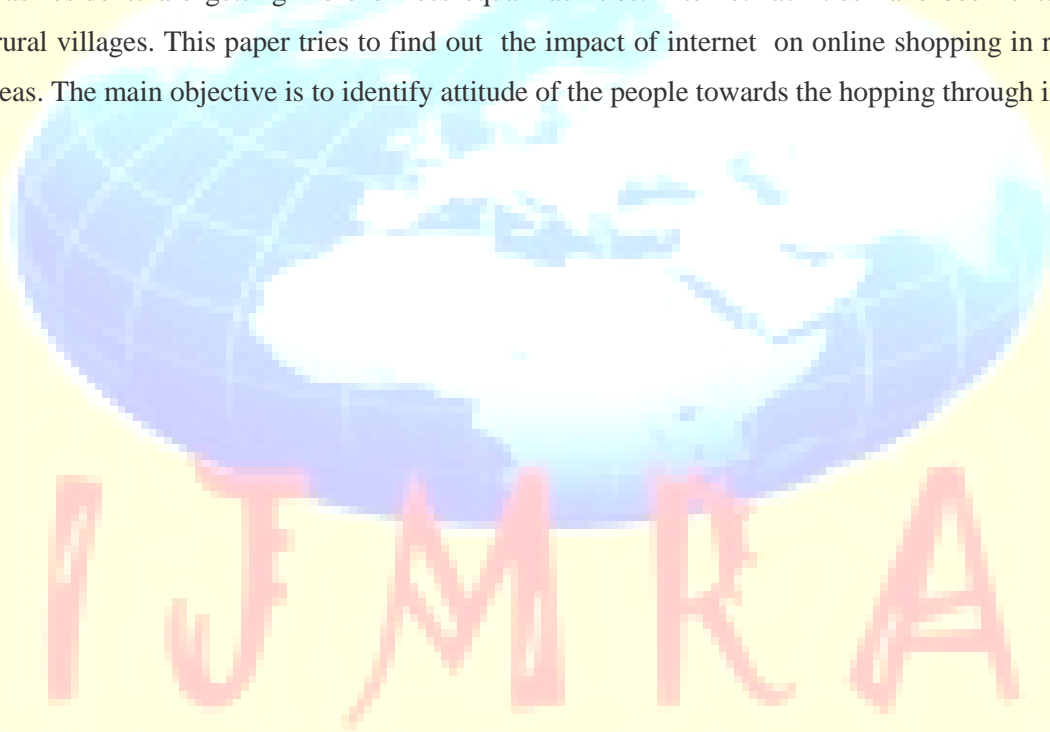


## PERCEPTION OF ONLINE SHOPPING BETWEEN URBAN AND RURAL SHOPPERS IN HARYANA

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### ABSTRACT

Haryana is a fast growing state in terms of economy, education, infrastructure and urban centers. Even in rural areas residents are getting more or less equal facilities. Internet facilities have been extended in remote rural villages. This paper tries to find out the impact of internet on online shopping in rural and urban areas. The main objective is to identify attitude of the people towards the hopping through internet



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## INTRODUCTION

Only 3.1 percent of total houses have Internet access in India. That is what 2011 Census data for Communication in India says. After one year of conducting the census, the census board have released the communication in India data. According to this, the census covered 24,66,92,667 (246.7 million) houses in India and found only 76,47,473 (3.1%) of this houses use Internet. In Haryana according to this census 13.2 per cent (population has access to computer and out of that only 5.3 per cent computer users have internet facility. Only these users use their internet for online shopping in the state.

Shopping via Internet or e-commerce has gained tremendous growth since many years. It is well known to most of the businessmen that online business- to -consumer transactions is increasing annually very rapidly. According to ACNielsen (2007), more than 627 million people in the world have shopped online. Forrester (2006) research estimates e-commerce market will reach \$228 billion in 2007, \$258 billion in 2008 and 288 billion in 2009. By 2010 e-commerce will have accounted for \$316 billion in sale or 13 per cent of overall retail sales. ACNielsen also reported that across the globe, the most popular items purchased on the Internet are books(34 per cent), followed by videos/DVDs/games (22 per cent), air tickets/ reservations (21 per cent) and clothing/ accessories/ shoes (20 per cent).

US online population will increase nearly 50 per cent from 147.5 million in 2001 to 335 million by 2015. And online retail sales will grow from US\$ 47.8 billion in 2002 to \$ 180 billion in 2015. Similarly, WIPO (2007) cited that about 10% of the world's population in 2002 was online, representing more than 605 million users. Much research has been concentrated on the online shopping in the world. However, there is still a need for closer examination on the online shopping buying behaviour in developing countries like India. While both established and new, large and small scale businesses are now using the Internet as a medium of sales of their products and services (for example Dell computer, Amazon.com, in the world and jobstreet.com, rediff.com). Still there is a huge research gap that exists not only between countries, especially between developed and developing countries, which may differ significantly between countries (Stieglitz, 1998; Shore, 1998; Spanos et al., 2002) that limit the generalization of research results from developed countries to developing country contexts (Dewan and Kraemer, 2000; Clarke, 2001). Shore (1998) and Stiglitz (1998) reported that implementation of information system depend on specific social, cultural, economic, legal and political context, which may differ significantly from one country to another country. Dewan and Kraemer (2000) and Clarke (2001) argued in their study that findings from developed countries are not directly transferable to developing countries. Thus, this research is needed for non-transferability of findings from research in developed countries like India, China, Brazil etc and also for the improvement of understanding of the determinants of online shopping in developing countries. Online shopping holds a great potential for youth marketers. According to Vrechopoulos et al. (2001) youth are the main buyers who used to buy products through online. Dholakia and Uusitalo (2002) study examined the relationship between age and Internet shopping; found that younger consumers reported more linen to the online shopping. Another study by Sorce et al. (2005) found that younger consumers searched for more products online and they were more likely to agree that online shopping was more convenient.

## OBJECTIVE OF THE STUDY

1. To know the demographic profile of the customers and its impact if any on the online buying.
2. To know the factors affecting the perception of online buyers.

## REVIEW OF LITERATURE

Many studies have been conducted by various scholars regarding the perception of consumers towards the online shopping. Davis (1993) in his study reveals that consumers' perception toward Internet shopping first depends on the direct effects of relevant online shopping features. Reinhardt and Passariello, (2002) forecasted that online sales are expected to exceed \$36 billion in 2002, and grow annually by 20.9 per cent to reach \$81 billion in 2006. Benedict et. Al. (2001) perceptions towards online shopping depends on ease of use, usefulness, and enjoyment, but also by exogenous factors like consumer traits, and previous online shopping experiences, Dabholkar and Bagozzi et al, (2002) O'Cass and Fenech, (2002); Childers (2001) and Davis, (1993) found that if more attractive online stores were developed they will lead to change the perception of the consumers towards the online hopping.

Menon and Kahn, (2002); Childers et al., (2001); Mathwick et al., and (2001) concluded that Online shopping is a function of easiness in use and customer's satisfaction. hedonic dimensions like "enjoyment by including both utilitarian and hedonic dimensions, Burke et al.,(2002) found some exogenous factors responsible for online shopping i.e. situation, product quality and previous online experience.

Shergill and Chen (2005); Phau and Poon( 2002); Jarvenpaa and Todd, (1997); George, (2002a); George, (2004b); Ward and Lee, (2000); Hellier et al., (2003), Ranganthan and Ganapathy (2002); Kin and Lee (2002) identified the factors that were found to be significant in online shopping namely, overall website quality, commitment, customer service and web security. Turban et al. (2002) argue that elegant design of web site will serve better to its intended audiences. Choobineh (1998) suggested that trust in the Internet business is necessary, but not sufficient, for an Internet buying behaviour to take place. The consumer must also trust the transaction medium for online shopping.

## HYPOTHESES

**H1** Perception of urban and rural shoppers is not identical.

**H2** Perception of online shoppers is independent of his educational qualification and gender.

## RESEARCH METHODOLOGY

The data for the study is gathered through a structured questionnaire circulated among 200 respondents which are internet users. 100 respondents are included from urban centers and 100 from rural areas. The first part of the questionnaire included questions about their demographic profile like sex, age, education and income followed by Internet usage habits of the respondents such as where do they access

the Internet, how frequent they browse Internet, how much time they spent, purposes for Internet use and how frequent the respondents buy products through online. The second part consisted of questions measuring all the variables including two questions which are used to measure the online shopping. All the questions are utilizing on a Likert scale ranging from 1= strongly disagree to 6 = strongly agree. Chi- square statistical analysis is used for testing the hypotheses. Chi-square test of independence is a test of significance that is used for discrete data.

## ANALYSIS OF THE RESULT

The following Table shows the profile of the respondents.

**Table 1. Age Profile of the Respondents**

Respondent	No. of respondents	Percentage
< 20 years	20	10
20-30 years	144	72.0
30-40 ears	30	15.0
>40	6	3.0
Total	200	100.0

**Table 2. Haryana: Gender Profile**

Gender	Frequency	Percentage
Male	135	67.5
Female	65	33.5
Total	200	100

**Table 3. Educational Qualification**

Qualifications	Frequency	Per cent
Intermediate	26	13.0
Graduate	70	35.0
Post Graduate	86	43.0
Others	18	9.0
Total	200	100.0

**Table 4. Month Income**

Income (RS)	Frequency	Per cent
<5000	10	5.0
5000-10,000	30	15.0
10000-15,000	68	34.0
15,000-20,000	32	16.0
20,000 and above	60	30.0
Total	200	100

The above Tables shows that from the respondents 68 per cent are males and 32 per cent are females. As far as age of the respondents are concerned 72 per cent are between 20 -30 years followed by the age group of 30-40 years comprising 15 per cent. In context of the educational qualifications 78 per cent of the total respondents are post graduates and graduates and remaining 22 per cent are intermediate and others. 34 per cent of the respondents are in the income group of Rs 10,000- 15,000 followed by the income group of more than Rs20,000, Rs15,000-20,000 and Rs5000 -10,000 respectively.

Hypothesis H1—Perception of urban and rural shoppers is not identical

**Table 5 Urban and Rural Respondents**

Gender	Urban					Rural				
	>20	20-30	30-40	<40	Total	>20	20-30	30-40	<4	Total
Male	18	38	22	5	83	45	28	8	5	86
Female	4	6	5	2	17	3	6	4	1	14
Total	22	44	27	7	100	48	34	12	6	100

To test whether the urban and rural samples have the similar habits of online shopping, chi-square test is conducted.

**Table 6 chi-square Test for Urban and Rural Respondents**

	Value	Df	Sig. (2 tailed)
Pearson Chi-Square	4.347	3	.002

The analysis reveals that the calculated value is 4.347. As the P –value with two tailed significance level is found to be .002. Hence, hypothesis is accepted at 5 per cent level of significance. It is clear that perception of online shopping is independent of urban and rural segments.

H2: Perception of online shoppers is independent of education qualification and gender.

**Table 7. Educational Qualifications and Gender**

Gender	Educational Qualifications				Total
	Intermediate	Graduate	Post Graduate	Others	
Male	30	65	32	8	135
Female	24	31	8	2	65
Total	54	96	40	10	200

To test whether the educational qualifications and gender have significant impact on online shopping, the same statistical chi-square test is applied.

**Table 8. Chi-Square Test for Educational Qualifications and Gender**

	Value	Df	Sig. (2 tailed)
Pearson chi-square	12.21	3	.000

The analysis shows that the calculated value is 12.21. The P value at two tailed significance level is less than the calculated value. Therefore, the hypothesis is rejected at 5 per cent level of significance. It indicates that the perception of online shoppers is not independent of educational qualifications and gender.

### COCLUSIONS

Study manifests that the perception of online shoppers is independent of their residence. Both the respondents either from urban or rural segment are using internet. It is observed that most of the rural respondents are using internet service in cities for the online shopping. Similarly, the second hypothesis reveals that educational qualifications and gender have significant impact on the online shopping. Higher educational qualifications and male shopper have high perception of online shopping in both urban and rural areas of Haryana.

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