

# An Empirical Study on Consumer Buying Behavior towards Online Shopping

**Dr. Mukesh Kumar, Associate Professor, J V Jain College, Saharanpur, CCS University, Meerut, India.**

**Sheetal Malik, Research Scholar, CCS University, Meerut, India.**

**Abstract -** The presence of Internet users reached to 627 million people in India. It is seen that most of these internet users are online shoppers and are quite content with their online experiences. The growth of online consumers has provided a boost to online marketing. Now a day the consumers shopping online for time saving, and for varieties of products and services at one click. Online stores are usually available for 24X7, and many consumers have internet access both at work place and at their home. The study tries understanding the behavior of online shoppers and to set up a preliminary assessment, evaluation and uniqueness of online marketing. The most of the consumers are concern about the payment system and security of payment, and their by and large online shopping mixed.

**Keywords:** Consumer behavior, online shopping.

## I. INTRODUCTION

The presence of Internet users reached to 627 million people in India. It is seen that most of these internet users are online shoppers and are quite content with their online experiences. These days it very easy to made online shopping to save time. Online stores are usually available for 24X7, and many consumers have internet access both at work place and at their home. Last few decades, there had been an enormous change in customer's shopping pattern. In spite of shopping from an offline store, it is very easy for consumers to shop through online. The customers go for online shopping because they are so busy that they have less time. They don't want to spend much time for their shopping activities.

The growth of online consumers has provided a boost to online marketing. The customers go for online shopping for time saving, and for varieties of products and services at one click. The growth of online shopping is very high throughout the world. Like any physical store, the entire product in online stores described through photos, text, and multimedia files. Several online stores will put forward links for large amount of information about their product and services. The most important objective of an online business is to offer product and services that best serve their consumer needs with time and price sensation.

## II. METHODOLOGY

The consumers do online shopping to time saving, and for varieties of products and services at one click. Online stores are usually available for 24X7, and many consumers have internet access both at work place and at their home. The study to understand the behavior of online shoppers, we have undertaken a study through a survey method. Under

this self-constructed questionnaire had taken for the research objective. For this purpose a likert five-point scale range from strongly agree to strongly disagree been used for response from the respondents. Convenient non-probability sampling method has been adopted in this study to acquire data from respondents in the city. I have targeted 500 respondents belong to different age, gender and occupation in online shopping for a personal interview and 90% response rate.

## III. LITERATURE REVIEW

This Literature review begins with the audit of ideas in regards to online shopping indicates e-commerce to buy products or services directly from the seller through the Internet. Now people have multiple options to choose their products and services while they are shopping through an online platform.

Online shopping has unique characteristics. Huseynov and Yıldırım (2014) make attention that the less of physical interface in online shopping followed by the privacy and security of financial transactions over the Internet. Demangeot and Broderick (2010) also exposed that perceived easiness of use does not concern the behavioral pattern in this case rather influenced by security and privacy. There are no relationships linked between the customer and the online seller in the presence of perceived online risk even if a customer spent their time on Internet (Zuroni & Goh, 2012).

The factors preference and choices are dynamic. The Internet emergence develops the some more understanding related to the consumer's behavior. Consumer behavior research identifies a general model of buying pattern that

shows the processes used by consumers in making a purchase decision (Vrender, 2016).

Jarvenpaa, Todd, Jarvenpaa, and Todd (1997a) projected a model of behavior, attitude, and shopping intention towards Internet shopping in general. The design includes numerous indicators categories into four main categories like quality services offered through the website, product value, the shopping practice, and the risk perception of the online shopping. Chang, Cheung, and Lai (2005) considered categories of variables, which take online shopping action. In their study, they divided the features into three broad categories. Perceived characteristics of the web sale channel are the first one which includes online shopping experiences, advantage, service quality, trust and risk. The second category is a website and product features which are risk reduction measures, site features, and product characteristics; and the last group is consumer characteristics.

The attitudes of consumer toward online shopping habitually been decided by two factors; one is trust, second is perceived benefits (Hoque, Ali, & Mahfuz, 2015). Consequently, trust and perceived benefits seem to be the significant conjectures of consumer behavior for online shopping (Al-Debei, Akroush, & Ashouri, 2015; Hajli, 2014). In addition, attribute, website design, transaction capability, information quality, merchandise payment, security/privacy, delivery, self-consciousness, state of mind, the consumer's time sense and customer service are robustly prognostic of online shopping satisfaction (Katawetawarakas & Wang, 2011; Liu, He, Gao, & Xie, 2008; Mudambi & Schuff, 2010; Novak, Hoffman, & Yung, 2000; Shergill & Chen, 2005; Sorce, Perotti, & Widrick, 2005).

Information quality and purchase quality connected with the post-purchase quality are statistically significant in the case of customer satisfaction (Vegiayan, Ming, & Harun, 2013). Though, brand image and quality of products, goodwill of country of origin also persuade considerably on purchase purpose of online products (Haque et al., 2015). Furthermore, online data drawing out about the products, services along with the historical data for individual customers is component element to decide an online store or formulate re-purchase decision (Liao, Chu, Chen, & Chang, 2012).

Koufaris (2002) acknowledged that both shopping delight and apparent value (website) powerfully forecast the purpose to re-purchase over online. On the opposite, Lee and Lin (2005) found shopping delight can raise the intent of new customers but does not manipulate customers to return. In truth, the web store which utilizes value-added mechanisms in the search engine and given that customers a tricky incident may increase customers' shopping delight. Moreover, if there are more often customers back to the web store, their shopping delight then be firmed by their

participation with the product (Marios Koufaris, Kambil, & LaBarbera, 2001)

Apart from that demographic variables such as age, gender, and level of income play a important role because they manipulate consumer perception and consumer behavior that drives their behaviour towards online shopping (Kim, Zhao, & Yang, 2008; Laforet & Li, 2005; Sabbir Rahman, 2012). In China, online shopping purpose depends on consumers' age, income, and education as well as marital status most importantly their apparent worth (Gong, Stump, & Maddox, 2013).

#### IV. ONLINE SHOPPING-AN OUTLINE

The presence of internet increases the opportunities for online shopping. Internet access give freedom to consumer for shopping through online from anywhere to the world, providing ability to compare price across the world, (Jagonews 24.com., 2015). Accordingly, the buyer and sellers make sure that they themselves in the internet world through World Wide Web (www) and portals. Both buyer and sellers benefit each other and increase more efficient access to the international market through the Internet.

Last few decades, United Nation Center for Trade and Development has focus the magnitude of e-commerce, especially online shopping for developing countries (UNCTAD, 2017). To smooth the progress of developing countries to transition into all sectors of e-commerce, UNCTAD has unique programs. UNCTAD has also developed rules and guideline for all types of a global e-commerce business. In a state of affairs, businesses need to mechanize internal processes with competitive and proficient in a global context. Even though e-business function first in progress in late 90s to deliver gifts to friends and family members (Mohiuddin, 2014), the first actual local e-commerce or m-commerce business was launched by CellBazaar.com in 2006 through WAP service accessed only by mobile phones (Zainudeen, Samarajiva, & Sivapragasam, 2011).

The expansion of e-business was expanded from 2000 to 2008. Throughout that period, there were few e-commerce websites, but there was no coordination for an online transaction (Mahmood, 2015). Scarcely few people knew about those sites for lower penetration rate, telephone connections, few credit card holders (Hasan, 2014) and the high cost of Internet. The online payment systems, mobile payment systems, internet banking payment gateways by bank accelerate the expansion of e-business. The regular investment of governments in the country's infrastructure to accomplish the digitalization and lower Internet cost and raises availability of Internet for all.

#### V. FINDINGS

##### Demography:

The respondents were categorized into several factors, such as gender, age, occupation, income.

**Gender:**

Among the respondents, we found 62.5% were male, and 37.5% were female.

**Age:**

We can understand that mass of the respondents are less than 36 years old. The study says 19% male are less than 20 years old, 25% between 20–25 years, 30% between 26–30 years, 17% of 31–35 years and 9% of male are 36 or more years old. Whereas 18.33% female are less than 20 years of age, 35% between 20–25 years, 28.33% between 26–30 years, 13.34% of 31–35 years and only 5% female are 36 or above years old.

**Occupation:**

In case of occupation, 46.88% are students, 28.13% of them are service holders, 13.12% are homemakers, and the rest of them are doing business.

**Income:**

The 54% respondents' average monthly income under 20,000, 15.62% respondents' monthly income are 30,000, 14.38% respondents' monthly income are 40,000, and 16.88% respondents' monthly income are more than 40,000 per month.

**Experiences of online shopping versus offline shopping frequencies:**

The 41.88% have less than 0–1 year experience, 36.25% have 1–2 years experiences, 14.37% have 2–3 years experiences and 7.5% have experiences for more than 3 years. Out of them 57.5% shopping occasionally, 28.75% shopping monthly, 10% of them shopping fortnightly and only 3.75% shopping weekly.

It is observed that 70.16% of the 0–1 years experienced shopping occasionally, and 20.89% shopping monthly. 55.17% of 1–2 years experienced shopping occasionally, and 37.93% are monthly shopper. 39.13% of 2–3 years experienced shopping occasionally, and 30.43% are monthly and fortnightly shopper. Among more than 3 years' experienced respondents, 16.67% weekly shopping, 33.33% occasionally, and 25% monthly and fortnightly shopper. The study shows that the frequency of shopping is rising.

**Shopping information:**

The study shows that 56.25% of respondent know about online shopping from different social media and 24.37% of them get information from friends and family members. 13.13% of them from TV advertisements and 6.25% of them from other sources like a billboard, signboard, newspaper, magazine, etc.

**Reasons:**

According to study out of 38.75% respondents (26.25% male, 12.5% female) pointed on time that time is most important element for selection of online shoppers and around 29.38% of them favor online shopping because of

easy accessibility of the large number of products in one click. Almost, 19% of them favor online shopping because it is very simple to compare product in online shopping and 13.13% decide for ease of shopping reason.

**Following of four most important factors for online shopping:**

- Less Time consumption in shopping
- Large assortment of product at one click,
- Variety product comparison and
- Ease of shopping

All these above four factors inspire an online shopper to buy over the Internet. So, companies should design and develop varieties strategies to attract and retain online shopper.

**Preference for product/service**

The study shows that most of online shoppers choose the following:

- Apparels 33.75% (21.88% male and 11.87% female),
- Accessories 32.49%, (19.37% male and 13.12% female).
- Ticketing 20% (16% male and 7% female)
- Healthcare 11.88%
- Fitness products only 1.88%

**Liking Factors:**

The study shows that 42% male shop because of the home delivery facility, 29% male shop because of easier to order, 12% of male like discount offer and 17% of male pointed payments gate-ways. On the other hand, 38.34% of female shopping for a home delivery, 25% for easiness, and 23.33% for discount offer and 13.33% female options available. Both, male and female have the similar attitude towards liking factor. on the other hand, female likes discount offers more than the male does. The online shoppers also favored the online shopping for easiness of use and large assortment.

**Disliking Factors:****Disliking Factors of Male:**

- 48% touch and feel or trial,
- 24% high price,
- 16% after sale services and
- 12% poor return policy.

**Disliking Factors of Female:**

- 45% touch and feel or trial,
- 23.33% high price,
- 16.67% after sale services and
- 15% poor return policy.



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According to the study failure to touch and feel experience in online shopping for product or trust is still the key and first important disliking factor regarding online shopping. Second the high price is another important issue for online shopper. The third and forth key important disliking factors are after sale services and poor return policy. So, it is most important for marketers need to develop better return policies, improve the products quality and after sale services and charge a reasonable price to encourage online shopping.

### Payment Process:

There are numerous payment modes for online shoppers which are a very essential for buying decision. 76.25% of them make their monetary transaction by cash on delivery while 15.62% of them are paying through a debit card. 3.13% shop by credit card and 5% by mobile banking. Majority of online shopper favor cash on delivery.

### Payment Security:

The study shows that none of the online shopper agreed to the fact while they are doing online shopping their payment is highly secured. Only 15% of them agreed to the fact that secured payment system, where 27.5% of them are disagreed. 51.87% remain neutral and 5.63% highly disagreed.

For online shopper secured payment is a very serious concern. The majority of the online shoppers believe that the mode of payment in online shopping is not secured and there are always possibilities of fraud. It is duty of online companies should establish better technologies to generate and gain confidence in the mode of payment among the online shoppers.

### Online shopper's satisfaction:

The study shows that 50% satisfied and 17.5% are dissatisfied. 28.12% are neither satisfied nor dissatisfied. Just 3.75% of regular shoppers are satisfied and just 0.63% is dissatisfied.

## VI. CONCLUSION

The access of Internet users increasing with very high rate and its exposed in our country is very wide. Online business is entirely depends on growth of internet. This study pointed the consumer's on online shopping behavior. It is universally true that most of consumer prefer online shopping are young and they are less than 40 years. Most of customers prefer online shopping to save their time, home delivery, easiness in product and service selection and high range of products and service. Most of online shoppers prefer shopping for apparels, accessories, and ticketing etc. But basic problems in online businesses are price, quality judgment and payment security. Further, privacy and failure to touch and feel sense highly dislike factors in online business.

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