

Consumer Perception Towards Online Shopping

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Abstract

Electronic marketing is a major change in the age of globalisation. Most businesses have been embracing technological change over the past ten years. Using technology, especially computers, to improve marketing results is known as online shopping or marketing. Likewise, businesses are busy researching consumer behaviour in order to develop ways to fulfil the demands of online buyers. To determine consumer attitudes towards online shopping, look at how people behave in the online shopping space. In light of this, we have also chosen to research consumer views on online buying, with a focus on the elements that motivate people to do so. According to our research's findings, website design and features are the most alluring and influential element for online consumers in the Patna District, with convenience coming in second place and time savings coming in third. According to the results, Indian internet customers are very concerned about security. Besides from pricing, discounts, user reviews, and product quality, the research also identified a number of additional variables that affect online buyers. The results of the link between age and attitudes about online buying, which was the second study question, revealed that older adults are less likely to be avid online consumers. More education reduces the allure of online buying, it has been found, but the connection results for income were so weak that no conclusions could be drawn from them. This study is anticipated to assist merchants in India, particularly PATNA district, in developing effective tactics for online consumers and to serve as a foundation for future studies on customer attitudes regarding online shopping.

Introduction

In general, the growth of e-commerce in recent years has been attributed to the development of the internet and the simplicity with which it is now possible to use it. Due to easy access to the internet, more people are shopping online. Almost 7271 million individuals worldwide have shopped online. The most common commodities bought on the internet are books, tickets for flights, bookings for hotels, clothes, shoes, films, and games, as well as other technology devices. Business organisations are organising a variety of marketing operations such as market research, product creation, informing consumers about product characteristics, promotion, customer services, customer feedback, and so on. In order to give advantages to customers and promote customer happiness, online shopping is utilised as a communication and electronic commerce medium. Because of this, it is more convenient and is becoming more and more popular every day. Not only benefits but also risk is associated with online shopping. Generally speaking internet users avert online shopping because of credit-card fraud, lack of

privacy, non-delivery risk, lack of guarantee of quality of goods and services. Concerned authorities are devising policies to minimize the risk involved in e-business. E-commerce, on the other hand, has expanded quickly due to a number of benefits connected with online shopping, including cheaper transaction and search costs compared to previous methods of shopping. Online shopping allows customers to order goods and services more quickly, with more options, and at the lowest possible prices. Because of this, marketers have carefully examined how consumers feel and behave when shopping online and have spent billions of dollars to accommodate all online shoppers' demographics. The psychological condition of consumers with regard to internet purchasing is referred to as their attitude towards doing so.

Online purchases are referred to as online buying behaviour process. Five steps make up the online purchasing process, which is the same as traditional shopping. For instance, when a customer decides they need to buy a product (say, a book), they use the internet to make their purchase, beginning with a search for information and all available options before choosing the one that best suits their needs. Consumers are assaulted with a number of considerations before to making a final purchase, limiting or influencing their choice. The primary goal of the study is to identify the variables that affect customer attitudes and behaviours related to online buying.

Moreover, studies will examine how consumers adopt these beliefs with the aid of role models as well as the identity of real online shoppers. "Internet knowledge, income, and education level are particularly significant predictors of Internet purchases."

Consumers' attitudes regarding online buying, which is our issue area, will establish the variables that make it appealing for people to purchase online, and those factors will assist marketers in developing their online marketing tactics appropriately.

Our study's focus will be on India, more especially the Patna District of Bihar, therefore its benefits will not only be universal to marketers but also specifically to those in India. Researchers will gather primary data before beginning this task, which will enable them to cover the subject matter in more depth.

Online shopping in India:

In spite of slowing economic development and rising inflation, India's e-commerce business surged by an astounding 88 percent in 2013 to reach \$ 16 billion. This rise was driven by expanding online retail trends. The e-commerce sector saw growth in 2013 because to rising Internet usage and increased payment alternatives. India's e-commerce market is anticipated to grow to between \$50 and \$70 billion by 2020 as a result of a rapidly expanding internet-connected population and advancements in related infrastructure, such as payment and delivery systems.

The e-commerce market in India increased from \$2.5 billion in 2009 to \$8.5 billion in 2012 and then increased by 88% to reach \$16 billion in 2013. According to the poll, the country's e-commerce business would grow to \$56 billion by 2023, mostly due to increased online retail. The availability of a wide range of online services, competitive online discounts, and rising gasoline expenses all contributed to this rise. The age-wise research showed that 3% of online buyers are under the age of 18, 5% are between the ages of 26 and 35, 8% are between the ages of 36 and 45, and 2% are between the ages of 45 and 60.

Statement of The Problem

"A growing number of different businesses and organisations are taking advantage of and developing online business potential."

The figures mentioned above show that online buying is expanding quickly. With this new area of buying, marketers are becoming more interested in finding out what drives people to shop online. Online retailers are under intense pressure to maintain a competitive advantage in the world of online buying. Marketers must be aware of customer behaviour in the area of online shopping in order to obtain a competitive edge in the industry. In order to meet customer needs, it is crucial to research and pinpoint the variables that motivate people to purchase online. In addition to the variables that drive customers to purchase online, the demographics of online shoppers—their age, gender, income, and level of education—are crucial in defining their strategy. As online shopping is a relatively new medium, consumer behaviour in this area is also rather different compared to traditional consumer behaviour. Thus, it is crucial to understand the variables that motivate people to shop online. There are a number of reasons that drive customers to buy online in order to reach a choice. These elements are crucial for merchants to compete in the market and increase the compatibility of their products.

Research Objectives

- 1 To know the type of products purchased by consumers through online shopping.
2. To identify the factors influencing consumer to buy online.

Literature review

As online shopping has only recently entered the market, there are few studies on consumers' perceptions of it and other rental topics in the Indian context. The reviews of literature thus far have focused on studies done outside of India, particularly in the United States, where online shopping is very popular. As taken the case of Indian scenario where the online shopping has just entered into the market and already it has climbing the ladder. Though there are certain literature reviews by the context of Indian consumers. Customers spend more time online looking for information, and they also discovered that the Internet is readily available. The marketing mix component price is utilised as a motivator for consumers as well as a tool for communication, haggling, and competition. The customer can evaluate items using price as a metric, assess relative value for the money, and assess product quality. According to estimates, this element significantly affects customers' decision-making when they purchase online.

Benedict et al (2001) study reveals that perceptions towards online shopping and intention to shop online are not only affected by ease of use, usefulness, and enjoyment, but also by exogenous factors like consumer traits, situational factors, product characteristics, previous online shopping experiences, and trust in online shopping.

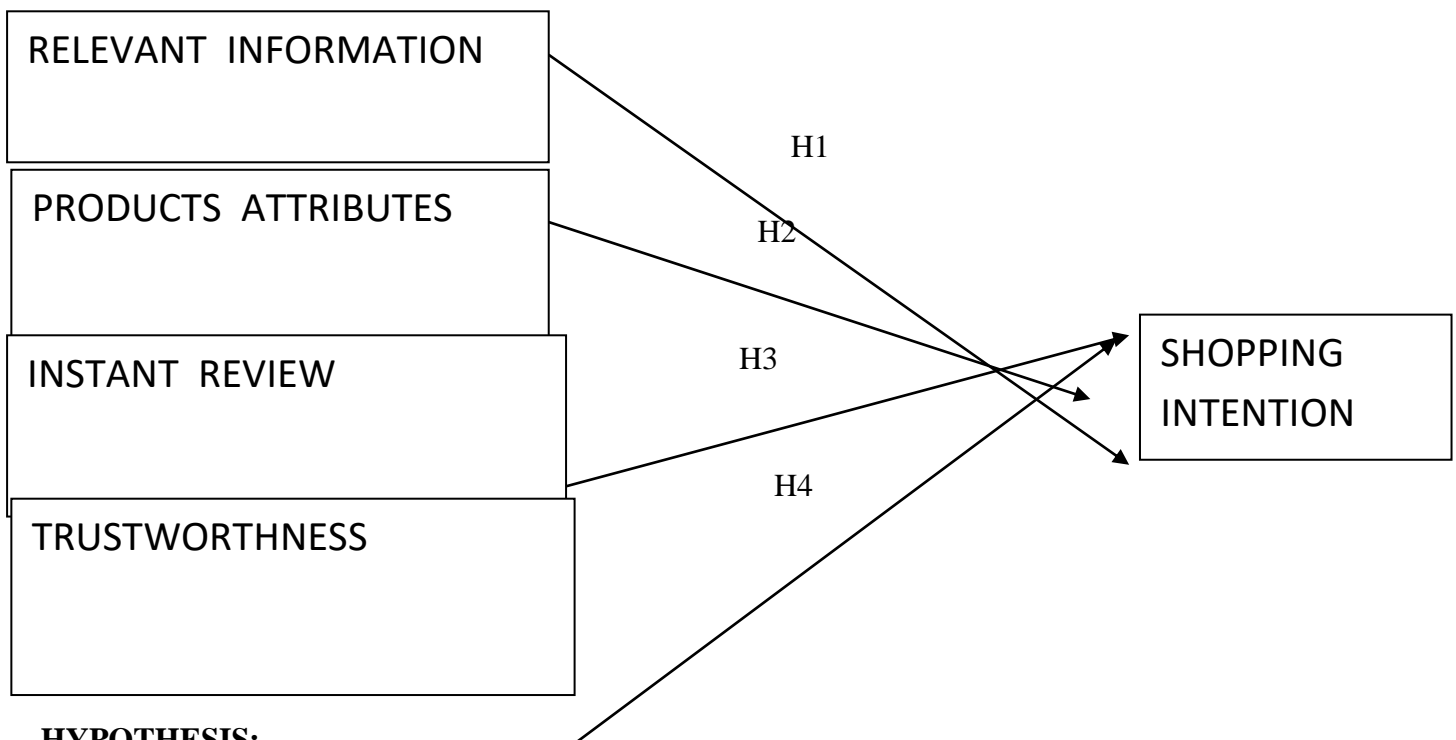
A Commerce Net/Nielson Media Research Survey found out that 73% users used the Net to window shop, 53% used the Net to make purchase decision, but only 15% bought online.

Younger, more environmentally conscious consumers won't waste petrol and money by visiting several stores in search of the ideal product. They buy online whenever possible, limiting their options to one or two products, and then visit the store to touch, feel, bounce, and examine the actual item to determine if it meets their expectations. It appears as it was described online.

Research Methodology

The research is exploratory and comparative in style. It aims to investigate how consumers view online shopping. This chapter focuses on the study's methodology and research design. A systematic questionnaire was used to acquire the study's data. The information for this study was gathered through a direct survey. Most of the respondents in the study were from the Patna district. Using the research on internet shopping, all variables were operationalized. The first section of the survey asked questions regarding the respondents' Internet usage patterns, including how frequently they visit the Internet, how much time they spend online, why they use the Internet, what kinds of things they buy online, and how often they do so. Questions assessing all the factors, including those that were intended to gauge internet buying, made up the second section. The Likert scale, which ranges from 1 for strongly disagreeing to 6 for strongly agreeing, was used for all of the questions. The third section included information about the subjects' gender, age, education, and income.

Conceptual Framework



HYPOTHESIS:

A set of hypothesis linking all Four Factors on Shopping Intention:

H1: Relevant Information about products and services will have an influence on Shopping Intention.

H2: Attributes about products and services will have an influence on Shopping Intention.

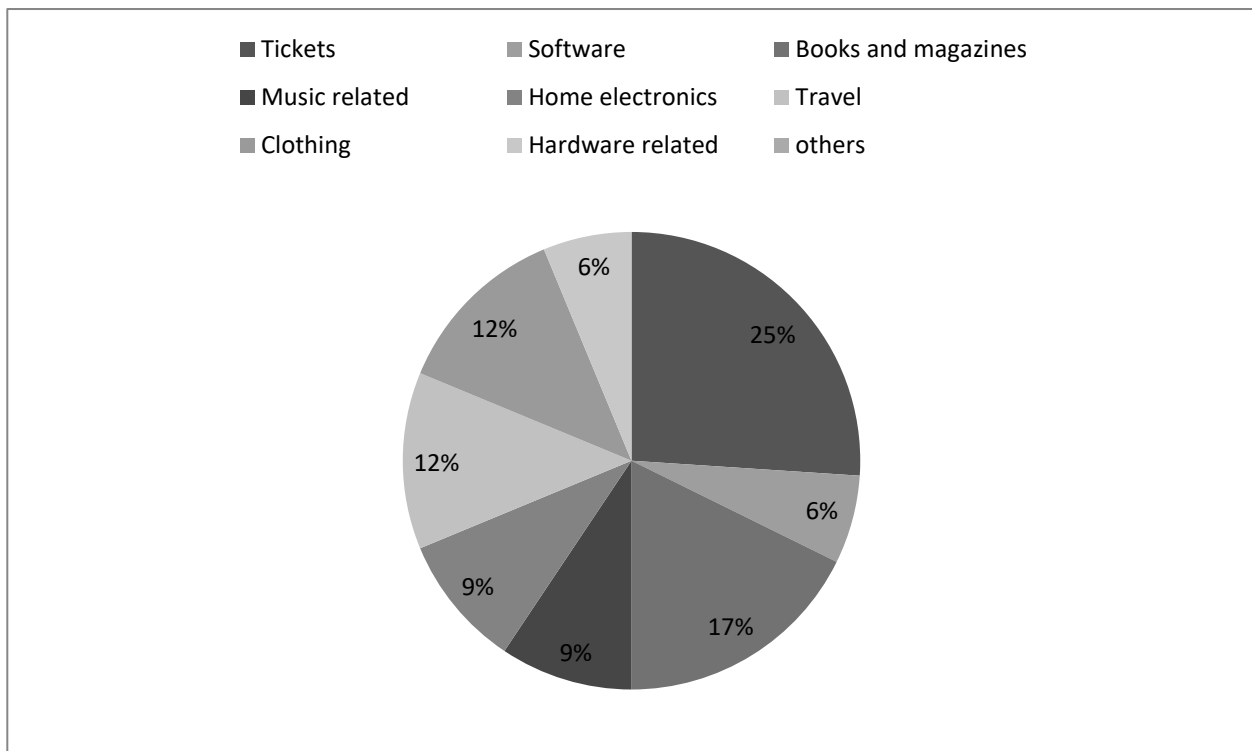
H3: Instant Review about products and services will have an influence on Shopping Intention.

H4: Trust on online shopping site leads to Shopping Intention.

Result and Discussion

1. To Know the Type of Products Purchased By Consumers through Online Shopping:

Statement	No. Of Respondents (in %)
Tickets	25%
Software	6%
Books and magazines	17%
Music related	9%
Home electronics	9%
Travel	12%
Clothing	12%
Hardware related	6%
others	10%

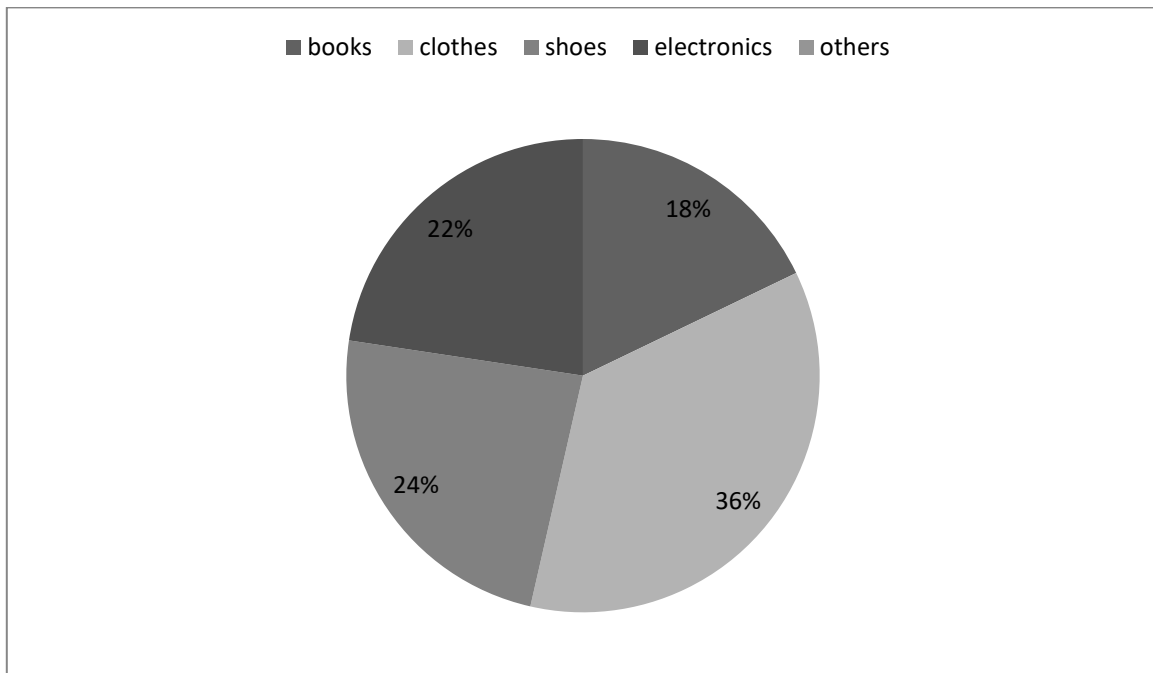


INTERPRETATION:

It is evident from the survey results that, of the 100 respondents, 5.6% bought software, 16.74% bought books and magazines, 6.05% bought computer and hardware, 8.84% bought music related , 9.3% bought home electronics, and 12.09% bought travel services including airline, rental, and hotel 12.09% of respondents bought apparel, , 25.58% bought tickets to movies and concerts, and 1.86% bought other items that weren't in the questionnaire.

2. Most Products Bought Online:

Statement	No of respondents(in percentage)
Books	15%
Clothes	30%
Shoes	20%
Electronics	19%
others	16%

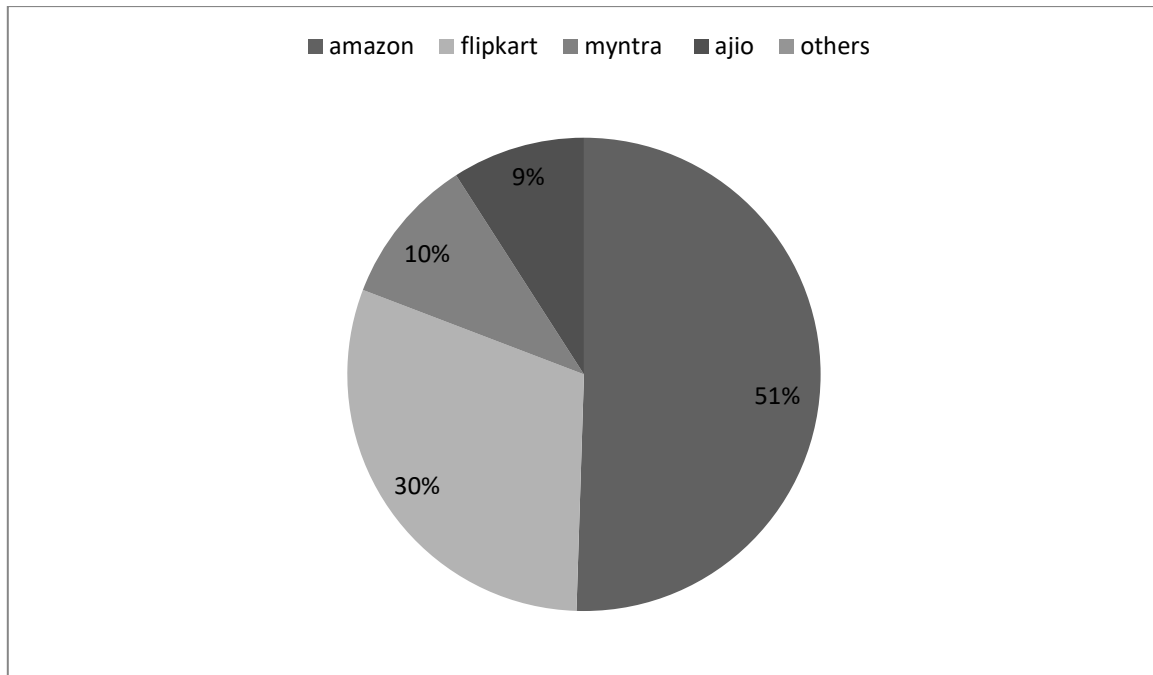


Interpretation:

In this study, out of the 100 respondents - 15% of the respondents bought books, 19% bought by electronics items, 30% bought clothes followed by 20% purchased shoes the most and finally 16% of them responded that they purchase other kind of products.

3. Websites Used to Buy Products:

Statement	No of respondents (in percentage)
Amazon	50%
Flipkart	30%
Myntra	10%
Ajio	9%
Others	2%



Interpretation:

Out of 100 respondents 30% said that they use the flipkart.com to purchase 50% use amazon.com and use myntra.com.10% and 9% use ajio.com. The least number of websites accessed by the respondents to purchase clothes online is futurebazaar.com and others.

To Identify The Factors Influencing Consumer To Buy Online:

According to dependability data, the Cronbach's alpha value to gauge online buying parameters is.808 (or 80.8%). Kaiser-Meyer-measure Olkin's of sampling adequacy has a value of 0.798 (79.8%), which is sufficient to move further with factor analysis. In this study, the 6 retrieved components—product information, online payment, ease, customer attitude, simple accessibility, and flexibility—accounted for 63.439% of the variation.

1. Product information:

Each standardised product must have product information that describes the product, gives knowledge about the product, and serves to market the product. A patent is an agreement between the inventor and the government that grants the innovation temporary legal protection in exchange for the inventor's consent to the publication of the invention's specifics.

The right usage, climatic circumstances, side effects, and other information about the product must be provided to the consumers, as well as every specific detail about it. It is crucial in determining if a product may be used and is acceptable.

- The information provided online about the goods and services is adequate.
- The descriptions of the goods displayed on the websites are very accurate.

2. Online Payment:

The term "online payment" describes the electronic transfer of funds. Usage of computer networks, the internet, and digital stored value systems are typically involved in this. Online payment systems are e-commerce companies that only let money transactions to be made online. They work as a quick and safe electronic replacement for conventional methods like checks and money orders. Due to the fact that all businesses and merchants are moving towards online shopping, which is more convenient for both customers and businesses, online payment is currently quite popular. The danger factor and fishing are two specific reasons that discourage customers from making online purchases. The elements that are loaded onto this factor are as follows:

- Online shopping is dangerous, but I could afford to pay a monthly charge to an Internet service provider.

3. Convenience:

Many people's lives now heavily rely on online purchasing and selling. Virtual stores enable people to shop from the comfort of their homes without the pressure of a salesperson, and online marketplaces offer a new and more practical venue for the exchange of virtually all types of goods and services. Students and parents rely on the internet to buy and sell textbooks at reasonable prices. One of the main causes for why so many people prefer online buying over in-person shopping is because it is more convenient and saves a lot of time and effort. As such, the convenience factor is dependent on the specific persons. Below is a list of the objects that are loaded onto this factor.

- I would have more control over my buying if I did it online.
- A wide variety of products are offered on the internet.
- The online information provided regarding the goods and services is enough
- I would be able to find better prices by shopping online.

4. Consumer Attitude:

Those with preferences are called consumers. A generalised consumer attitude is one that might have a good or negative impact on how that person, product, or entity is marketed when the majority of individuals in a certain group have that opinion on that specific person, entity, product, service, place, or object. Understanding the prevalent attitude is the first step to change it if necessary. Marketers aim to influence customer attitudes. In order to determine the changes that must be made to the products in light of the consumers, consumer attitude is given very important consideration. As a result of the influence of the environment, culture, and/or society, consumer attitudes will change amongst various people. The items loaded on this factor are given below:

- Online shoppers are more prestigious than offline shoppers.
- I hesitate to enter my credit card information when shopping online;
- I prefer traditional/conventional shopping to online shopping; and
- shopping online enables me to choose from a wider variety of items.

5. Easy Accessibility:

Due to its simple accessibility, internet purchasing is one of its most significant benefits. Just because it's so simple to use and you can buy things online with a mouse click, many shoppers now choose to shop online. Even while it is simple to use, it also depends on having a reliable, quick internet connection

since in remote regions, connectivity or a lack of electricity have not yet made online purchasing a problem. Following is a list of the things that make up this factor: -

- Being able to shop online whenever I want has many benefits, including:
- Giving me a wider range of options when I shop.
- A disadvantage of online shopping is that it is only available to those with a credit card or bank account.

6.Flexibility:

Currently catching up, many believe that online shopping will soon become the foundation of all businesses and services. Occasionally, commercial enterprises adapt the online shopping features to their unique products, particularly because it is flexible in that it is being monitored and the work is being carried out in a very well structured format. As a result, the context of online shopping has expanded with the introduction of features like cash on delivery, door delivery, trial, and money back. The items that make up this factor are listed below: -

- Online buying, in my opinion, saves time, and it significantly lowers the financial expenditures compared to traditional methods of purchasing.

Conclusion

The consumer's perspective of online purchasing differs from person to person, and the perception is constrained to some extent by the availability of appropriate connection and exposure to online shopping. Based on their individual traits, consumers' perceptions also share and differ from one another. The study finds that older individuals don't utilise internet shopping as much as younger people do since the younger generations are more likely to be hooked to it. The study draws attention to the fact that young people between the ages of 20 and 25 are most likely to use online shopping. The survey also shows that the most important element affecting an online purchase is the product's price. The second most important element is the items' security, followed by delivery speed and guarantees and warranties as the third most important factors in online purchases. The next most important component is reputation of the business, information privacy, and attractive product descriptions. The survey focuses on the simple navigation and access to the internet, with individuals preferring it for its convenience and ease of access to online purchasing. The study also reveals that the majority of respondents purchase their clothing from flipkart.com, one of India's top online retailers. In summary, this study found that the majority of Patna, Bihar residents are aware of online shopping, and 90% of them have done so, indicating the growing acceptance of online shopping among young people. The shifting consumer lifestyles in India and the growth of online activity are causing changes in the shopping trends. The convenience and discounts offered for various products are a major selling point of online shopping. Understanding young online consumers enables e-retailers to create marketing strategies that are effective in luring and turning potential customers into active customers.

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