Impact of Online Shopping on the Purchase Behaviour of Consumers in Chennai City

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Abstract

Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. The proliferation of online group buying websites is changing marketing strategies and buyers' habits without doubt. The study focuses on the impact of online shopping on the purchase behaviour of consumers in Chennai city. Questionnaire was used to collect the primary data. The sample size of the study was 150 and the sample design adopted was convenience sampling. This paper tried to find out the impact of online market towards purchase behaviour of consumers and gives suggestions to improve the same.

Keywords: Online shopping, consumers, E-Marketing, Internet Marketing, Purchase Behaviour.

1.Introduction

During the last quarter of the 20th century internet technology is been used frequently in daily lives which has influenced all parts of our lives in a short time. The change in technological area all over the world has changed the concept of information and communication. The use of internet for commercial purposes gave rise to the existence of the electronic commerce (e-commerce) phenomenon. With the implementation of these information and communication technologies by commercial institutions in order to support business activities, electronic business concept was developed.

Online shopping or e-shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the internet using a web browser. Alternative names are: e-web-store, e-shop, e-store, internet shop, web-shop, web-store, online store, online storefront and virtual store. Mobile commerce (or m-commerce) describes purchasing from an online retailer's mobile optimized online site or app. English entrepreneur Michael Aldrich invented online shopping in 1979. His system connected a modified domestic TV to a real-time transaction processing computer via a domestic telephone line.

A consumer may be motivated to purchase towards online shopping. Motives are certain kinds of causes, the internal factors that arouse and direct a person's behavior

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(McNeil and Rubin, 1977). Motive can be seen as a driver that arouses stimulus generation and guides people to act. Value in this context is expressed as a trade-off between perceived product quality and price (Rao and Monroe, 1989). Consumers may go through a purchase behaviour process intentionally or incidentally in a conscious or subconscious process of evaluation towards benefits of buying versus involved costs. Motives and values will lead to a conscious buying process.

Objectives:

1. To study the factors influencing online shopping behaviour of consumers.
2. To analyse customers satisfaction towards online shopping.
3. To suggest measure to improve impact of online market towards purchase intention of consumers.

Review of literature:

Sajeevan Rao and Mokhalles Mohd.Mehdi (2010) identifies eight important factors in online shopping, such as accessibility of information, reliability of information, availability of information, searchability factor, convenient facility, security concern, trust concern, quality factor. It was further emphasized that online transaction should be secure, reliable and trusted in order to attract and maintain existing internet users.

Yulihasri, Md. Aminul Islam and Ku Amir Ku Daud (2011) identifies that among all the proposed students differences factors, compatibility and usefulness have been found as the most significant to influence students' attitude for shopping on Internet and attitude, normative-beliefs have been found as the most significant to influence students' intention for shopping on internet.

Sajjad Nazir, Arsalan Tayyab, Aziz Sajid, Haroon ur Rashid, Irum Javed (2012) say that when a consumers make purchases online to buy something, he or she is affected by assorted factors. The main influencing factors have been identified as, price, confidence, security, convenience, time, after sale service and discounted deals. The price factor exists because the prices are often lower through online shopping as compared with physical purchases in the market. Buy online can be of great benefit to the consumer in terms of convenience, saving time and money.

Balamurugan, Sathish and Sathyanarayanan (2013) identified that most of respondents are satisfied with online shopping. Only few of respondents are not satisfied with the online shopping. The reason being, the delivery delay and defective products shipped etc. The online retailers should make sure that they deliver products with quality at the promised time, which will ultimately increase the customer satisfaction.

Preeti Khitoliya (2014) conducted research Paper on "Customers Attitude and perception towards online shopping" research results unveiled that 47% respondent shop online frequently followed by 30% who shop online seldom and 23% respondent had never tried it which suggests that online shopping is relatively less popular in India. Male and female respondent had shown similar trend in online shopping behaviour. Majority of the respondent in all age group shop online for convenience followed by wide variety and discount deal and least under peer influence. This clarified that respondents' prime motive for online shopping is convenience and wide variety. Observation of the figures revealed that disclosure of personal credit card and debit card

information is the biggest concern in online shopping and the second most concern is that troubles the respondents is the misrepresentations on web by the e-tailer. Many respondents found that the quality, size and the colour of the product differ from what they claim to possess and displayed on website.

Hemani Malhotra and Manjit Kaur Chauhan (2015) say that online buying experiences, product perception, safety of payment and customer service have significant effects on the attitude towards online purchases through online shopping.

Research methodology:

The Researcher used Descriptive Research Design in this research. Primary Data's were collected using questionnaire and Secondary data's were collected from journals, books and websites. The collected data were edited, coded, classified and tabulated for analysis. The sampling technique used by the researcher is convenience sampling. Sample size taken for the study is 50.

Data analysis & interpretations:

CONVENIENCE FACTOR	MEAN	STD. DEVIATION
I get on-time delivery by shopping on-line	3.62	1.084
Detail information is available while shopping online	3.61	1.017
I can buy the products anytime 24 hours a day while shopping online	3.25	1.255
It is easy to choose and make comparison with other products while shopping online.	2.85	1.411

Source: Own calculations

Inference: From the table 1, it is inferred that with regard to convenience and comfort major factor is on-time delivery in online shopping with a mean value of 3.62 followed by availability of detailed information with a mean value of 3.61, shopping anytime with a mean value of 3.25 and easiness in choice and comparison with a mean value of 2.85.

Table 2. Web Design factor in online shopping

WEB DESIGN FACTOR	MEAN	STD. DEVIATION
The website design helps me in searching the products easily	3.67	1.100
While shopping online, I prefer to purchase from a website that provides safety and ease of navigation and order	3.55	0.927

The website layout helps me in searching and selecting the right product while shopping online	3.29	1.141
I believe that familiarity with the website before making actual purchase reduce the risk of shopping online	3.01	1.332
I prefer to buy from website that provides me with quality of information	3.25	1.296

Source: Own calculations

Inference: From the table 2, it is inferred that the most important factor in wed design factor in online shopping is it helps in searching the products easily with a mean value of 3.67 followed by safe and ease of navigation websites with a mean value of 3.55. Other subsequent factors are helps in searching and selecting right product with a mean value of 3.29, quality of information available in web design with a mean value of 3.25 and familiarity of website with a mean value of 3.01.

Table 3. Time saving factor in online shopping

TIME SAVING FACTOR	MEAN	STD. DEVIATION
Online shopping takes less time to purchase	3.45	1.275
Online shopping doesn't waste time	3.25	1.012
I feel that it takes less time in evaluating and selecting a product while shopping online	3.24	1.218

Source: Own calculations

Inference: From the table 3 it is inferred that less time taken to shop is the main factor in time saving factor in online shopping factor with a mean value of 3.45. Other factors include no waste of time in purchasing with a mean value of 3.25 and involves less time in evaluating and selecting a product in online shopping with a mean value of 3.24.

Table 4. Security factor in online shopping

SECURITY FACTOR	MEAN	STD. DEVIATION
I feel safe and secure while shopping online	3.24	1.265
Online shopping protects my security	3.32	1.178
I like to shop online from a trustworthy website	3.20	1.375

Source: Own calculations

Inference: It is inferred that consumers feel that their online shopping is secured with a mean value of 3.32 followed by it is safe and secure in online shopping with a mean value of 3.24 and consumers shop online from a trustworthy website with a mean value of 3.20.

Table 5. Correlation between Education Qualification and Satisfaction towards delivery of product on time

		Educational Qualification	Delivery of Product on time
Educational Qualification	Pearson Correlation	1	-.467**
	Sig. (2-tailed)		.000
	N	125	125
Delivery of Product on time	Pearson Correlation	-.467**	1
	Sig. (2-tailed)	.000	
	N	125	125

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Own calculations

Inference: From the above table it is inferred that educational qualification and satisfaction towards delivery of product on time is negatively correlated. It implies that there exists an inverse relationship between educational qualification and satisfaction towards delivery of product on time.

Table 6: Correlation between Education Qualification and Satisfaction towards reasonable price of the product

		Educational Qualification	Price of the Product is reasonable
Educational Qualification	Pearson Correlation	1	-.322**
	Sig. (2-tailed)		.000
	N	125	125
Price of the Product is reasonable	Pearson Correlation	-.322**	1
	Sig. (2-tailed)	.000	
	N	125	125

**. Correlation is significant at the 0.01 level (2-tailed).

Inference: From the table6, it is inferred that educational qualification and satisfaction towards price is negatively correlated. It implies that there exist an inverse relationship between educational qualification and satisfaction towards price of the product.

Table 7: Correlation between Education Qualification and Satisfaction towards quality of products as per the web information

		Educational Qualification	Quality of Product is as per the web information
Educational Qualification	Pearson Correlation	1	-.580**
	Sig. (2-tailed)		.000
	N	125	125
Quality of Product is as per the web information	Pearson Correlation	-.580**	1
	Sig. (2-tailed)	.000	
	N	125	125

**. Correlation is significant at the 0.01 level (2-tailed).

Inference: From the table 7, it is inferred that educational qualification and satisfaction towards quality of products is as per web information is negatively correlated. It implies that there exist an inverse relationship between educational qualification and satisfaction towards quality of products is as per web information.

Findings:

- With regard to convenience and comfort major factor is on-time delivery in online shopping with a mean value of 3.62.
- The most important factor in wed design factor in online shopping is it helps in searching the products easily with a mean value of 3.67.
- Less time taken to shop is the main factor in time saving factor in online shopping factor with a mean value of 3.45
- Consumers feel that their online shopping is secured with a mean value of 3.32
- There is an inverse relationship between educational qualification and satisfaction towards delivery of product on time.
- There is an inverse relationship between educational qualification and satisfaction towards price of the product.
- There is an inverse relationship between educational qualification and satisfaction towards quality of products is as per web information.

Discussions and implications:

Online retailing is a phenomenon that is growing worldwide. Despite this, lack of studies in the area makes it difficult for managers to come up with informed decisions on strategies to pursue in their efforts aimed at ensuring that their businesses succeed. Findings in this study contribute to understanding the concept of online shopping and the influence it has on customers' attitude towards purchase behaviour. The findings can help managers better understand how customers evaluate online shopping quality and how they are performing on different dimensions to identify possible areas that need improvement. As such the platform provides managers with an opportunity to create

first impressions that may convey service quality of online shopping to customers. Just as managers spend time, effort and often finances in designing the interiors of their physical stores, online managers need to appreciate the importance of good interior design even for their online stores. The website in this case represents the interior of the online store. Managers need to ensure that they provide customers with adequate information that can enable them engage in online buying without the need to get in contact with store' personnel.

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