



INTERNATIONAL JOURNAL OF ADVANCE RESEARCH, IDEAS AND INNOVATIONS IN TECHNOLOGY

ISSN: 2454-132X

Impact factor: 4.295

(Volume 4, Issue 4)

Available online at: www.ijariit.com

A study of behaviour of consumer towards online shopping

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ABSTRACT

Electronic commerce, commonly known as e-commerce, refers to the buying and selling of products or services over electronic systems such as the internet and other computer networks. The Internet is the most rapidly growing media during the past decade. Especially, online shopping is a rapidly growing e-commerce area. Online stores are usually available 24 hours a day, and many consumers have internet access both at work and at home. A successful web store is not just a good looking website with dynamic technical features, listed in many search engines. This study aims to establish a preliminary assessment, evaluation, and understanding of the characteristics of online shopping. An effort has been made to investigate online consumer behaviour, which in turn provides E-marketers with a constructional framework for fine-tuning their E-businesses' strategies.

Keywords— Consumer behavior, Online shopping

1. INTRODUCTION

With the rapid development of the Internet, Electronic Commerce (EC) as a new consumption mode arouses widely attention from every work of life in the society. The main force of e-commerce in the world is still the United States of America and other developed countries (Baidu, 2013). In the meantime, e-commerce of China is continually expanding and growing as the development of worldwide main force. According to China consumers online shopping survey in 2013 that was published by China Internet Network Information Center (CNNIC), we can realize that up to the December of 2013, the population of China's online shopping users reached 302 million, representing a growth of 59.87 million from last year, otherwise, the rate of internet utilization increased from 24.5% (2006) to 48.9% (2013), which indicates the Chinese e-commerce market still has room for growth. As the expansion of the population of online shopping users in China, e-commerce platform provides not only opportunities for merchants who would like to work on e-commerce but also challenges. Because the competition between traders will become increasingly fierce since increasingly enterprises and individuals have been participating in this magnificent e-commerce market. Therefore, how to seize the opportunities and how to stand out from the long list of competitors are the questions which have to be considered by dealers. From the developmental features of the internet, there is a tremendous difference between online consumer environment and traditional purchasing circumstance as the result of intangibility and virtuality of the online network (Li et al, 4, 2008). Thus, it is necessarily and significantly to research on the online consumer buying behavior and influence factors on consumer online in the thesis. From the aspect of supplier, especially from the C2C e-commerce market, the entry barrier that e-commerce set for merchants to begin network sale is not very strict, and the cost of exit or entry from e-commerce platform is low, hence, C2C e-commerce market can be defined as free competition market and obviously the competition in it is intense (CBT, 2000) Therefore, how to attract customers to enter the shop and being stand out from this competitive market for online retailers have to be taken into consideration in the thesis.

Solomon (1998) studied the Consumer behaviour and said that it is the study of the processes involved when an individual selects, purchases, uses or disposes of products, services, ideas, or experiences to satisfy needs and desires. In view for the Internet to spread out as a retail channel, it is imperative to realize the consumer's mindset, intention, and conduct in light of the online buying practice. 2. Lepkowska-White and Rao (1999) referred vendor characteristics, security of transactions, content for privacy and customer characteristics as factors influencing electronic exchange. Donthu and Garcia (1999) proposed that risk aversion, innovativeness, brand consciousness, price consciousness, the importance of convenience, variety-seeking propensity, impulsiveness, attitude toward advertizing, attitude toward shopping, and attitude toward direct marketing would influence online shopping behavior. 3. Schiffman, Scherman, & Long (2003) in his study researched that "yet individual attitudes do not, by themselves, influence one's intention and/or behavior. Instead, that intention or behavior is a result of a variety of attitudes that the consumer has about a variety of issues relevant to the situation at hand, in this case online buying. Over time the Internet buyer, once considered the innovator or early adopter, has changed. While once young, professional males with higher educational levels, incomes, tolerance for risk, social status and a lower dependence on the mass media or the need to patronize established

retail channels (Ernst & Young, 2001; Mahajan, Muller & Bass, 1990), 4. Sultan and Henrichs (2000) in his study concluded that the consumer's willingness to and preference for adopting the Internet as his or her shopping medium was also positively related to income, household size, and innovativeness. Vijay, Sai. T. & Balaji, M. S. (May 2009), revealed that Consumers, all over the world, are increasingly shifting from the crowded stores to the one-click online shopping format. However, in spite of the convenience offered, online shopping is far from being the most preferred form of shopping in India. A survey of 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchases online while others do not. The results suggested that convenience and saving of time drive Indian consumers to shop online; while security and privacy concerns dissuade them from doing so. The work of Kim and Park (2005) using U.S. samples suggests that their positive attitudes as well as willingness to search for pre-purchase information lead to a strong likelihood that they will buy online. Online shoppers are required to have computer skills in order to use the Internet for shopping. Hence, those who are not comfortable with using the computer will likely do their shopping at the traditional store, modern shop, or discount store (Monuwe, 2004) because it will be faster shopping there than in the Internet shop. Goldsmith and Flynn (2004) state that the home catalog is another traditional selling channel where people can shop at home because of the varieties of products offered in the catalog. They can order through the phone or by mail. It is convenient except that they are not able to touch and feel products before purchasing.

2. THE OBJECTIVE OF THE STUDY

The present paper focuses on the study of consumer perception and behavior towards online shopping

3. RESEARCH METHODOLOGY

The research is based upon primary and secondary data both. The primary data was collected through a questionnaire designed exclusively for the study. Secondary data was taken from research papers, Journals, magazines, and websites.

4. SAMPLE SIZE AND AREA

Samples were collected from consumers and buyers of online shopping in Chandigarh region. A target of 100 respondents was set, but many of them provided an incomplete questionnaire and having no experience of using the internet and online shopping therefore only 70 questionnaires were entertained for final analysis and data interpretation.

5. TOOLS FOR ANALYSIS

For data analysis, percentage analysis, simple charting and tabulation tools are used to understand the behaviour of the respondents for online shopping.

6. FINDINGS

The online shopping is getting popular among the young generation as they feel it more comfortable, time-saving and convenient. It is analyzed from the survey that when a consumer makes a mind to purchase online goods he or she is affected by multiple factors.

- The main crucial identified factors are time-saving, at the best price, and convenience.
- People compare prices in online stores and then review all feedbacks and rating about the product before making the final selection of product and decision.
- The main barrier in the process of online shopping is the safety issue.
- The online shopping are overall satisfied with the prices, delivery etc in comparison with the location of the city
- From the age of 18 to 33, online shopping is being more used as there is more influence of the internet generation and online shopping has become an emerging trend among this age group to most of the online shoppers are employed therefore they have the necessary independence to shop online as most of them have different levels of income.
- The number of times the internet is being used for online shopping where some respondent has shown that they have shopped online only once in a year or in five months etc.
- The online shopping is much easier mean of purchasing products where 23 respondent as yes, because in online shopping there is less physical movement of the consumer as products are being ordered and is being delivered at doorsteps. Eg Jabong.com.
- Online shoppers are more motivated to buy online as it is easy in payment, and it is time-saving.
- Online shopping helps in comparison of products from different online shopping websites also to a certain level the comparison of products in websites and the physical market in terms of quality, price etc.

7. CONCLUSION

Increased Internet penetration, annoy free shopping environment and very high levels of Net savings to see Indians online shopping. But at the same time, the companies want to decrease the risks associated with the customer. The objective is not to convert all shoppers to online procuring but to display them it's a choice. In totaling to above, efforts want to be taken to teach the online consumers on the stages that need to be started while creating an online buying. Furthermore, the response of an online customer should be taken to classify defects in service transfer. This can be done over online people and blogs that assist as marketing and advertising apparatuses and a basis of response for enterprises. Thus, the online selling increases more subjects than the benefits it presently proposes. The quality of products obtainable online and dealings for service delivery are yet to be uniform. Till this thing will be done, the buyer is at a great risk of frauds.

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