

A Study of Factors Affecting the Behavior of Consumers on Online Shopping

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Abstract

The growth rate of India's e-commerce industry is increasing day by day. Companies are using the internet to put across and spread the information. Simultaneously it helps the companies to give an idea about their products and instantly getting the feedback of customer's fulfillment to get stimulated turnover for future. The primary objective of the current study is to understand the online buying behavior of consumers in India. It has also made an attempt to get information about the scope of improvement in online shopping website.

Keywords: On-line shopping, Jewellery Shopping, E-Commerce, Delhites

INTRODUCTION

Internet is playing an important role in removing business limitations of past days. Today a sales representative of a company can directly reach to a client's doorstep and offer the most satisfying services in a click. Though internet marketing in India is low as compared to the other countries. There is a huge online market in India as computer and internet is becoming a necessary part of our life. The technology is developing day by day as it removes the misconceptions and

limitations of the technology in the past. Advanced technologies and web applications with safe transaction assurance are giving enough reasons to the new age Indian buyers to shop online.

The best thing about the e-commerce is that it never phase-out and it demands half of the amount which a retail business does. If the promotion and upgradation of website are at place, it means you are there to survive in the business for many more years. In last two years many e-

commerce websites have come up and competing one another with striking deals like free shipping, coupons, free gifts, easy return policy, and many others.

The latest data reveals that Flipkart, Amazon, Snapdeal, Paytm, Myntra, eBay, Jabong, Shopclues, Homeshop 18 and Infibeam are the top ten e-commerce websites in India. Flipkart is one of the biggest Ecommerce giant that arrived as the top among e—e-commerce websites in India. Voylla is one of the famous website for artificial jewellery.

OBJECTIVE OF THE STUDY

The main objective of our current study is to understand the online buying behavior of consumers in India. It has also made an attempt to get information about the scope of improvement in online shopping website. The objective of the study is destined to provide useful information to marketing professionals to develop a better marketing strategy to boost online shopping in Indian retail market.

LITERATURE REVIEW

Solomon, 1998 in his study “Consumer behavior 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 mind-set, intention and conduct in light of the online buying practice: i.e., why they employ or falter to use it for purchasing? Consumer attitudes seem to have a significant influence on this decision.

(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),

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 among 150 internet users, including both users and non-users of online shopping, was carried out to understand why some purchase 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 leads 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 (Monzuwe, 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.

RESEARCH METHODOLOGY

Both primary and secondary data has been used for the purpose of this study. Primary data is collected with the help of a structured questionnaire the same is finalized after conducting a survey. The secondary data is collected from various published sources such as books, journals, newspapers, websites etc.

Sampling Design

A. Sampling frame: individuals between 18 years to 40years.

B. Sampling unit: women in Delhi using online shopping system.

C. Sample size: 100 respondents.

D. Sampling method: non-probability – convenience sampling

Inference

To know or understand the changing trends in online shopping one should

experience online shopping. It is found that 54 % of the respondents have experienced online shopping and the remaining 46% have not experienced online shopping of jewellery. **See Table 1.**

DATA ANALYSIS AN INTERPRETATION

Table 1: Online Purchase of Jewellery

Rating	No. of Respondents	Percentage
YES	54	54%
NO	46	46%
TOTAL	100	100%

Source: Primary Data

Inference

It can be inferred from the table that 24% of respondents do not search online and buy at store, 46% of respondents

sometimes search online and buy online and 30% always search online and buy from there.

See Table 2.

Table 2: Respondents who Search Jewellery Online and Buy from there only

Rating	No. of Respondents	Percentage
Never	24	24%
Sometimes	46	46%

Always	30	30%
Total	100	100%

Source: Primary Data

Table 3: Promotional Activities that Attracts People to Shop Online

Rating	No. of Respondents	Percentage
Discount	42	42%
Attractive Offers	30	30%
1+1 Offers	8	8%
Advertisements	20	20%
Total	100	100%

Source: Primary Data

Inference

It can be inferred that discounts attracts 42% of the respondents, 20% are attracted by advertisements, 30% by attractive offers and 8% by 1+1 offers.

So the above table says that more the offers the people are attracted to shop online and get the financial benefits as they can save more because of offers.

See Table 3.

Inference

It can be inferred from the above table that 30% of the respondents often shop online because of the flexibility of shopping hours, 45% of the respondents prefer to shop online because of the ease of shopping from home, 25% of the respondents sometimes prefer the ability to purchase a gift and have it delivered to friend. **See Table 4.**

Table 4: Reasons for Online Shopping of Jewellery

Reasons	No. of Respondents	Percentage
Flexibility of shopping hours	30	30%
Ease of shopping from home	45	45%
Ability of purchase the gift and deliver directly to the friend's or relative's home	25	25%
Total	100	100%

Source: Primary Data

Table 5: Problems faced during Online Shopping

Problems	No. of Respondents	Percentage
Can't try	28	28%
Can't check the material	33	33%
Bad return policy	30	30%
Offline buying is more fun	9	9%
Total	100	100%

Source: Primary Data

Inference

It can be inferred from the above table that 33% of the respondents face the problem of the difficulty to check the material, 28% of the respondents face the problem of not able to try the jewellery while shopping, 30% feel there is bad return

policy, and 9% feel that offline shopping is fun.

CONCLUSION

The online jewellery industry encompasses a many opportunities.

Online retailers have to go beyond the boundaries of sales, marketing, merchandising, and category management, and have to explore upstream and allied industries with accuracy.

Online retailers in India have to continue realigning and restructuring their models to understand

the evolving needs of this dynamic market. The opportunity in the online jewellery market is immense, but this opportunity exists only for those who can visualize the future and reinvent themselves in order to address the associated challenges.

The retailers should also indulge in cost cutting, reach their customers, target markets, build long term relationship, available at all hours, low cost and better quality material and increase sales.

We are now living in a digital age and thus need to keep up with new trends in the online shopping and where new norms are created over time; many challenges evolve that we need to keep up with the new updates in the market creating value along with delivering delight to the customers.

It can be concluded that the online retailers operating in India have this major responsibility of keeping their customers updated with facilities as e-commerce is the fastest growing industry and has a lot of innovation to be made in time.

The variables that keep online shopping of jewellery are the facilities, time factor, offers, advertisements, price, services, impact on the economy, flexibility to adapt to new changes are all the aspects of the changing trends in online shopping.

SCOPE

This study is confined only to Indian online users. This study has been conducted to analyze the changing trends in online shopping and the preferences of the consumers in online shopping and the changes happening in this sector over the past few years.

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