

A Study on Consumer Behavior towards Online Shopping with Special Reference to Delhi and NCR

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ABSTRACT: The invention of the Internet has created paradigm shift of the traditional way people shop. A consumer is no longer bound to constraints such as opening times or specific locations, as is the case with brick and mortar stores. He can purchase products and services at virtually anytime and anyplace. This has created a need to understand how the consumer perceives online purchases. The objective of the study is to understand the consumer awareness and preferences towards various products available online, to understand the frequency of online shopping and the amount spent on a single purchase and to understand the factors affecting online purchase. The study is empirical in nature and the primary data was collected through a structured questionnaire. The sample size was 100 respondents, who are at present living in Ghaziabad, Delhi, Noida and Gurugram. Convenience sampling method was used for selection of respondents.

It is very important for marketers to understand the factors affecting online consumer behavior and develop the marketing strategies accordingly, thus attracting new customers and retaining the exiting buyers.

Keywords: Consumer Behavior, Online Shopping, Attitudes

I. INTRODUCTION:

The rapid increase is explained by the growth in the use of broadband technology combined with a change in consumer behavior. The Internet is considered a mass medium that provides the consumer with purchase characteristics as no other medium. Certain characteristics are making it more convenient for the consumer, compared to the traditional way of shopping, such as the ability to anytime view and purchase products, visualize their needs with products, and discuss products with other consumers. Openheim and Ward (2006) explain that the current primary reason people shop

over the Internet is the convenience. They also recognize that the previous primary reason for shopping online was price, which has now changed to convenience.

Earlier food, cloth and shelter were called as primary need but today one more need is added in that is "internet". Due to revolution in telecommunication sector internet has changed the way consumers shop and buy goods and services. Both domestic companies as well as MNC's have started using the Internet with an objective of cutting marketing costs and thereby reducing the price of their products in order to stay ahead in heavy competition.

Companies also use the Internet to convey communicates and disseminate information, to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sale service facilities the will receive. In addition to the tremendous potential of the E-business market, the Internet provides a unique opportunity for companies to more efficiently reach existing and potential customers.

II. LITERATURE REVIEW:

Chisnall (1995) points out that human needs and motives are inextricably linked and that the relationship between them is so very close that it becomes difficult to identify the precise difference which may characterize them. People may buy new coats because it protects them against the weather, but the irreal underlying dominant need may be to follow the latest fashion trend.

The Internet is a relatively new medium for communication and information exchange that has become present in our everyday life. The number of Internet users is constantly increasing which also signifies that online purchasing is increasing (**Allred,2006**).

Buyers' characteristics are important theories and it explains the way that the consumer interprets and receives stimuli from advertisements. The decisions of consumers are influenced by a number of individual characteristics that are linked to the consumer's specific needs (**Kotler & Armstrong, 2007**).

Pooja Mordani (2008) explored the study on investigation of consumer's perception towards internet based e-shopping and the study involved an experiment in which the respondents were asked to go through the online shopping process and relate their experiences. The study found that the positive experience with a website plays a vital role in forming consumers trust while shopping online and if consumers trust the website then they will perceive ease of use, perceive enjoyment and perceive the 89 website to be less risky which would finally culminate into an intention to transact with the website.

Chih-Chien Wang (2009) analyzed that knowledge is one important factor influencing the level of trust. The results revealed that knowledge is positively associated with trust and online shopping activities. In other words, people who know more about online shopping will trust and go shopping more online. Online retailing practice should make the public knowledgeable about online transaction security mechanisms to build users' trust in online shopping.

A study conducted by **Feng Zhu (2010)** indicates that how product and consumer characteristics moderate the influence of online consumer reviews on product sales using data from the video game industry. The findings reveal that online reviews are more influential for less popular games and games whose players have greater Internet experience.

Prof. Ashish Bhatt (2014) in article entitled "Consumer Attitude towards Online Shopping in Selected Regions of Gujarat" published in Journal of Marketing Management stated that online shopping is gaining popularity among people specially the younger generation but in today scenario to become equally popular among all age groups e-marketing will have to cover a longer distance. As per study mode of payment is depended upon income of the respondents. People from different age groups are doing online shopping regularly. The attitude of consumers is changing with the time. In a country like India, consumers are finding online shopping very comfortable because of many variables like cash on delivery, customization or personalization of the websites, home delivery etc

Need of the Study:

At any given time there are millions of people online and each of them is a potential customer for a company providing online sales. Due to the rapid development of the technologies surrounding the Internet, a company that is interested in selling products from its website will constantly have to search for an edge in the fierce competition. Since there are so many potential consumers, it is of the out most importance to be able to understand what the consumer wants and needs.

The importance of identifying factors that influence the consumer when he or she decides to purchase on the Internet is vital. Since the Internet is a new medium for there have been new demands set by the consumer. That is why it is crucial for the online retailers to know what influences the online consumer.

Objectives of the Study:

- ❖ To analyse the demographic profile of online shoppers
- ❖ To analyse the factors that influence consumers to shop online
- ❖ To study potential for development of online shopping

Research Methodology

This study is based on a combination of both quantitative and qualitative techniques. A structured questionnaire was used to collect data from various respondents in order to understand the factors that may have an impact on online shopping. This was the quantitative aspect of the study. In qualitative approach various secondary sources of data were used.

❖ **Sampling Design:**

Convenience sampling, which is a nonprobability sampling method, was used for the purpose of data collection. The respondents were chosen on the basis of their willingness, availability and approachability.

Population: A population is usually a broad number of individuals or artifacts that is the main subject of a scientific inquiry. In this research, population was restricted to users as well as non-users of products purchased through online shopping.

Geographic Territory: was restricted to Delhi and NCR

Sample Size: 100

❖ **Method of Data Collection:**

A well-structured questionnaire was designed to collect primary data in order to get first-hand information from the respondents. The questions in the questionnaire were based on the findings from the literature. The researcher e-mailed questionnaire link to all the respondents and collected emails in order to make sure not to collect data from the same respondent more than once. Secondary data was collected from Published literature in Books, Magazines, Journals and Newspapers and websites.

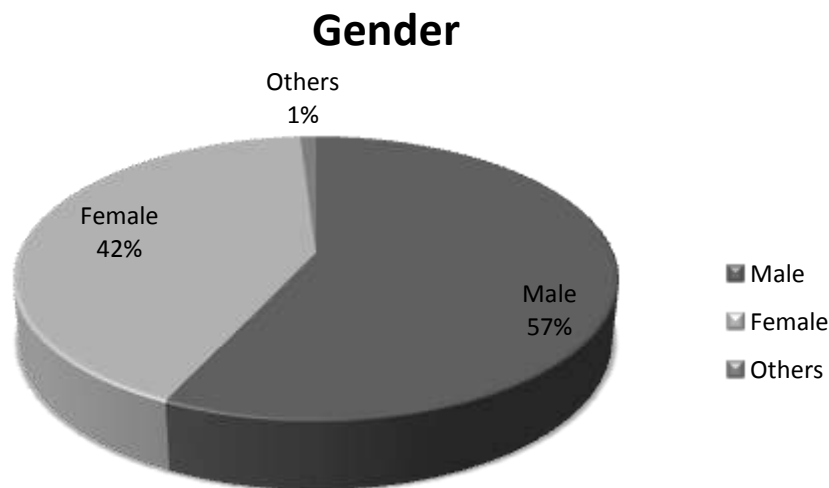
III. DATA ANALYSIS AND INTERPRETATION:

The findings from data analysis and interpretation are given below:

1. Gender

Gender was included in the survey in order to find out if there is a difference between men and women concerning the beliefs towards the factors. The following table will show the distribution of the male and female respondents that were included in the survey.

Fig 1: Distribution according to the variable "Gender"



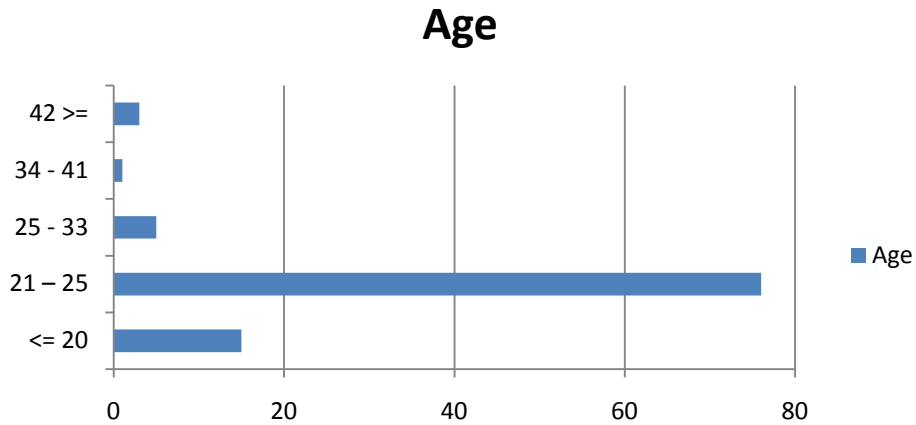
Interpretation: The distribution of male and female respondents shows a majority of male respondents (57%), compared to the female respondents (42%).

2. Age

The respondents were asked to write how old they were, instead of setting up different age groups to choose from.

Years	Frequency	Percent
<=20	17	17%
21-25	74	74%
25-33	5	5%
34-41	1	1%
42>=	3	3%
Total	100	100.00%

Fig 2: Distribution according to the variable “Age”



3. Area

Another demographic variable was in terms of whether the respondents were living in rural or urban region.

Area	Frequency	Percent
Rural	23	23%
Urban	77	77%
Total	100	100%

Geographical Distribution

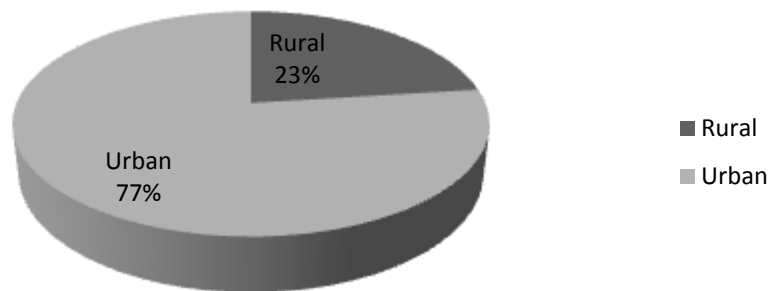
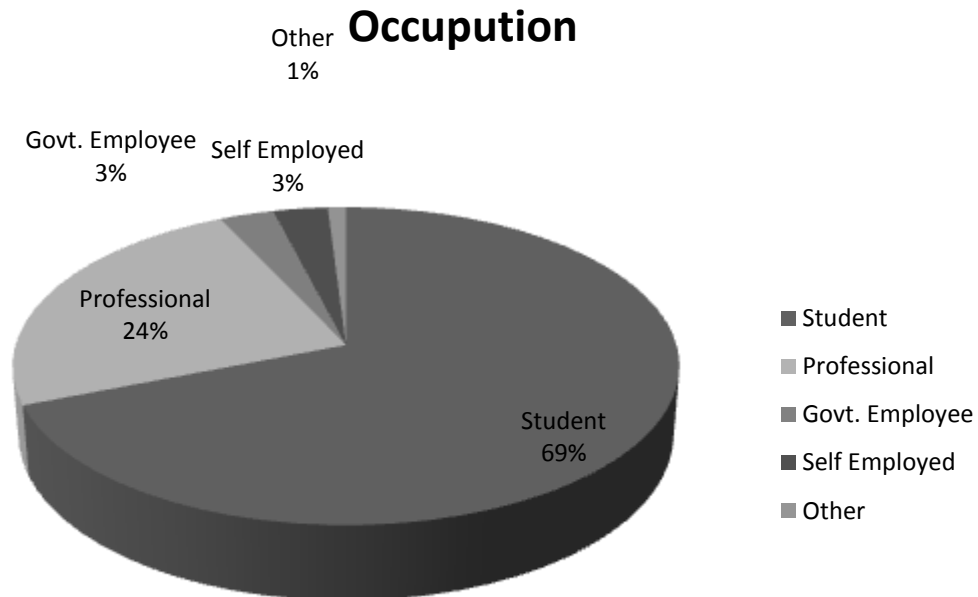


Fig 3: Distribution according to the variable “Area”

Interpretation: The above diagram is showing that 77% of the respondents are from urban areas and 23% of the respondents are from rural area.

4. Occupation

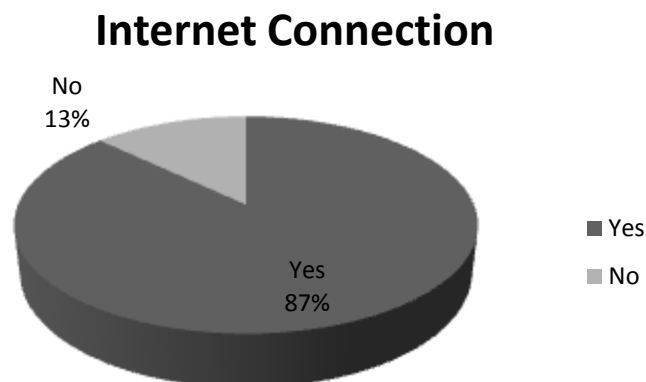
Fig 4: Distribution according to the variable “Occupation”



Interpretation: The above pie chart shows that it is mostly students who go for online shopping.

5. Internet Connection

Fig 5: Distribution according to the variable “Internet Connection”

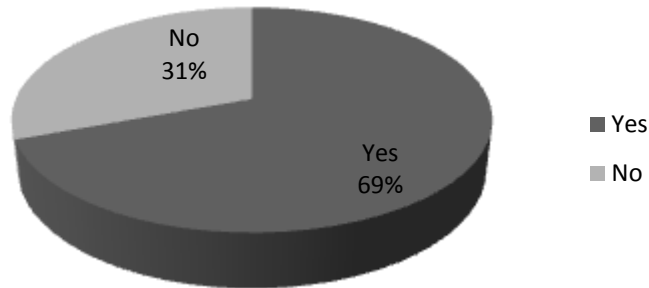


Interpretation: This graph shows us the percentage of respondents who have their own internet connections, it shows that 87% of respondents have their own internet connections and 13% don't have their internet connection.

6. Online Shopping in Past

Fig 6: Distribution according to the variable “Online Shopping”

Online Shopping

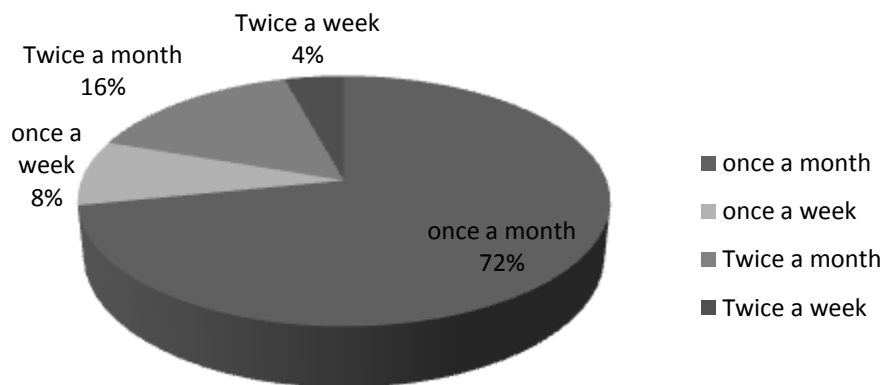


Interpretation: This graph shows us the percentage of respondents who have done Online Shopping at least once. It shows that 69% of respondents have done Online Shopping and 31% haven't done Online Shopping.

7. Frequency of Online Shopping

Fig 7: Distribution according to the variable “Occupation”

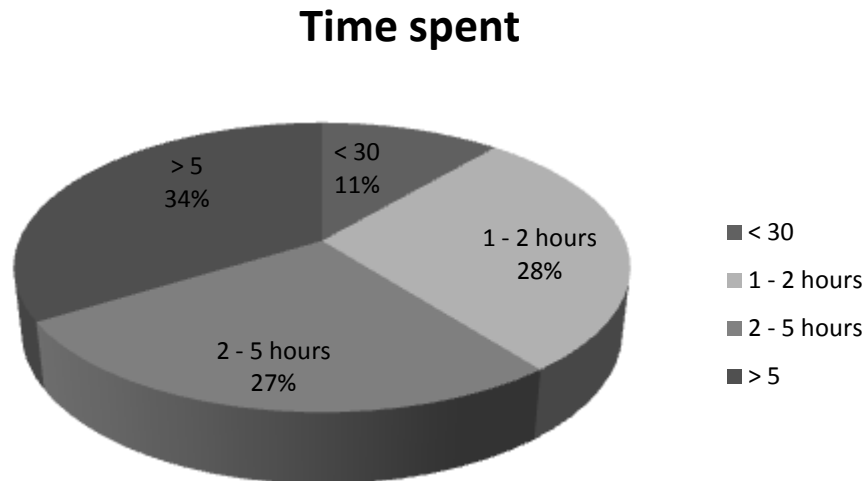
Frequency of Online shopping



Interpretation: The above diagram shows that maximum respondents did online shopping once a month

8. Time Spent Online

Fig 8: Distribution according to the variable “Time Spent Online”

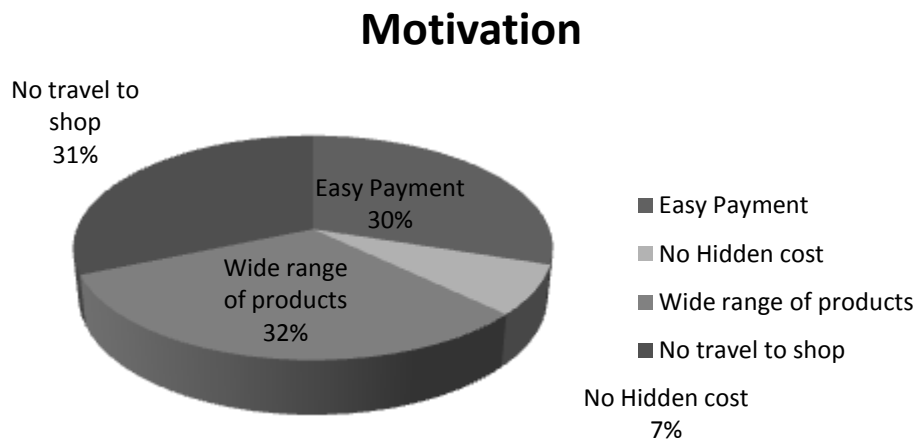


Interpretation:

The distribution shows that the majority of the respondents spends somewhere between 30 minutes to 2 hours online each day. The two second major groups are respondents that spend 5 hours and respondents that spend greater than 2 hours.

9. Motivation to Shop Online

Fig 9: Distribution according to the variable “Motivation to Shop Online”



Interpretation: This graph shows us what motivates the people to buy from internet. As from above result it can be seen that no travel to shop is the main thing which motivates the people to buy products online.

IV. CONCLUSION:

When a consumer purchases online, he or she is affected by various factors. Purchasing online can greatly benefit the consumer in terms of convenience and saving money. It is also convenient to shop on various sites with different assortments, from the home. Trust is evidently needed since the consumer must share detailed

personal and financial information when purchasing online.

Internet has changed the way consumers purchase goods and services. Many companies use the Internet with the objective of cutting marketing costs, thereby reducing the price of their product and service in order to stay ahead in highly competitive markets. Companies also use the Internet to convey, communicate and disseminate

information to sell the product, to take feedback and also to conduct satisfaction surveys with customers. Customers use the Internet not only to purchase the product online, but also to compare prices, product features and after sale service facilities they will receive if the purchase the product from a particular store. Experts are optimistic about the potential of online business.

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