A Study of Consumer Perception towards Online Shopping in Gurugram

Ms Swati Parkash* Dr Subhash Banerjee**

***Research Scholar, Mewar University, Ghaziabad**

****Director, S D Institute of Management and Technology, Faridabad**

Abstract:

The purpose of this study is to determine the various perceptions of customers towards online shopping. India has more than 100 million internet users out of which one half opt for online purchase and the number is rising sharply every year. To understand consumer perception towards online shopping (e-commerce), a small study was conducted in Gurugram with the sample size of 30 respondents. The purpose was to determine the factors and attributes which influence online shopping behaviour of consumers. The paper also focuses on the psychographic profile of customers. Research methodology used is very simple and easily understood by a layman

Key Words: *Attributes, Customer perception, E-commerce, Psychographic profile, Respondents.*

Introduction

We are living in the edge of technological advances. Internet has made our urban life completely different. So internet rightly called as the highway that has managed to eliminate the borders between the countries. Internet today fulfill all of our hope and want, starting from individual need to finding a suitable life partner to online booking of tickets, insurance products and many other types of online shopping. Today a customer is searching, browsing, writing, communicating, listening, watching news, uploading videos, downloading different files, publishing online journals, printing, discussing through social networks, treading and selling products through internet. With millions of the active users of internet are looking for different types of products and services which is creating a huge opportunities for the traditional business owners to jump into the internet bandwagon and cash on the business opportunity for each movement.

Electronic commerce, which is also termed as E-Commerce, is a process of buying and selling of goods and services using World Wide Web system. E-Commerce is also known as E-Business. World Wide Web plays an important role in the implementation of E-Commerce in most of the organizations. Internet users are increasing rapidly in India which opens a scope for many marketers to enter into the online ventures. From B2B to B2C, no business today can ignore the huge "Online Market" that exists on internet. Now physical market has already and slowly replacing with "Virtual Market". Hence understanding all about the internet, E-Commerce mechanism create a learning how to put easy

OBJECTIVES

This research has been done to gain the knowledge over the following aspects:

- To determine the factors and attributes which influence online shopping behavior of consumers.

- To determine the psychographic profile of consumers who purchase over the Internet.

- To determine the average spending and frequency of purchase over internet.

- To understand consumer perception towards online shopping (e-commerce).

LITERATURE REVIEW

ComScore Report (2013) stated the increasing consumption of Internet making India as the third largest Internet population globally comprising about 73.9 million users. The study findings suggest that online retail in India is on a big rise having huge growth potential with about 60 percent of web users visiting online shopping website. The major players in the segment are Myntra, Flipkart and Jabong with others. The users mostly look for apparels (21.0%), computer shopping (16%) and consumer electronics(13%) with specific mention of comparison shopping accounting for almost 15% in online retail categories.

Joseph (2012) identified three new market segments of online technology namely cyber buyers, cyber consumers and cyber surfers. The author describes cyber buyers as the professionals who spend a good deal of time online, mainly at their place of business. They often make complex purchasing decisions on the basis of data, all within a tight time frame. The cyber consumers are the home computer users wired up to commercial online services and the internet. Lastly, cyber surfers are one who use online technology to expand their horizons, challenge their abilities and for fun. They are comprised of typically younger population and possess a shorter attention span.

Presently, India's online population is rising with a yearly pace of 31% with inclusion of 17.6 million users in the year 2012(ComScore, 2013). India has become the third largest nation for Internet users in 2013 after US and China increasing by 31% by March 2012(The Hindu, August 24, 2013).

• Today's Online Shopper in India Has Inflated Expectations Online shoppers expect to see good deals online accompanied by free or very low-cost shipping.

• Localization is Crucial: Two key areas that companies must focus on in all markets – localized payment and fulfillment options -- are particularly essential in India.

RESEARCH METHODOLOGY

Research may be very broadly defined as systematic gathering of data and information and its analysis for advancement of knowledge in any subject. Research attempts to find answer intellectual and practical questions through application of systematic methods.

Data Collection

The study is explorative as well as comparative in nature. It intends to explore the consumer's perception on online shopping. This chapter focuses on research design and methodology adopted for the study. The data for the study was gathered through a structured questionnaire. A self designed questionnaire was distributed to 30 people of varied age groups, gender, culture, religions, nature and of different preferences in Gurugram.
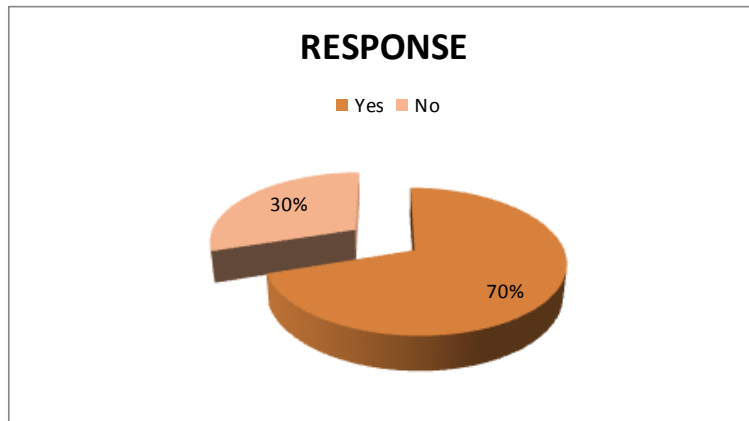
Result and Analysis

Q1. Do you prefer online shopping?

Table:

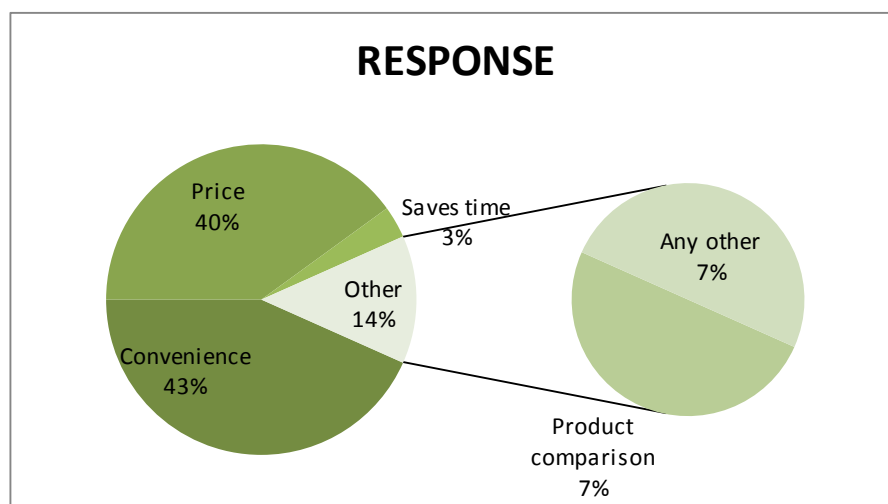| OPTIONS	RESPONSE
Yes	21
No	9

Graph:

Interpretation:

The data above depicts that maximum number of people prefer to shop online. But 30% do not prefer to purchase goods/services online.

Q2. What is your main motivation for buying through Internet?

Table:

OPTIONS	RESPONSE
Convenience	13
Price	12
Saves time	1
Product comparison	2
Any other	2

Graph:
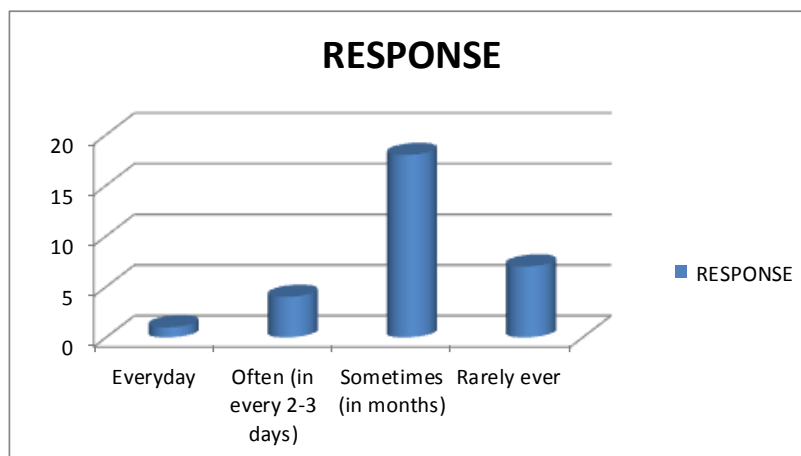
Interpretation:

Generally people shop online because of the convenience it gives, 43% people selected convenience. On the other hand, price is playing an important role in driving people towards online shopping. Other reasons are: varieties available, inexpensive, and accessible from all around the world.

Q3. How frequently do you shop online?

Table:

| OPTIONS	RESPONSE
Everyday	1
Often (in every 2-3 days)	4
Sometimes (in months)	18
Rarely ever	7

Graph:

Interpretation:

Maximum number of people purchases goods/services in duration of months that is around 18 people out of 30 (60%). Then 7 people out of 30 rarely purchase anything from online portals. Others are 4 people shopping in every 2-3 days and 1 that purchase every day.

Q4.Which of the following sites do you prefer for online shopping (clothes/accessories/gadgets/books/footwear/kitchen/others)?

Table:

| OPTIONS	RESPONSE
Amazon	9
Flipkart	10
Ebay	2
Others	9

Graph:
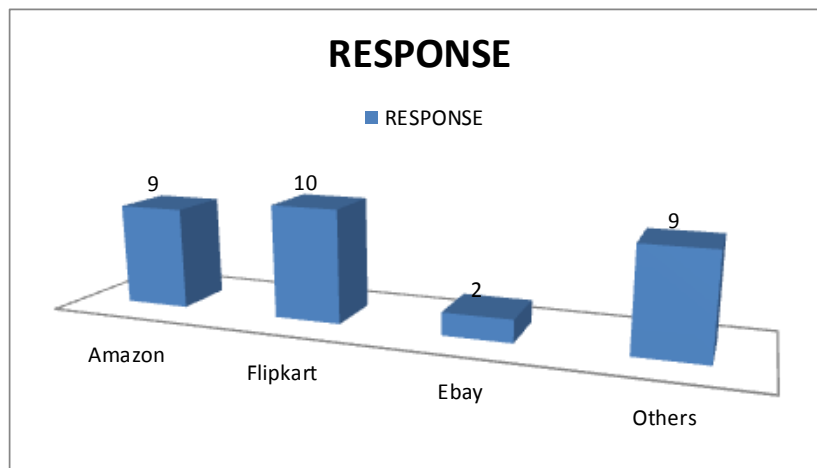
Interpretation:

30% people opt for Amazon for shopping online. But Flipkart is the most preferred site for e-commerce. Ebay is lagging behind in the competition. Other sites people shop from are: Craftsvilla, Grofers, Jabong, Homeshop 18, rediff.com.

Q5. What is your general experience of buying online as compared to conventional shopping?

Table:

| OPTIONS	RESPONSE
Hassle free and time saving	14
Easy but didn't enjoy	5
Not so much fun	4
Not reliable and tricky	7

Graph:
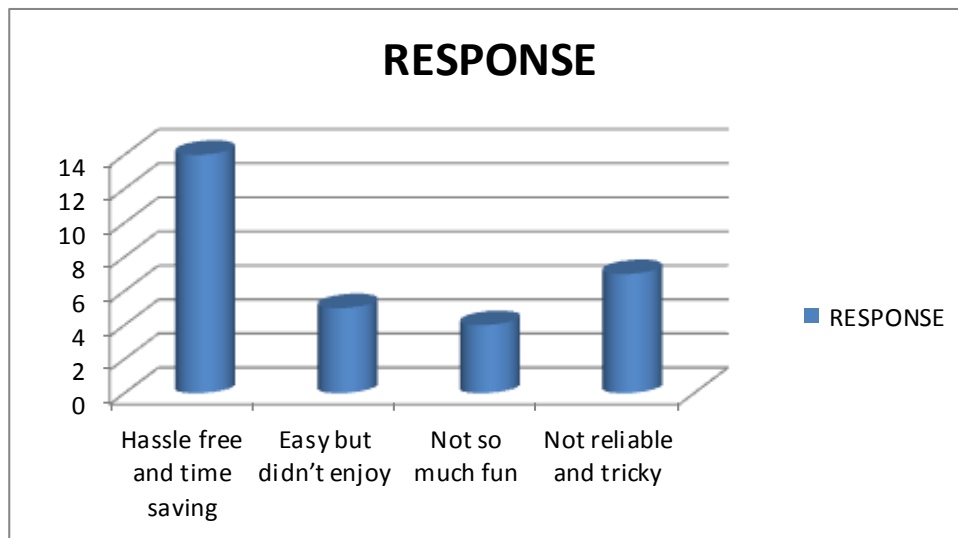
Interpretation:

Generally people had hassle free and time saving experience from online shopping, 14 people agreed with this option. But 7 people out of 30 found the experience not reliable and tricky. Also people find no fun in it.

Q6. Overall, were you satisfied with your experience of online shopping?
Table:

| OPTIONS	RESPONSE
Highly Satisfied	3
Satisfied	9
Neither satisfied nor dissatisfied	13
Dissatisfied/Highly Dissatisfied	5
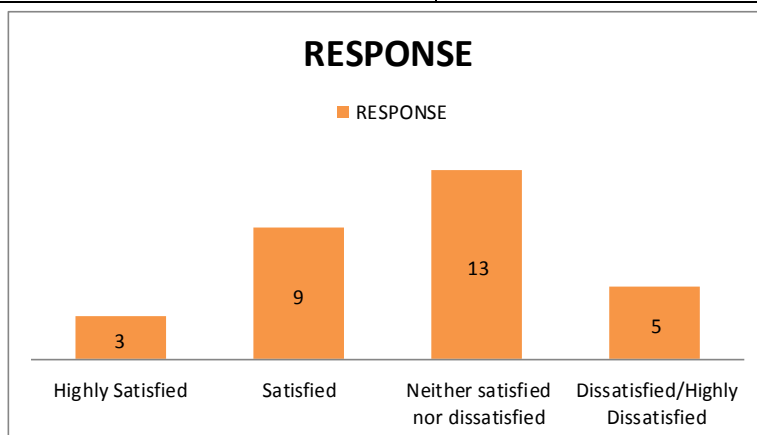
Graph:

Interpretation:

Most of the people are neither satisfied nor dissatisfied from their online shopping experience. 5 people are dissatisfied and highly dissatisfied whereas 9 people are just satisfied and 3 people are highly satisfied.

Q7. What, according to you, are the most important barriers to purchase online?

Table:

| OPTIONS	RESPONSE
Risk of giving credit/debit card number	3
Risk of providing personal information	2
I enjoy going out to do my shopping	10
I like to see/touch the product in person, before I buy it	7
The cost/hassle of returning the product	5
Any other	3

Graph:
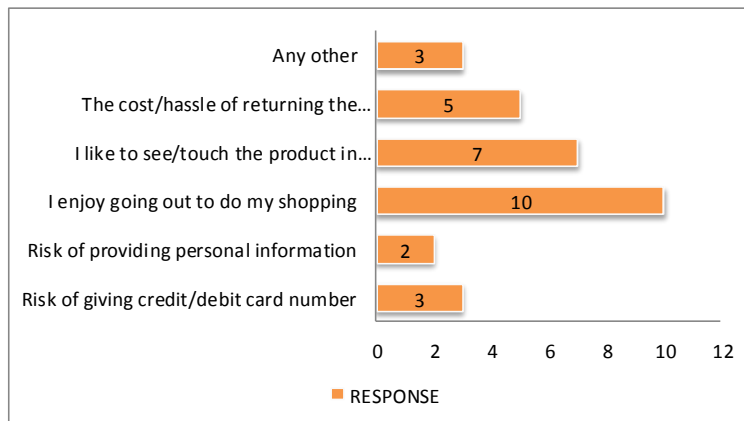
Interpretation:

Mostly the inability to touch the product and no enjoyment of going out are the main barriers for e-commerce sites. And other people find the returning of product tiring/difficult, some consider it risky to five personal and card details.

A Monthly Double-Blind Peer Reviewed Refereed Open Access International e-Journal - Included in the International Serial Directories

International Journal in Management and Social Science

http://www.ijmr.net.in email id- irjmss@gmail.com   Page 151

Q8. On an average, how much do you spend while buying online?

Table:

OPTIONS	RESPONSE
100-499 rupees	9
500-2000 rupees	18
2000-5000 rupees	2
more than 5000 rupees	1

Graph:
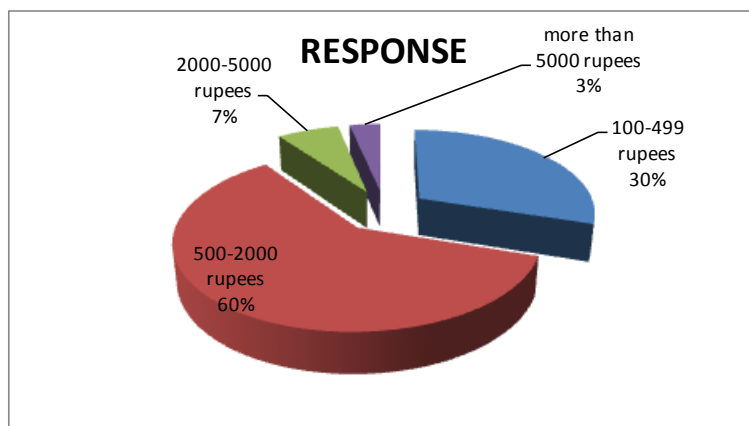
Interpretation:

Large group of people spend 500-2000 rupees while shopping online, it can be so because majority of the e-commerce companies have free delivery on above 499 rupees shopping. But according to the data there are around 9 people who shop within 100-499 rupees. Rarely people purchase anything beyond 2000 rupees, i.e. 7% and 3%.

Q9. Generally, on which department do you spend the most (above 500 rupees)?

Table:

OPTIONS	RESPONSE
Men/Women clothes/accessories	4
Technology	9
Services-insurance/online booking/e-payment	6
Kids/baby products	0
Kitchen tools/products	2
None	9

Graph:

RESPONSE

- Men/Women clothes/accessories 13%
- Technology 30%
- Services-insurance/online booking/e-payment 20%
- Kids/baby products 0%
- Kitchen tools/products 7%
- None 30%
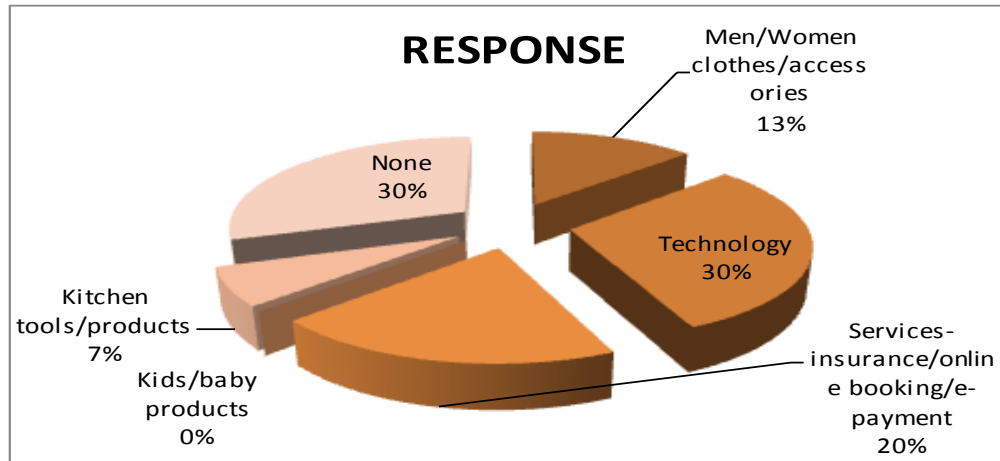
Interpretation:

Generally people spend above 500 rupees for online services, then on technology like mobile phones, fitness watches and many more. But 30% people do not spend money above 500 rupees, whereas 13% buys apparel/accessories.
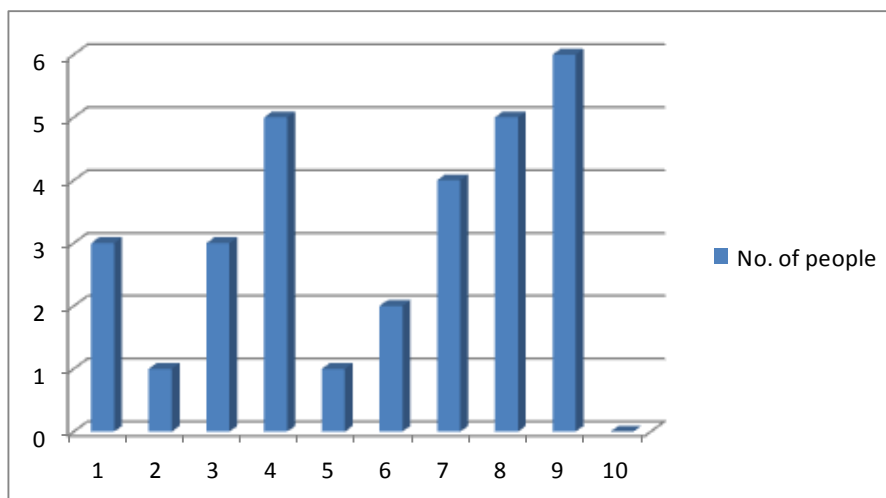
Q10. Rate your online experience from 1-10:

Table:

1-10	1	2	3	4	5	6	7	8	9	10
No. of people	3	1	3	5	1	2	4	5	6	0

(1 being very poor experience to 10 being very positive experience)

Graph:

Interpretation:

12 people rated the experience below 5 due to varied reasons and need for some improvement in this growing industry. 18 people appreciated their experience by give 5 and above rate.

Conclusion

This research shows that online shopping is having very bright future in India. With the use of internet, consumers can shop anywhere, anything and anytime with easy and safe payment options. Consumers can do comparison shopping between products, as well as, online stores. This study is mainly focus on the factors from the Internet and examines those factors that affect the consumer's online shopping behaviours. Those factors were looked at, and examined to reveal the influence at online consumer behaviours. In addition, the previous researches were used to help researchers understanding more comprehensively. Moreover, the customer's purchase decision making process was also examined to identify the potential factors. The information search is the most important factor that helps the customers find the suitable products or services for their needs. Therefore, the online retailers have to enhance and improve the information supporting such as provide much detailed product information and use internal search engine in order to increase the efficient of information search. For the evaluation stage, customers more think a lot of the reputation from the E-commerce website, and the payment security for the purchase stage. At the post-purchase stage, the factor of after services which is the most concerned about. Overall, the factors from the Internet that influenced or prevented online consumer behaviours need to be carefully concerned by the online retailers, who can utilize the appropriate marketing communications to support the customer's purchase decision making process and improve their performance.

Findings

- From this research we can tell that home delivery, lower price, COD and many other options have encouraged people to shop online.

- People buy the products online because of many reasons such as it saves money, time, variety available at one point, product comparison, and we can get huge

  information regarding any products/services.

- Most of them feel secure while transaction through online.

- People generally don't spend money over 2000 rupees while shopping online.

- They are having hassle free experience and people are neither satisfied nor dissatisfied with it.

- Maximum no. of people recommends online shopping and rated it above 5.

Recommendations

- From the whole survey and calculated results, we can recommend that:

- E-commerce portals should keep the price levels very low, as price attracts many valuable customers

- Proper and timely delivery, zero product damage and quality checks must be kept in mind.

- Better, secured and easy payment options must be found.

- Better internet services may help e-commerce industry to grow exponentially.

Limitations

- People might not have filled the questionnaire with great sincerity.

- Respondent's unavailability.

- Time pressure and fatigue on the part of respondents and interviewer.

- The project undertaken needs a lot of secondary data so the availability and precision of this data forms the major limitation as the biasness has to be minimized.

- The results and conclusions of the project cannot be generalized in all area of an organization.

- There was a shortage of time and resources for the functioning the operation.

- The data in this study is maximum taken from the primary sources .so, these data is not fully exact.

- There was a hurdle in the collection of data from primary sources i.e. risky as well as incomplete.

Bibliography

- Ali, Pervaiz; Sankaran, Sudha, "Online Shopping Customer Satisfaction and Loyalty in Norway", Published by LAP Lambert Academic Publishing (2011)

- Chuleeporn Changchit, "Consumer Perceptions Of Online Shopping", Issues in Information Systems, Volume VII, No. 2, 2006

- Gurinder S Shergill,Zhaobin Chen, "Web based Shopping:Consumers' Attitudes towards online shopping in New Zealand",Journal of Electronic Commerce Research,Vol. 6,No. 2,2005

- Maximilian Teltzrow,Bertolt Meyer,Hans-Joachim Lenz, "Multi Channel Consumer Perceptions",Journal of Electronic Commerce Research,Vol. 8 No 1,2007,

- Philip Kotler 'Winning on the Web', Web Metrics paper, 2002

- Kanwal Gurleen,"Consumer's perception towards online shopping-the case of Punjab" International Journal of Management & Information Technology Volume 1, No 1, May, 2012

- Kumar, Prerna; Rawat S Mahendra;" A study of perceptions towards online promorions" IRC'S INTERNATIONAL JOURNAL OF MULTIDISCIPLINARY RESEARCH IN SOCIAL & MANAGEMENT SCIENCES ISSN:2320-8236 VOLUME:1,ISSUE:3 JULY-SEPTEMBER2013

- Shanthi,.R; Kannaiah,Desti;" Consumers' Perception on Online Shopping" Journal of Marketing and Consumer Research ISSN 2422-8451 An International Peer-reviewed Journal Vol.13, 2015

Websites:
http://www.indiasocial.in/nielsen-global-online-shopping-report/

https://en.wikipedia.org/wiki/List_of_countries_by_number_of_Internet_users

http://www.boaoreview.com/plus/view.php?aid=38

http://www.goospoos.com/2010/11/50-best-ecommerce-websites-in-india/

https://en.wikipedia.org/wiki/E-commerce_in_India

http://indianexpress.com/article/technology/sponsored/the-rise-of-online-shopping-for-luxury-brands-in-india/

https://en.wikipedia.org/wiki/Sampling_(statistics)

http://www.mbaofficial.com/mba-courses/research-methodology/what-are-the-various-types-of-research/

http://www.slideshare.net/digitalvidya/changing-consumer-behavior-towards-ecommerce-in-india