

A STUDY ON FACTORS INFLUENCING ONLINE BUYING BEHAVIOUR WITH CHENNAI CONSUMERS

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ABSTRACT

On-line shopping is tremendously in boom in the field of E-Business and is definitely going to be the future shopping in the world. Many retail outlets started their on-line portals to sell their products/services on-line and few others are selling products through some common online shopping websites. The growth of online shopping made to conduct a study on online shopping in Chennai. The present research paper has used both Qualitative and Quantitative research methods to study the impact of Demographic factors of consumers on on-line shopping parameters like satisfaction with on-line shopping, purchase intention in future, frequency of on-line shopping, number of items purchased, overall time and cost spend on on-line shopping. The primary data from 125 respondents was collected through Questionnaires. The results of study revealed that on-line shopping in Chennai is significantly affected by various Demographic factors like age, gender, marital status, family size and income.

KEYWORDS: On-line shopping, e-business

Online shopping is growing rapidly. Many of them are not having sufficient time to go to retail outlets for purchasing products. The fact that world is fast dwindling into a universal community is that the main reason that Internet and other communication is not still that much reflective in Indian context. Comparing to other countries India is still ignorant and trying to deal with up with the technological developments.

Nowadays the main strategy in retail industry is Internet and these rules of the game in retailing are altered in a faster manner. The modern culture that has changed our culture slowly. The lifestyles in most of the metro cities are very fast moving and there is very less free time available for most of the working people. Since the count of the nuclear families have been increasing day by day and there is very less time available for them to reach the marketplace and spend time for purchasing the products. The main reasons of the people who are not able to go to retail outlets are that they have very less time, more traffic jams, late working hours which all made them to use internet to purchase the products.

Nowadays, online shopping has become the major one in internet. E-commerce is a bigger market and it is getting more bigger day by day. The number of customer trusting to perform online shopping have also increased. Even Though the online shopping is increased still that are people who gather the information of the product and compare it with other products alone in online and wishes to get the product through offline in a retail outlet. The convenience risk seemed to be more significant for female customers in India and perceived risk for male.

Similarly based on the requirement and need of the consumers the online retailers have also

improved the service provided in online which made the consumers very easy to purchase in online. The payment mode is also transformed for the convenience of the consumers. They have introduced cash on Delivery (COD) and the timings are also more comfortable for the consumers nowadays previously there used to be fixed timing of delivery now the consumer can provide their choice. More number of players such as Big Bazaar, More are also reaching to rural areas and are growing in a faster manner. Due to rapid economic growth there is an increase in middle class living styles. While comparing to the population in India the count of using Internet are little low by percentage but the count is rising every year rapidly. This gives more opportunities for the online sites to be with this segment. From the entire population in India the people who access Internet are mostly from the age group 18-45.

LITERATURE REVIEW

The consumers on online buying behavior and the e-loyalty where analyzed and found that trust is connected mostly with security. Whenever the consumers are ordering a product through online mode they are generally only viewing the images of the product but they cannot feel the product or they cannot see the salesperson too so it is important for the companies who see their product in online to build trust among their consumers to avoid uncertainties. In this study it was also found that consumers fear on online fraud.

Perceived risk is mostly related to the consumers who generally fear in losing certain transaction which are mostly done in online. Moreover they also relate risk as a best chance of losing certain things while purchasing the product in

online.

Online shopping can generally give information on products, then can compare prices with the offers available in similar products and can be ordered easily. These all features were done for the convenience of the consumers. This online shopping generally reduces cost compared to retail outlets and distribution cost in order to have more consumers and retain them.

In this study it was found that the perception towards online shopping and the attitude towards shopping through online were not generally affected by its usefulness, ease of use, but also through some characteristics, situation factors and the trust build on shopping online. A comparison was made on both online shopping and the traditional way of shopping. It was revealed that shopping online was most convenient to perform purchase activity than the traditional ones. It was concluded from the study that the fact that the internet allows to have more information need to be collected in minimum effort.

The convenience of online shopping made the product which provided standardized product, providing specifications and knowing the post sale responsibility of the retailer. So generally the consumers go to the retail shop to get more details of the product physically and they compare with online and find the difference in the rate.

A study on factors influencing the consumer's attitude towards e-commerce purchase through online shopping examined how the various demographic factors and the purchase perception affected consumer attitudes through online shopping. They found that it is important to influence consumer's attitude towards online shopping.

The study analyzed that the malls and the internet are the best competitors where they provide many dimensions towards consumer value. The consumer's value generally includes major components as excellence, efficiency, play and aesthetics. The online shopping increases the experience of shopping, the comfort level and the variety of products. It generally expands the imagination of products that the consumers can build and satisfy them by it. The online shopping is efficient to satisfy the consumer needs and wants. It generally allows the consumers to gain knowledge about the brand quality, the specification, availability and prices.

OBJECTIVES

The main objective of the study is to identify the impact of Demographic factors on online

shopping behavior of consumers.

Hypothesis

H1: Age of consumer significantly impacts online shopping factors* of consumer.

H2: Gender of consumer significantly impacts online shopping factors* of consumer.

H3: Income of consumer significantly impacts online shopping factors *of consumer.

H4: Occupation of consumer significantly impacts online shopping factors* of consumer.

* Control of internet, Frequency of online purchase, Motive drive for online purchase

RESEARCH METHODOLOGY

Methods of data collection

Questionnaire method is used to collect data from the respondents.

Sample Design

Under sample design the method of Random Sampling is been used to collect data from the respondents.

Sample Size

125 respondents are taken for the collection of the data.

Data Analysis and Interpretation

In data analysis and interpretation method of "ANOVA" is used to analyze the data

DATA ANALYSIS

Table I: Age Group and Factors of Online Behaviour

| Dependent variables | Mean | Std. Deviation | F-Value | Sig. |
|-----------------------------------|------|----------------|---------|------|
| Control of internet | 1.11 | .25 | 6.125 | .000 |
| Frequency of online purchase | 3.41 | .576 | 4.451 | .007 |
| Motive Drives for online purchase | 2.31 | 2.23 | 1.481 | .213 |

From the above table it is inferred that there is no impact between the control of the internet and consumers with the demographic factor age

Table II: Gender and Factors of Online Behaviour

| Dependent variables | Mean | Std. Deviation | F- Value | Sig. |
|-----------------------------------|------|----------------|----------|------|
| Control of internet | 1.11 | .320 | 7.125 | .000 |
| Frequency of online purchase | 3.41 | .577 | 4.561 | .006 |
| Motive drives for online purchase | 2.23 | 1.024 | 1.493 | .225 |

From the result it is inferred that the demographic factor gender does not impact control of internet and motivation drives. The result is obtained from the reason that the female consumer are buying more than the male and are getting attracted easily towards promotional offers provided by retailers and therefore it is told that the gender always has a significant impact on frequency of shopping online.

Table III: Income Group and Factors of Online Behaviour

| Dependent variables | Mean | Std. Dev | F- Value | Sig. |
|-----------------------------------|------|----------|----------|------|
| Control of internet | 1.11 | .320 | 2.927 | .027 |
| Frequency of online purchase | 3.41 | .577 | 5.397 | .001 |
| Motive drives for online purchase | 2.23 | 1.024 | 1.056 | .386 |

The results show that Income in the demographics factor has a significant impact on impact Frequency of online purchase of consumers.

Table IV: Occupation and Factors of Online Behaviour

| Dependent Variables | Mean | Std. Deviation | F- Value | Sig. |
|-----------------------------------|------|----------------|----------|------|
| Control of Internet | 1.11 | .320 | 2.291 | .069 |
| Frequency of online purchase | 3.41 | .577 | 2.482 | .052 |
| Motive drives for online Purchase | 2.23 | 1.024 | 1.025 | .401 |

The results show that there is no significant impact across the various age groups.

CONCLUSION

The ANOVA results for consumers' response across different demographics factors shows that gender does impact control of internet and Frequency of online purchase. The consumer's occupation is a demographic variable which does not impact any of the variable in this study. From the overall study the respondents have perceived online shopping in a better manner. Therefore it is justified that there is a clear picture in the growth of the Internet and online shopping . The frequency of online shopping is relatively less in Chennai. The results can also be used by various organizations to identify their target customer segments.

SCOPE OF FURTHER STUDY

The study can be further analyzed by considering the other factors with the demographic variable and can also do the study for other cities in Tamilnadu. It can also concentrate more on the female consumers than the male consumer in analyzing the factors affecting online shopping.

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