



OPINION TOWARDS ONLINE SHOPPING WITH SPECIAL REFERENCE TO POST GRADUATE STUDENTS

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Abstract

This case study deals with the opinion of Post Graduate students towards of online shopping. The Online Shopping has become an emerging research area because of its nature of dynamism and the online retailers also have realized that ensuring the sustainable growth in the highly competitive market is possible by understanding the behavioural aspects of consumers in an elaborate and comprehensive manner. Hence, in order to study it, the dimensions of behavioural aspects of consumers such as Internet usage, purchasing habits analyzed in the case study.

Respondents: The participants of the study are the post graduate students of colleges, universities situated in and around Coimbatore.

Approach: The outcome of this case study provides comprehensive idea about the Internet Usage Pattern, Satisfaction and Factors Influencing the Purchase of participants through online.

Keywords: Internet Usage, Satisfaction, GMV, MSME, Attitude

1. Introduction

The term online shopping can be defined as buying and selling of goods and services through internet. The online shopping industry is growing in a multi-fold manner as it is evident from the fact that companies involving in the online business have witnessed billion of dollars in terms of Gross Merchant Value (GMV). Not only the GMV but also their overall business

surged in an unprecedented manner across the developed and developing countries. Compared to the developed countries, the developing countries like China and India have a slight edge on the growth of online shopping business. In this case study, the factors like demographic, Internet usage; preference towards websites, priorities considered before online shopping, perception

2. Dynamics of online shopping

The online market is persistently changing according to the expectations of the consumers. Consumers had initially used Personal Computers and later evolved to use Laptops, Smart Phones, Tabs and other gadgets. This market is the outcome of innovative thinking and practices of technological stake holders who have been contributing with the aim of providing world class infrastructure to consumers.

A general implication of this market is convenience (Yulihasri et al. 2011) and 24x7 operating nature. With the help of technology, the consumers are able to analyze the products and services offered by online shopping companies and decide better so as to what to purchase (Kunz 1997; Taylor et al. 1999). The online shopping market seems to be attractive for the investors hence it motivates them to invest heavily in the business activities in the form of technology start ups.

Even after the countries have adopted online shopping before two decades, it is still so in nascent stage because all those companies which involved in this business are not having comprehensive ideas about market and consumers. Among the market and

consumers, it is the latter which decides the future of market therefore leading to formation of this study.

The ease of use and 24 hours access has changed the purchasing behaviour of youngsters in India (Hoffman & Novak 1996). For this reason, the young buyers often skip visits to the brick and mortar stores in favour of shopping products through online. Apart from this, the complete range of inventory available with online shopping companies facilitates the consumers to see, compare and buy products as per their wish (Palmer et al. 1998).

The internet penetration is also the primary reason for the growth of online shopping in India. The report, 'Internet in India 2015' released by the Internet and Mobile Association of India (IAMAI) and Indian Marketing Research Bureau (IMRB) indicated that, more than 402 million people are using Internet in India and the user base has grown 49% more compared IMRB to the year 2014. By witnessing this large market size, Internet penetration and interest among the consumers, the companies, across all business verticals are trying to woo them through web space selling. This motivated the researcher to find out the behavioural aspects of consumers of online shopping. Compared to other countries, India adopted this technology based shopping in a fast and rigorous manner. Youngsters are not only tech savvy but also wish to enjoy new shopping experience. Due to this trend, companies have invested billions of dollars in the Indian market to capture the dream of young shoppers.

The enhanced internet penetration, growing confidence in online payments, high disposable income and growing younger population with huge disposable income have resulted huge turnover in e-commerce industry. It has provided a unique opportunity for online shopping companies to effectively use this positive phenomenon and augment swiftly. Because of these factors, there would be significant increase of sales in electronics accessories, mobile gadgets and apparels.

The online shopping industry in India is growing swiftly as it is evident from the fact that the business will achieve the turnover of approximately \$37 billion at the end of 2016.

This is a 68% of increase of sales compared to last year's business with new consumers emerging from tier-1 and tier-2 cities.

The E-Commerce market was about \$3.9 billion in 2009 and subsequently it has raised to \$18 billion in 2014, \$24 billion in 2015. Further, the online shopping business in India is expected to reach around \$50-70 billion by 2020 (Future of e-commerce uncovering innovation by Deloitte and ASSOCHAM India- 2015). This constitutional growth pattern would, ensure dynamic and sustainable growth in India.

The big players such as Amazon, Flipkart, Snapdeal and Shopclues have achieved billions of dollars in terms of Gross Merchandize Value (GMV) and they have also managed to get millions of dollars from private equity investments and other sources. Players involved in this business have been adding many products in their fold by adopting innovative strategies like having collaboration with the MSME industries and other local manufacturers.

3. Need of the study

The online shopping in India has been growing in an unprecedented manner in terms of Gross Merchandize Value and scale. This growth is not possible without the contribution of consumers as they are the main stakeholders in the development of any business. Given due consideration to this aspect, understanding the consumer's usage pattern, experience and satisfaction towards online shopping becomes as predominant one for any stakeholder. The present study intended to find the above said aspects by using appropriate tools to establish the relationship between the different variables. The post graduate students from different stream like arts, engineering and science were selected for this study, as this age group of students are using internet frequently compared to other segment of consumers, thus, lead them to the process of online shopping

4. Aspects Taken For the Case Study

- 4.1) Internet usage pattern
- 4.2) Factors influencing the purchase of products through online shopping
- 4.3) Satisfaction level of the Post Graduate students towards online shopping.
- 4.4) Ranking of factors influencing the online shopping

5. Findings

- The students who are in the age group of 20 and 22 years perceived high level of satisfaction towards online shopping
- The participants spend between 2 and 4 hours for shopping online.
- The participants purchase Clothing / Accessories / Shoes, etc. through online the participants spend less than Rs. 1000 during online purchase.
- The participants prefer cash on delivery for online shopping the shopping online is one of the most frequent activities of Post Graduate students at the time of using internet.
- The simple uncomplicated transaction follow up facilities is one of the most influencing factor among the Post Graduate students to prefer a particular online shopping website.
- The website response speed is the much preferred factor by the participants while selecting a particular online shopping website
- The male participants have higher level of satisfaction towards online shopping The participants living in urban areas have a higher level of satisfaction towards online shopping the other demographic factors such as age, gender, Area of residence and family income considered have significant influence in the level of internet usage
- The first factor highly considered as the influence factor in attitude is Delivery on Time followed by Packing of Products is in second position, the third rank for Product Quality, fourth rank for Ease of Use, fifth rank for Website Security, , 6th rank Transparent payment mechanism, , and finally, the least rating was towards After Sales Service.
- The purchase attitude of the student consumers was highly influenced with respect to Delivery on Time and the least rating was towards After Sales Service.
- The purchase of products with respect to shopping experience was highly considered based on the priorities before online shopping the participants spending above Rs.1000 for their internet usage have higher level of satisfaction towards online shopping
- The participants surfing between 2 and 4 hours in the internet higher level of satisfaction towards online shopping.
- The participants who purchase Clothing / Accessories / Shoes through internet expressed higher level of satisfaction during online shopping.
- The participants who spend less than Rs.500 for shopping online per month, expressed higher level of satisfaction during online shopping
- The participants who prefer Cash on Delivery mode of payment for shopping online expressed higher level of satisfaction during online shopping
- The factor Time spent for shopping online and Product often purchased online have significant influence in the satisfaction during shopping online

6. Conclusion

This behavioral change among the young consumers will create significant impact in the functioning of Indian retail business in future as the present proposition of brick and mortar retailing (93%) and online retailing (7%) would get modified in the vice versa. So, it would create major dent in the growth of brick and mortar stores in future. The enhancement of growth in online shopping will provide the benefit to the society in the aspect of reduction of carbon monoxide emission and less traffic as it effectively reduce the movement of people. From this study, it is clearly understood that the consumers have satisfaction and positive attitude towards online shopping .This phenomenon should be incorporated by the online shopping companies in an appropriate way to ensure the sustainable growth and development

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