A STUDY ON CONSUMER BEHAVIOUR TOWARDS ONLINE SHOPPING APPLICATION WITH SPECIAL REFERENCE TO SALEM CITY

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Abstract: The World Wide Web has propelled in no small extent of changes in the attitude and behavior of people all over the world. Due to this blessing, online shopping has emerged which influenced the lives of ordinary citizens. Online shopping has also been started in Bangladesh, but consumers are not much habituated yet to go online shopping frequently. This study is undertaken to understand the behavior of online shoppers through a self-constructed questionnaire of 200 respondents from Salem city. The survey reveals that consumers shop online to save time, and for available varieties of products and services. Both male and female both have the same type of behavior towards liking and disliking factors; they like home delivery facility and dislike inability to touch and feel the product most. They acquire online shopping information from websites especially from the social network and purchase apparels, accessories mostly through cash on delivery method of payment. The most of the consumers are concern about the security of the payment system, and their overall online shopping satisfaction is mixed.

Keywords: Consumer behaviour, online shopping, e-commerce, Salem Town

1. Introduction

Online shopping is a form of electronic commerce which allows consumers to directly buy goods or services from a seller over the Internet using a web browser. Consumers find a product of interest by visiting the website of the retailer directly or by searching among alternative vendors using a shopping search engine, which displays the same product's availability and pricing at different e-retailers. As of 2018, customers can shop online using a range of different computers and devices, including desktop computers, laptops, tablet computers and smart phones.

An online shop evokes the physical analogy of buying products or services at a regular "bricks-and-mortar" retailer or shopping center; the process is called business-to-consumer (B2C) online shopping. When an online store is set up to enable businesses to buy from another businesses, the process is called business-to-business (B2B) online shopping. A typical online store enables the customer to browse the firm's range of products and services, view photos or images of the products, along with information about the product specifications, features and prices. Customers use the Internet not only to buy the product online, but also to compare prices, product features and after sales service facilities that they receive if they purchase the product from a particular store. Many experts are optimistic about the prospect of online business. In addition to the tremendous potential of the E-commerce market, the internet provides a unique...
opportunity for companies to more efficiently reach existing and potential customers, although most of the revenue of online transaction come from business to business commerce, the practitioners of business to consumer commerce should not lose confidence.

2. Objective of the study

[1] To study the consumer behavior towards online shopping application in Salem Town.
[2] To know the consumer awareness about the product and services provided by internet.
[3] To know which factors attracts the consumer towards online shopping.
[4] To know which online shopping application is most attract to the consumers.

3. Scope of the study

[1] The study was conducted among the Internet users.
[2] The Geographical area covered was Salem Town.
[3] The study was based on Questionnaire.
[4] The facility to access websites as much as the customer likes to compare all world class brands and their products.
[5] To help to shop on customer’s leisure hours and even holiday are useful for shopping for them. So the customer needs not go to market, so no tension of conveyance, pollution traffic etc.
[6] The Internet enables to shop throughout world from the comfort of consumer’s home.

4. Need of the study

[1] Internet has a very bright future. If the online shopping companies want to increase their business and cross the boundaries of region they need to take help of internet.
[2] Without going to online, the online shopping companies can’t think about their progress worldwide. In this regard they can see all large scale business.
[3] Big brand, big shopping on online is the demand of today's modern time. Time and quality is the main subject of online shopping. Today everybody is running to save time and who saves time automatically save money.
[4] Day to day needed item is available on internet and so people prefer to shop online.
[5] Hence for a better understanding of online shopping with the channel of approach to consumer is possible.

5. Limitations of the study

[1] Lack of finance and manpower resulted in restricting the study to confined area.
[2] The information given by the respondents are impulsive, it may not be consistent.
[3] Lack of time is also one of the reasons for restricting the study to confined area and sampling.
[4] This sample does not reflect whole Salem district because the sample size is only 200.

6. Research methodology

Research Frame work

The data was collected only through Questionnaires. The sample size was 200. And random sampling was done among the internet users.

Data Collection Method

Primary data
Primary data is collected in the form of questionnaire. Through the questionnaire which consists of a number of questions printed in a definite order on a set of forms, the respondents were expected to read and understand the questions itself. The respondents need to answer the questions on their own and answer according to their perception.

Secondary data

It will be collected to add the value to the primary data. This may be used to collect necessary data and records by different websites, magazines, annual reports, journals reference books, and newspaper, etc.

7. Review of literature

In the research conducted be Vellido et all. (2000), nine factors associated with user’s perception of online shopping were extracted. Among those factors the risk perception of users was demonstrated to be the main discriminator between people buying online and people not buying online. Kalakota.R and M. Robinson(2001) developed a model which combines traditional marketing philosophy on consumer motivation to buy and the trust model. In this model, trust propensity; which is a personality trait possessed by buyers; is an important antecedent of trust. In Internet shopping, there is not must information available to the buyer regarding the seller, prior to purchase. A buyer with a high propensity to trust will more likely be a potential customer than a buyer with a lower propensity. Jarvenpaa et all. (2000) tested a model of consumer attitude towards specific web base stores, in which perceptions of the store’s reputation and size were assumed to affect consumer trust of the retailer. The level of trust was positively related to the attitude towards the store, and inversely related to the perception of the risks involved in buying from that store. McAllister 1995 concluded Consumer risk perceptions and concerns regarding online shopping are mainly related to aspects involving the privacy and security of personal information, the security of online transaction system and the uncertainty of product quality. Trust is interwoven with risk.

Chi-Square Analysis - 1

Null hypothesis H0: There is no relationship between Income of respondents to amount spent on online shopping in a month.

Alternative hypothesis H1: There is a relationship between Income of respondents to amount spent on online shopping in a month.

<table>
<thead>
<tr>
<th>Income Spending an amount</th>
<th>Less than Rs.10000</th>
<th>10000-20000</th>
<th>20000-30000</th>
<th>Above 30,000</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below 1000</td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>15</td>
<td>20</td>
</tr>
<tr>
<td>1000-3000</td>
<td>1</td>
<td>2</td>
<td>9</td>
<td>18</td>
<td>30</td>
</tr>
<tr>
<td>3000-5000</td>
<td>2</td>
<td>3</td>
<td>10</td>
<td>13</td>
<td>28</td>
</tr>
<tr>
<td>Above 5000</td>
<td>2</td>
<td>3</td>
<td>8</td>
<td>9</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>10</td>
<td>30</td>
<td>55</td>
<td>100</td>
</tr>
</tbody>
</table>

Expected Frequency = \[\frac{\text{Row Total} \times \text{Column Total}}{\text{Total Frequency}}\]
Inference: $\chi^2$ calculated value is $<$ $\chi^2$ tabulated value. So we Accept $H_0$.

$H_0$: There is an association between Income of respondents to amount spent on online shopping in a month.

Chi-Square Analysis - 2

Null hypothesis $H_0$: There is no relationship between online shopping players to level of satisfaction of online shopping.

Alternative hypothesis $H_1$: There is relationship between online shopping players to level of satisfaction of online shopping.

$$\chi^2 = (r-1) (c-1) \text{ d.f.} = (4-1) (4-1) \text{ d.f.} = (3) (3) \text{ d.f.} = 12 \text{ d.f.} = 16.9190$$

<table>
<thead>
<tr>
<th>$O_i$</th>
<th>$E_i$</th>
<th>$(O_i - E_i)^2$</th>
<th>$\Sigma (O_i - E_i)^2$</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>2</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>6</td>
<td>9</td>
<td>1.5</td>
</tr>
<tr>
<td>18</td>
<td>16.5</td>
<td>2.25</td>
<td>0.1363</td>
</tr>
<tr>
<td>2</td>
<td>1.4</td>
<td>0.36</td>
<td>0.2571</td>
</tr>
<tr>
<td>3</td>
<td>2.8</td>
<td>0.04</td>
<td>0.0142</td>
</tr>
<tr>
<td>10</td>
<td>8.4</td>
<td>2.56</td>
<td>0.3047</td>
</tr>
<tr>
<td>13</td>
<td>15.4</td>
<td>5.76</td>
<td>0.3740</td>
</tr>
<tr>
<td>2</td>
<td>61</td>
<td>0.81</td>
<td>0.7363</td>
</tr>
<tr>
<td>3</td>
<td>2.2</td>
<td>0.64</td>
<td>0.2909</td>
</tr>
<tr>
<td>8</td>
<td>6.6</td>
<td>1.96</td>
<td>0.2969</td>
</tr>
<tr>
<td>9</td>
<td>12.1</td>
<td>9.61</td>
<td>0.7942</td>
</tr>
</tbody>
</table>

$\Sigma (O_i - E_i)^2$ = 7.659

Table value: $\chi^2 = (r-1) (c-1)$ d.f. = (4-1) (4-1) d.f. = (3) (3) d.f. = 12 d.f. = 16.9190
### Level of Satisfaction

<table>
<thead>
<tr>
<th>Online players</th>
<th>Highly satisfied</th>
<th>Satisfied</th>
<th>Neither satisfied nor dissatisfied</th>
<th>Dissatisfied</th>
<th>Highly dissatisfied</th>
<th>T total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ebay.com</td>
<td>4</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>10</td>
</tr>
<tr>
<td>Flipkart.com</td>
<td>18</td>
<td>9</td>
<td>5</td>
<td>3</td>
<td>2</td>
<td>37</td>
</tr>
<tr>
<td>Snapdeal.com</td>
<td>3</td>
<td>5</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>13</td>
</tr>
<tr>
<td>Tradus.com</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Amazon.com</td>
<td>2</td>
<td>4</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Yebhi.com</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>Napptol.com</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>India times shopping.com</td>
<td>1</td>
<td>4</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Yepmi.com</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35</strong></td>
<td><strong>33</strong></td>
<td><strong>15</strong></td>
<td><strong>12</strong></td>
<td><strong>5</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table value: $\chi^2 = (r-1) \times (c-1)$ d.f = (5-1) \times (9-1) d.f = (4) \times (8) d.f = 32 d.f = 43.7729

Inference: $\chi^2$ calculated value is $< \chi^2$ tabulated value. So we Accept $H_0$.

$H_0$: There is no relationship between online shopping application to level of satisfaction of online shopping.

### 8. Findings

1. 75% of the respondents are male, and, 35% of the respondents are female.
2. 10% of the respondents are below 18 years, 30% of the respondents are between 18-30 years, 25% of the respondents are between 30-40 years, 20% of the respondents are between 40-50 years, and finally 15% of the respondents are above 50 years of age.
3. 20% of the respondents spent below Rs.5000 for online shopping, 30% of the respondents spent Rs.5000 – 7,000 for online shopping, 28% of the respondents spent Rs.7000 – 9,000 for online shopping, and 22% of the respondents spent above Rs.9000 for online shopping.
4. 10% of the respondents prefer eBay.com, 37% of the respondents prefer Flipkart.com, 13% of the respondents prefer Snapdeal.com, 10% of the respondents prefer...
prefer Amazon.com, 8% of the respondents prefer Naptol., Yep me, and 6% of the respondents prefer Lime road.

7% of the respondents say eBay.com provide more offer to customers, 30% of the respondents say Flipkart.com provide more offer to customers, 15% of the respondents say Snapdeal.com provide more offer to customers, 25% of the respondents say Amazon.com provide more offer to customers, and 8% of the respondents say YEPME.com provide more offer to its customers and 2% of the respondents say Lime road provide more offer to customers.

25% of the respondents are aware of the offers from the online players through media, 30% of the respondents are aware of the offers from the online players through internet, 55% of the respondents are aware of the offers from the online players through peer group, 17% of the respondents are aware of the offers from the online players through others media.

20% of the respondents are using internet for less than one year, 30% of the respondents are using internet for 1-3 years, 33% of the respondents are using internet for 3-5 years, and 17% of the respondents are using internet for more than 5 years.

35% of the respondents spend 0-5 hours in surfing the web, 25% of the respondents spend 6-10 hours in surfing the web, 18% of the respondents spend 11-15 hours in surfing the web, 12% of the respondents spend 16-20 hours in surfing the web, and 10% of the respondents spend more than 20 hours in surfing the web.

8% of the respondents purchase online only once in a month, 30% of the respondents purchase online 2-4 times in a month, 37% of the respondents purchase online more than 5 times in a month, and 25% of the respondents purchase online more than 6 times in a month.

35% of the respondents are highly satisfied with the experience of online shopping, 33% of the respondents are satisfied with the experience of online shopping, 15% of the respondents are neither satisfied nor dissatisfied with the experience of online shopping, 12% of the respondents are dissatisfied with the experience of online shopping, and 5% of the respondents are highly dissatisfied with the experience of online shopping.

45% of the respondents are searching an internet website through at home, 20% of the respondents are searching an internet website through at cyber cafes, and 35% of the respondents are searching an internet through at office or college.

38% of the respondents feel that time and price is saved while buying through internet, 32% of the respondents feel superior selection and availability of goods while buying through internet, and 30% of the respondents feel product comparison is possible while buying through internet.

18% of the respondents are using internet for communication, 27% of the respondents are using internet for information gathering, 30% of the respondents are using internet for entertainment, and 25% of the respondents are using internet for finance.

9. Suggestion

Online shopping in India is poised for greater acceleration as PC and Internet penetration grows. It is becoming one of the top Internet activities and there is a huge growth in this business as more manufactures and providers are integrating the Internet into their sales model. But there are many things that need to occur in online shopping to generate higher revenues and the key to it lies in the hands of the markers. India has a strong research and development (R & D) capability so companies should innovate rapidly to take care of the security issues. Technology like text to speech software should be innovated to take care of the security concern.

In India the total ownership of credit cards is small as compared to its populations and there are also hesitant in using it as a mode of online payment therefore alternative methods of payments like cash on delivery (COD) where the end user pays cash after
the product is delivered and debit cards where the bank accounts are directly should be used. Other technologies like encryption technologies trusted third-party certifications; digital ID system and prepaid cards should be used.

[2] The consumers should be made aware that one of the safety aspect of using credit cards online is that in case of disputed credit card payment for online transactions the onus is on the merchants to prove that the transactions actually took place, as online users don’t physically sign a credit slip. As a result online users are protected from fraudulent use of credit cards.

[3] There is a growth in the cellular phone market in India, more merchants should make use of this device allowing the customers to accessibility the Internet and use it as mode of payments thereby obviating the need for PCs and credit cards.

[4] It is not only important to pay strong attention to the security issue and create new. Innovative safeguards that protect consumers but the merchants should promote these safeguards to the make place and make the prospective consumers aware that the communications, personal data, credit card accounts, and transaction information can be protected.

[5] To make online shopping big the shopping websites should give the customers the convenience to shop anything site like ordering pizzas. Movie tickets groceries, etc rather than in scattered place. The site should not only provide information content but also tools to navigate and evaluate this information. The information on the site should be sufficient for the consumers to make a decision and not to overload them with information, which results in confusion.

[6] Convenience and time saving are the main reason to shop online. Therefore Business to consumers (B2C) sites should be designed in such a way that consumers spend less time in finding information they are looking for as delays in searching or loading a web page might turn consumers to other sites which have faster download and display times.

[7] Since consumers control the experience they receive form shopping over the Internet, there is a need to find ways of managing the amount of information available over the Internet. Sites that are able to offer this information and present it is a simple way to understand will become the preferred destination for online shopping.

10. Conclusion

The e-commerce is one of the biggest things. It is creating an entire new economy, which have a huge potential and is fundamentally changing the way business are done. It is believed that electronic commerce will become a huge industry in the coming years and online shopping is now becoming a significant part of the consumer’s daily life to meet their never ending requirement in a convenient way. Online shopping is picking up and is becoming a trend. More consumer are indulging into Internet shopping as seen by the research because of the value proposition if offers to a customer such as convenience. As the research suggests that increase in usage of internet increases the online shopping so there is a need to increase in broadband penetration as it accelerates the growth of online trade. A huge buyers and sellers across demographics are shopping online because of the changing lifestyle and shopping habits but the majority of the users is males. It was seen that despite the immense possibilities available on the Internet it is mainly used for mailing, Chatting and surfing. E-mail applications still constitute the bulk of net traffic in the country. Increased Internet penetration, a hassle free shopping environment and high levels of Net savvies see more and more Indians shopping online.

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