

## A STUDY OF FACTORS AFFECTING ONLINE SHOPPING BEHAVIOUR OF CONSUMERS IN MUMBAI REGION

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**Abstract:**

*Companies are facing a tough competition in this dynamic arena of business. They are always looking for new avenues so that they can increase contact with consumers and for the same they are letting no stone unturned. In this regard, the latest trend is online shopping.. The increasing trend of computer's education is directly proportional to increases in online shopping. The increasing use of internet by the younger generation in India, provides an emerging prospect for online retailers. If online retailers know the factors affecting Indian consumer's buying behaviour, the association between these factors and type of online buyers, then they can further develop their marketing strategies to convert potential customers into active ones. This study attempts to analyze the features related to the shopping behaviour of online shoppers. Consumer's shopping behaviour in respect of online shopping was studied using different socio-economic variables. The data was collected through questionnaire.*

*The results of study reveal that online shopping in India is significantly affected by various demographic factor's like age, gender, education and income . Further it also helps retailers to understand the drivers of consumer's attitude and goal to shop on the internet and consumer's perceptions regarding ease of use and usefulness. Conclusions derived from the analysis can be used as useful guide for market orientation. The outcomes of the study suggest that assessment of consumer's shopping behaviour can contribute to a better understanding of consumer shopping behaviour in respect of online shopping.*

**Keywords:** Online Shopping, Shopping behaviour, Consumer, Consumer attitude etc.

### **Introduction**

Online shopping is a form of electronics commerce which allows consumers to directly purchase products or services from seller over the internet using web browser . Online shopping provides all type of goods to be available in the virtual world. It is just like a shop in the neighborhood, selling all type of goods but with some prominent differences. Here one can access these shops any time without stepping out of their home /office. It can be accessed any time when you are on the move, relaxing in your home or having a time out at your office. Here all the products are displayed with the price and detailed mention of the features. Potential customers can have a look at them, analyze what other similar online shopping outlets are offering and can get the best deal out of it.

Nowadays, the concept "DIC" i.e. double income couples are becoming all the more prominent in India. With the long working hours and increased distances to travel, they are not having enough time to devote it to shopping as people don't feel like going out for buying day to day things after a very hectic day at office. They want to reserve it for other works like socializing, entertainment etc. Now the companies are coming up with the ways so that this section of society can be tapped to the maximum and only way to attract them is just a click away and that too at any time 24X7. Moreover, this is located in the virtual world and can be accessed any time when you are watching your favourite TV show or having a coffee break at office. This is the online shopping concept.

**Specific features of Online shopping:-**

1. It is based on the concept of flexi time.
2. It can be accessed from anywhere.
3. One can evaluate many online shopping stores at a time.
4. Comparison can be made in real time.
5. There is provision of replacement of product if it is not as per the aspiration of the customer.
6. Casual shopping.

**The following table gives a glimpse of the top 9 leading online shopping sites of 2015 based on traffic table 1:**

Ranking	Founded	Websites	Service Offered
1	2002	Irctc.co.in	Online railway tickets , hotel booking flights booking , holiday booking etc. . <a href="#">IRCTC website</a> comprises 45% of all visitors to travel websites in India and 19% of total Internet audience.
2	2007	Flipkart www.flipkart.com	It is the biggest online megastore in India which offers wide range of products like electronics, mobiles, books, clothing, kitchenware and more. It also introduced in-a-day guarantee with an additional charge of Rs. 90/-
3	2010	Snapdeal www.snapdeal.com	It is an online marketing and shopping company which is one of the cheapest online Mobile store. It sells products like Electronics, Footwear, Clothing, Automotives, Books, Furniture etc.
4	2012	Jobong www.jobong.com	It has been a front runner among online shopping websites in India. Unlike other shopping sites, Jobong doesn't offer electronic products, instead the site specializes in Apparel, shoes, accessories, beauty and home accessories.
5	1995	Ebay www.ebay.in	ebay.in is a part of ebay.com. It hosts a wide range of products like electronics, mobiles, apparels, collectibles, sports equipments etc
6	1994	Amazon www.amazon .in	The international Giant e-commerce retailer recently stepped into India with an Indian version site www.amazon.in. The store hosts wide range of products like electronics, mobiles, laptops, books, fashion jewelry, kitchenware and more. In-a-day guarantee is available at amazon at an extra charge of Rs. 99/-
7	2007	Myntra www.myntra.com	Myntra offers top fashion and lifestyle brands in India. Myntra sells fashion and lifestyle products like clothing, footwear, bags and more.
8	2011	Shopclues www.shopclues.com	It offers products like mobile phones, laptops, tablets, electronics, homdecor, footwear, apparel, fashion accessories, books & music etc
9	1997	Tradus www.tradus.com	Tradus offers products like mobiles, consumer electronics, appliances, bags, footwear, Home décor and more

Source : thetechgear.com

**III. Objective of the Study**

The primary objective of the study is to analyze the features related to the shopping behaviour of online shoppers and to provide useful information to marketing professionals to develop a better marketing strategy to boost online shopping in retail market.

**IV. Research Methodology**

The research is based upon primary and secondary data both. The primary data was collected through a questionnaire designed exclusively for the study. The questionnaire was designed to collect information about demographic profile of the respondents such as age, gender, education and family monthly income. In addition to this various questions related to the knowledge and experience about online shopping, reason for choosing online shopping, type of products purchased online, factors affecting consumer's behaviour while online shopping etc.

Secondary data was taken from research papers, Journals, magazines and websites.

**V. Sample Size**

Samples were collected from consumers and buyers of online shopping of Mumbai region.A target of 200

respondents was set, but many of them provided incomplete questionnaire and having no experience of using internet and online shopping therefore only 150 questionnaires were entertained for final analysis and data interpretation.

**VI. Tools for analysis:**

For data analysis , percentage analysis, simple charting and tabulation tools are used to understand the behaviour of the respondents for online shopping.


**VII. Data analysis and Interpretation:**

The following table shows the demographic profile of the respondents.

Basic Factors	Categorization	No. of Respondents (f)	% in total sample
Gender	Male	90	60
	Femal	60	40
	<b>Total</b>	<b>150</b>	<b>100</b>
<b>Total</b>			
Age	18-30 Years	84	56
	31-40 years	37	25
	41-50 years	15	10
	Above 50 years	14	09
	<b>Total</b>	<b>150</b>	<b>100</b>
<b>Total</b>			
Education	High School / Diploma	22	15
	Bachelors Degree	35	23
	Master Degree	85	57
	Others	08	05
	<b>Total</b>	<b>150</b>	<b>100</b>
<b>Total</b>			
Monthly family income (in Rs.)	<20,000.00	15	10
	20,001.00-30,000.00	44	29
	30,001.00-40,000.00	60	40
	bove 40,000.00	31	21
	<b>Total</b>	<b>150</b>	<b>100</b>

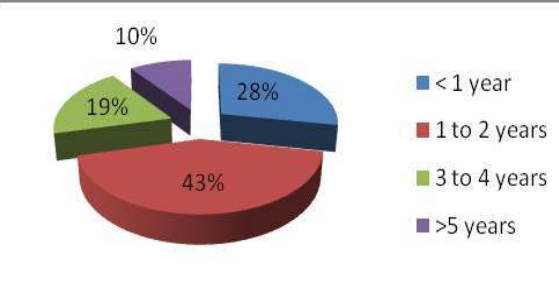
The following tables shows that Consumer attitude towards online shopping and results obtained through Data analysis (Tabular and graphical representation)

Particulars	No. of respondents (f)	% of respondents
Yes	150	100
No	00	00
Total	150	100

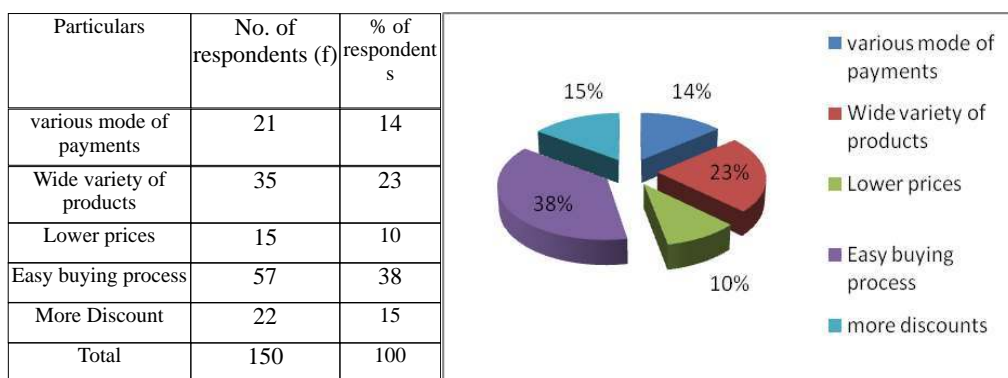


**Table 4: Experience of online shopping**

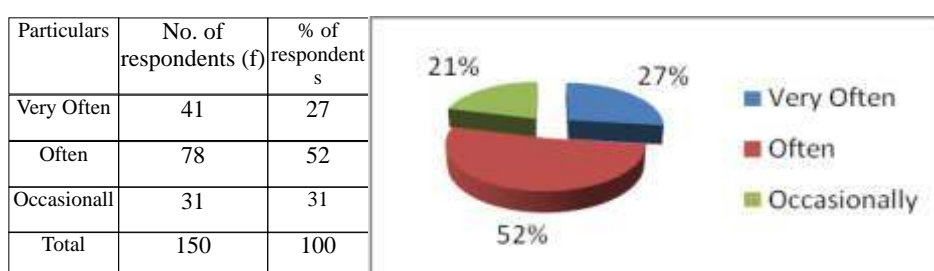
Particulars	No. of respondents (f)	% of respondents
< 1 year	42	28
1 to 2 years	64	43
3 to 4 years	29	19
>5 years	15	10
Total	150	100



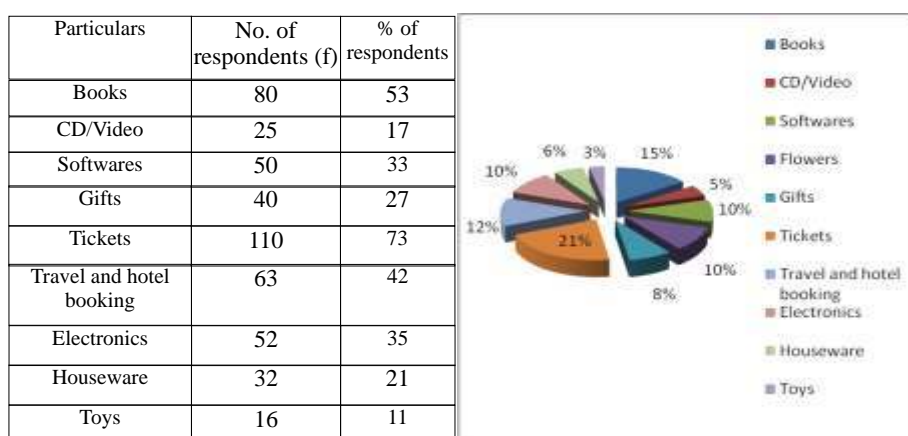
**Table 5: Reasons for choosing online shopping**



**Table: 6 Frequency of Online purchasing**

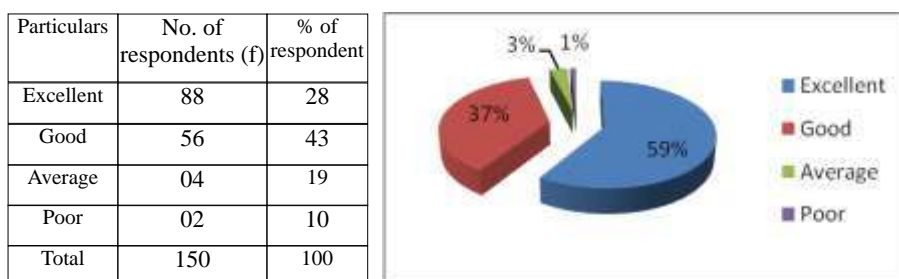


**Table 7: Products purchased in online shopping**

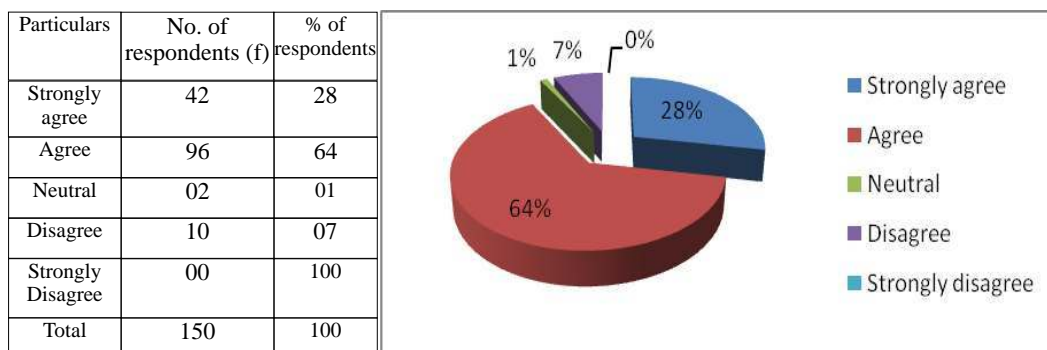


Many respondents purchased more than one product. This result shows that majority of the respondents book tickets online (73%) followed by buying books online (53%). The least wished item for buying online was toys (11%). Thus, this result can help marketing professionals to formulate marketing strategies accordingly.

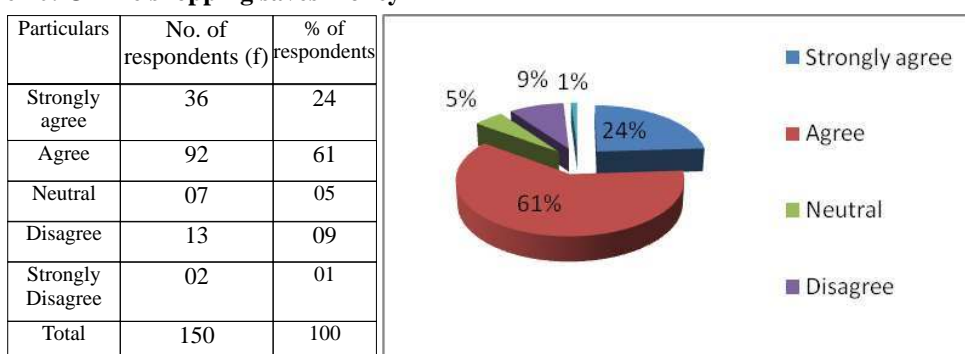
**Table 8: Kind of availability of online information about product & services**



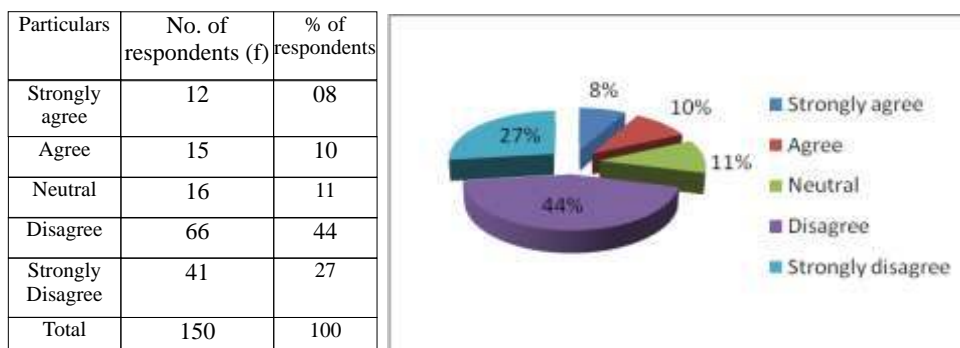
**Table 9: Online shopping saves time**



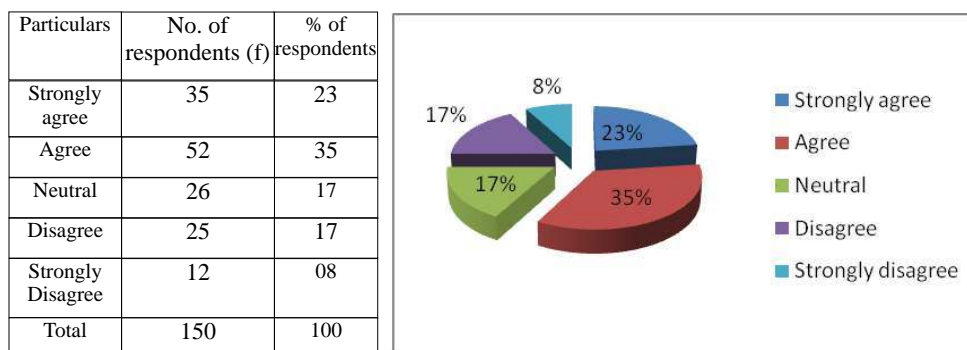
**Table 10: Online shopping saves money**



**Table 11: Online shopping is risky**



**Table 12: It is easy to choose and make comparison with other products while shopping online**



**Table 13: Get on-time delivery by shopping online**

Particulars	No. of respondents (f)	% of respondents
Strongly agree	25	17
Agree	77	51
Neutral	27	18
Disagree	11	07
Strongly Disagree	10	07
Total	150	100

**Table 14: The website design helps in searching the product easily**

Particulars	No. of respondents (f)	% of respondents
Strongly agree	46	31
Agree	71	47
Neutral	24	16
Disagree	08	05
Strongly Disagree	01	01
Total	150	100

**Table 15: Recommendations to non online buyers for online shopping**

Particulars	No. of respondents (f)	% of respondents
Recommended	128	85
Not	22	15
Total	150	100

**I. Findings:**

**The findings that we gained in this study are as follows:**

1. Starting from demography, the results of correlation results of age indicated that there is a quite strong correlation between age and attitude towards online shopping, i.e. elderly people are not so keen to shop online. This will help online retailers to make strategies according to different age brackets.
2. Correlation is also done on education to see the trend of online shoppers with different education levels, the result showed that which is very high positive correlation between education and attitudes towards online shopping and would indicate that higher education makes online shopping more attractive.
3. Ratio of male consumers is very high in online shopping (60%)
4. Max. people have an experience of 1-2 years of online shopping (43%)
5. Mostly people felt that online shopping has easy buying procedures (38%)
6. Majority of the respondents preferred in online ticket booking (73%)
7. 79% people have been frequently using online stores for shopping.
8. Majority of the respondents agreed that online shopping saves time (92%)
9. 85% respondents agreed that online shopping saves money.
10. Most of the respondents feel that there is no risk in online shopping (71%)
11. 58% respondents agreed that while online shopping, it is easy to choose and compare with other products.
12. 68% % respondents agreed that they get delivery on time in online shopping.

13. 78% respondents agreed that website design helps in searching the product easily.
14. Maximum number of respondent suggest non online buyers to become online buyers (85%)

## **II. Limitations:-**

1. The study is limited to Mumbai city only.
2. The sample size does not give clear representation of the total universe.
3. Sample size is very small.

## **III. Suggestions:**

### **1. More awareness towards online shopping:**

We find through this study that the demo-graphical issues like age, education and income were agreed for online shopping but the rate is higher when the respondents are young, when the education is higher the respondents agreed for the same and the higher income group respondents strongly agree for the same. It means an awareness program for online shopping is very much necessary. The retail online shoppers should be planned for awareness towards online shopping through different ways.

### **2. Varied payment options:**

In order to attract more and more customers, online shoppers have to increase the payment options as there are only small section of people in India who have credit cards so this also hampers some who are willing to shop online. More options like Cash-on-delivery, money transfer, cheques or demand drafts, end-to-end payment should be made available to the customer who can adopt the best suited method.

### **3. Awareness regarding security measures**

Security issues still continue to be a major drawback and trends like AVS (Address Verification System), PIN for credit cards, smart cards, digital signatures, e-cards, and easier infra-and inter-bank transactions online need to be made more prominent. Teaching consumers to transact only on secure internet connections is also necessary.

### **4. Highlight the benefit of shopping at home**

Potential customers should be convinced of the benefits of shopping from home without having the pain of going out in the crowded placed.

### **5. Make the prices more competitive**

The price offered for online shopping should be made more competitive as compared to the prices of the goods available in the local shops then only the customers will feel motivated to buy online.

### **6. Stress on the special offers**

Customers should be made aware about the varied sales promotion schemes, which will make this online buying more attractive and popular among the buyers.

### **7. Emphasis on after sale service**

As the biggest hindrance in the path of online shopping becoming more popular is the question "who is to blame" If the product is not functioning well? Therefore, there should be more stress on the quality of products and the durability of the products, which are offered for sales and along with that assurance for after sales service.

## **IV. Conclusion:**

The current study is descriptive in nature and it has made an attempt to understand the behaviour of Indian consumers towards online shopping. This research shows that online shopping is having very bright future in India. Perception towards online shopping is getting better in India. The generalized results obtained through data analysis have given close indication of increasing significance of online stores in the life of Indian people and their online shopping behaviour. The e-stores are frequently visited by the shoppers. The ease and convenience provided by these stores for 24X7 has made very easy shopping for consumers. With the use of internet consumer can shop anywhere, anything and anytime with easy and safe payment option. Consumers can do comparison shopping between products as well as online stores by saving time and money.

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