



A STUDY ON CUSTOMER PREFERENCE TOWARDS ONLINE SHOPPING WITH SPECIAL REFERENCE TO THOOTHUKUDI DISTRICT

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ABSTRACT

The introduction and implementation of internet technologies has created new market for manufactures and services providers and also has provided new area for innovative marketing strategies by the professionals. There are various reasons of shifting the customers buying patterns towards online retail shops. With this emerging field of shopping the interest of marketers is also increasing in studying what actually motivates customers to shop online. Fierce competitions among online sellers have forced them to gain the competitive edge in the field of virtual shopping. Convenience sampling technique was used in this research. The population being large and the project time being limited, it was decided to choose this particular method. In convenience sampling, the sample is selected according to the convenience of the investigator. The collected data were analyzed with reference to each of the specific objectives of the study and the following statistic tools were used in the study. In this paper I have used simple percentage analysis and Chi-square Test and T test. From the research it can be set that in today's fast moving world people don't have time travel to buy goods and other factors like distance, traffic makes it even more difficult for a person to manually go to shops and buy goods and hence people have started using online shopping for purchasing. Government has to improve security laws related to online websites so that the online customers feel secured in case of debit card, credit card or online payments.

Keywords – Shopping, Consumer, Firm.

I. 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. An online shop evokes the physical analogy of buying products or services at a bricks and mortar retailer or shopping center; the process is called business – to- consumer (B2C) online shopping. In the case where a business buys from another business, the process is called business-to-business (B2B) online shopping. This is evident because of the increase in retails now offering online store interfaces for consumers. With the growth of new market footprint coverage opportunities for stores that can appropriately cater to offshore market demands and service requirements.

The introduction and implementation of internet technologies has created new market for manufactures and services providers and also has provided new area for innovative marketing strategies by the professionals. There are various reasons of shifting the customers buying patterns towards online retail shops. The facility of comparing your product with competitive products on the basis of price, colour, size and quality is one of the biggest benefits of online shopping. Moreover the product remains at its place even you purchase it. It likes hilarious but this is also one of the most significant reasons reported by the online shoppers. The other popular names for online shopping are virtual store, e-shop, web-shop, internet shop, web-store and online storefront etc. these days Mobile commerce or m-commerce is also one of the popular means of shopping. The facilities of various coupon and discount scheme are also fascinating the customers in online shopping. In our time, internet is acknowledged as noteworthy valuable communication channel taxing with the traditional ones, such as walkie-talkie, magazines, and small screen. From the past few years, on-line shopping is the prevalent way doing dealings in the field of E-Business and is unquestionably going to be the future of shopping in the human race. The increasing consumer base, principally of youths, is playing a significant role In the online shopping. Through this means, the shopper can buy the product from wherever he wants. Because of wide communication network e-commerce has become the new mediator between the companies/manufactures and their customers. The growth rate of India's e-commerce industry is fascinating. If one tries to identify the cause of this growth rate then it will not take many efforts to find the answer. The more innovative ways of online payment and increasing internet penetration has given a paradigm shift and push to this industry. The increase of internet technology in India has colossal potential. It will trim down the cost of product and service delivery and lengthen geographical boundaries in bringing buyers and sellers together. The boost in use of internet by the customers in younger age bracket in India has provided a promising outlook for online retailers. The majority of the companies are operating their on-line portals to put up for sale (of both products & services), to shrink marketing costs, and subsequently plummeting the prices of their products and services to continue their position in the future market. Hence , the Topic entitled 'A study on Customer Preference towards Online Shopping with Speacial reference to Thoothukudi District.

II. STATEMENT OF THE PROBLEM

An increasing number and variety of firms and organizations are exploiting and creating business opportunities on the internet statistics indicate the rapid growth in the field of virtual shopping. With this emerging field of shopping the interest of marketers is also increasing in studying what actually motivates consumers to shop online. Fierce competitions among online sellers have forced them to gain the competitive edge in the field of virtual shopping. As online shopping is a new medium so the consumer behaviour in the field of online shopping in order to gain competitive edge in the market, marketers need to know the consumer behaviour in the field of online shopping. So it is important to analyze and identify the factors which influence consumers to shop online in order to capture the demands of consumers. Other than the factors which influence consumers to shop online, online Shoppers's demography interms of Age, gender, income and education is equally important to define their strategies accordingly.

III. OBJECTIVES OF THE STUDY

The main Objective of the study are ,

- i) To know the personal profile of the Respondents .
- ii) To find out the Motivational Factors of Online shopping.
- iii) To Analyse the Occasions Of Online Shopping.
- iv) To Examine the Problems faced by the Respondents.

v) Relationship between the personal profile of the respondents and their level of preference towards online shopping.

IV. METHODOLOGY AND TOOLS

The study is based on both primary and secondary data. The primary data are collected from the respondents with the help of Questionnaire. The secondary data are collected from books, journals and websites. 120 students were selected by convenience sampling method. Statistical tools like Spearman's Rank Correlation and 't' test and Chi-square are used to analyze the data.

V. ANALYSIS AND INTERPRETATION OF DATA

The data collected with the help of questionnaire are analysed in Five parts. They are

A. Personal profile of the respondents

B. Motivational Factors of Online shopping.

C. Problems faced by the Respondents.

D. Perception towards the Factors of online Shopping

E. Relationship between the personal profile of the respondents and their level of preference towards online shopping.

A) PERSONAL PROFILE OF THE RESPONDENTS

The major findings of the study are ,

- 58 percent of the students were female.
- 61 percent of the students belonged to the age group of above 35 years.
- 55 percent of the students were unmarried.
- 48 percent of the students were covered UG qualification.

B. MOTIVATIONAL FACTORS

The motivating factors to prefer online shopping by the respondents were Summarized and Presented in Table- 1.

TABLE-1
MOTIVATING FACTORS

S.No	Motivational Factors	No. of Respondents	Percentage
1.	Frequent advertisement	44	37
2.	Pamphlets	22	18
3.	Recommendations from peers	22	18
4.	Any other	32	27
	Total	120	100

Source: Primary data

It was noted from Table -1 that out of 120 respondents, 37 percent of the respondents were motivated by the frequent advertisement, 27 percent of the respondents were motivated by others, 18 percent of the respondents were motivated by pamphlets, 18 percent of the respondents were motivated by the recommendations from peers.

C. AGE AND PROBLEMS FACED BY THE RESPONDENTS

There are different problems faced by the consumers while doing purchase in online shopping. The relationship between the problems faced by the sample respondents and their age are found out with the help of Spearman's Rank Correlation It summarized and presented in Table -2

TABLE – 2
AGE AND PROBLEMS FACED BY THE RESPONDENTS

S.No.	Problems Faced	Age	
		Upto 50	Above 50
1.	No safety payment	5	9
2.	Low trust level	2	5
3.	Value added tax	6	7
4.	High shopping cost	8	6
5.	Refund policy	9	8
6.	Warranty and claims	7	4
7.	Delayed delivery	3	1
8.	Inferior quality	1	3
9.	Lack of feel and touch	4	2

Table -2 shows that there is correlation between the ranks given by the respondents to the age of upto 50 and above 50 on the factors with consumer attitude towards online shopping. Because the Spearman's rank correlation co-efficient 0.0002 lies between -1 to +1 hence, the two group respondent's opinion is the same.

D. PERCEPTION TOWARDS THE FACTORS OF ONLINE SHOPPING

In order to find out the perception of sample respondents towards the factors of online shopping, 'T' test is applied. Mean, standard deviation, co-efficient of variation and 't' value are calculated. The result are presented in Table -3

TABLE-3
PERCEPTION TOWARDS THE FACTORS OF ONLINE SHOPPING

S.No.	Factors	Mean Score	SD	CV	't' value	Rank
1.	The website provides an in-depth information about products	3.78	1.07	8.02	1.10	2
2.	It is quick and easy to complete a transaction through online shopping	4.1	0.80	4.64	2.63	1

3.	Online shopping has good collection.	3.6	1.03	7.58	0.88	5
4.	Online shopping takes less time during transaction	3.55	1.16	9.49	0.66	8
5.	Online shopping has competitive prices and sometimes offers discounts	3.65	1.17	9.6	0.77	6
6.	A variety of products are offered with good discount	3.55	1.22	10.67	0.55	9
7.	I feel comfortable while suffering the internet for online shopping	3.67	1.14	9.15	0.77	7
8.	The products delivered was reprinted accurately by the web	3.25	1.01	7.25	0.33	16
9.	One gets whatever he / she orders through online shopping	3.35	1.11	8.65	0.44	12
10.	The product is delivered on time as promoted by the company	3.6	1.00	7.16	0.88	4
11.	The company is willing and ready to responds to customer needs	3.35	1.26	11.24	0.33	14
12.	When you have a problem the website shows a sincere interest in solving it	3.42	1.27	11.39	0.44	11
13.	Online shopping is insecure	3.48	1.12	8.83	0.55	10
14.	I feel my credit card information is not secure	3.27	1.34	12.18	0.22	18
15.	Online shopping maintains privacy	3.22	1.25	11.01	0.22	17
16.	Inquiries are answered promptly during online transactions	3.75	1.08	8.19	0.99	3
17.	The website always offers good discounts	3.38	1.19	9.93	0.44	13
18.	The website understands my needs properly.	3.33	1.39	13.64	0.33	15

Source: Primary data

With regard to the perception of customers towards the factors of online shopping, the mean scores of all the statement are above the neutral point (3). This is proved by 't' test at 5% level of significance. Hence the customers of online shopping perceived that they are accepted towards online shopping provides are satisfied with all the features of online shopping.

To findout the most perceived statement with regard to the perception of customers' towards the features of the least score of co-efficient of variation must be considered.

The least score of calculated value is allotted to "It is quick and easy to complete a transaction through online shopping(2.63)". Hence, it was concluded by majority of the

sample respondents perceived that through online shopping, consumers are able to complete their transaction quickly and easily.

E. CONSOLIDATED RESULTS OF CHI-SQUARE TEST

The null hypothesis framed is “There exists no significant relationship between personal variable of the respondents namely gender, age, educational qualification, Occupation, monthly income and their level of perception towards online shopping. The consolidated results of Chi-Square test are given in Table – 4

TABLE – 4
CONSOLIDATED RESULTS OF CHI-SQUARE TEST

S.No.	Factors	D.f	Level of significance	Calculated Value	Table value	Association
1.	Gender	r-1	5%	0.02	5.99	NS
		c-2				
2.	Age	r-1	5%	0.02	5.99	NS
		c-2				
3.	Educational Qualification	r-1	5%	0.005	5.99	NS
		c-2				
4.	Occupational level	r-1	5%	0.005	5.99	NS
		c-2				
5.	Income of family	r-1	5%	0.036	5.99	NS
		c-2				

It was clear from Table -4 it is evident that the various personal profile like age, gender, educational qualification, occupational level, income of the family have no significant association with the level of satisfaction towards online shopping.

VI. SUGGESTIONS

On the basis of the findings, the following suggestions are made.

- Online companies must focus on providing extra facilities like goods exchange policy to online shoppers so that shoppers will have easy to purchase products over online
- They should try to reduce the cost and introduce many cheap plans to make it affordable to those who cannot afford it which will in turn help them to increase their customers.
- They can provide more information about the product and service availability which will improve the knowledge on the customers and help them shop easily.
- As the distribution and logistics in India is not very well organized and prone to fraud hence buying of high value items involves huge risk and it is necessary for the companies to find a better and safe way of delivery these kinds of goods.
- Convenience of shopping can be developed by bringing in user friendly methods of making purchase online easier.
- Formalities & forms to be filled during payment can be minimized, by recording the personal details of the customers. So that when a customer gives his name or mailed for shopping his personal information will appear by default.
- Transactions should be safe and proper security should be assures to the people making online purchase. they must focus on providing better security to the online purchase as there are lost of malpractices going on.

- E- marketers must give a thought to secure, time saving, information about product and services factors when they design their online product strategy.

VII.CONCLUSION

The study reveals that most of the customers are satisfied by online shopping, but the only hinder is that they are not fully secured. The customers also feel that it is very easy to purchase goods online rather than to moves shop to shop. From the research it can be set that in today's fast moving world people don't have time travel to buy goods and other factors like distance, traffic make it even more difficult for a person to manually go to shops and buy goods and hence people have started using online shopping for purchasing, Government has to improve security laws related to online websites so that the online customers feel secured in case of debit card,credit card or online payments.

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