

Consumers' Buying Behavior Towards Online Shopping – An Empirical Study In Bangalore City

S. Saranya,

Ph.D Research Scholar, Department of Commerce, Vellalar College for Women, Erode, Tamilnadu – India

&

Dr.S.Poongodi,

Associate Professor in Commerce, Department of Commerce, Vellalar College for Women, Erode, Tamilnadu – India.

ABSTRACT

The growing use of the Internet in India has created tremendous prospects for marketers of today and tomorrow. Electronic commerce has become one of the essential characteristics in the Internet era. Due to advancement of technology, businesses have come up with a new method called online shopping which would allow potential customers to order their merchandise online without having to travel long distances. With the rapid rise of the Internet, the number of consumers shopping online for consumer goods and services has grown dramatically. Online shopping has become a happening type of retail shopping. Thus, it is significant to know the consumers' buying behavior towards online shopping to gain benefits and to avoid risks. Hence the researchers' have chosen this topic to highlight the importance of online shopping in the present as well as in the future.

Keywords: Internet, Electronic commerce, online shopping, buying behavior.

INTRODUCTION

World has become a global village because of the modern methods of business formats and economic policies and structure. The geographical justification for traditional shopping has been replaced by online shopping by the growing needs of consumers, cost-effective, measurable and reliable ways of managing consumers. Innovative marketing concepts have come into existence as a consequence of dire competition in the market, thus the evolution of online shopping. Online shopping is an emerging, innovative and interesting area in marketing. 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 or mobile application. The number of consumers who purchase online is growing sharply. Online shopping provides a wider range of products and services to online consumers than the traditional bricks-and-mortar retail stores. A lot of shoppers are using the internet now-a-days as the internet provides a lot of advantages to shoppers. Certain products are substantially cheaper and allow consumers to purchase the product from anywhere and anytime in the world. In today's scenario, online shopping is one of the most interesting topics especially for researchers in the marketing field. Hence, the researchers' aim to bring out the buying behavior of consumers towards online shopping.

STATEMENT OF THE PROBLEM

Online marketing is a modern way of marketing a product or service to the targeted market around the world via internet. Understanding the customers' wants and needs; living up to promises gives the customer a reason to come back and meeting their expectations gives them a reason to stay. Today's customers are so comfort seeking and demands everything in their place itself. Online shopping best fit the present customers' requirement and hence the researcher's have chosen this area to study the consumers' buying behavior towards online shopping.

OBJECTIVES OF THE STUDY

- To study the consumers' preference and usage of online shopping.
- To ascertain the reasons for preferring online shopping by the respondents.

- To determine the websites used normally by the respondents for shopping online.
- To identify the factors influencing the respondents' decision making in the final selection of the product.
- To find out the preferred payment method by the respondents while shopping online.

REVIEW OF PREVIOUS STUDIES

Wang (2003) investigated how consumers make purchase decisions online by integrating and examining two streams of content class, customer testimonials and news clips. The laboratory experiment tested several hypotheses on the determinants of a consumer's purchase intention. The findings of the study suggested that consumers evaluated a web store by focusing on trust and believability of the content class to draw conclusion of their attitude toward shopping at the web store. Then the attitude influenced their purchase intentions. With the ongoing trend of integrated marketing communications (IMC) in advertising and public relations education, the result is encouraging as if both customer testimonials and news clips increase a consumer's purchase intention.

Demangeot and Broderick (2007) adopted a holistic approach to consider how consumers perceive online shopping environments. The conceptual model proposes that consumers perceive these environments in terms of their sense- making and exploratory potential and it considers the influence of these on user involvement with the web site, shopping value and intention to revisit. Structural equation modeling was used to validate the measures developed and test the hypothesized model. Sense- making and exploratory potential are distinct constructs; exploratory potential mediates the relationship between sense- making potential and involvement. Furthermore, involvement is essential in producing shopping value and intention to revisit. The study highlights the importance of the exploratory potential of web sites since sense- making is necessary but not sufficient to involve customers with the content of a site. It reveals that, in spite of sensory limitations and consumers' possibly more instrumental orientation in online contexts, they are still very sensitive to the shopping experience for its own sake. This study suggests that the distinction between sense- making and exploratory potential is a pertinent and parsimonious organizing framework to understand holistically how online shopping environments are perceived and impact on consumers when they shop online.

Laohopensang (2009) aims to address the factors influencing internet shopping by Thai consumers in order to answer the question of how well TPB explains online shopping intentions in Thailand. Then, comparisons are made between theoretical predictions and the current situation of the use of online services by consumers in Thailand. The empirical analysis suggests that the difficulty of shopping online is seen as the factor most influencing customers' intention to shop online. The results of a survey of 400 consumers in Thailand showed that the factors of opinions of people around consumers and the environment of online shopping can affect their intention to shop online and its realization.

Hernandez et al. (2011) analyzed whether individuals' socioeconomic characteristics – age, gender and income – influence their online shopping behavior. The individuals analyzed are experienced e- shoppers i.e. individuals who often make purchases on the internet. The technology acceptance model was broadened to include previous use of the internet and perceived self- efficacy. The perceptions and behavior of e- shoppers are based on their own experiences. The information obtained has been tested using causal and multi- sample analyses. The results show that socioeconomic variables moderate neither the influence of previous use of the internet nor the perceptions of e- commerce; in short, they do not condition the behavior of the experienced e- shopper. The results obtained help to determine that once individuals attain the status of experienced e- shoppers their behavior is similar, independently of their socioeconomic characteristics. The internet has become a marketplace suitable for all ages and incomes and both genders, and thus the prejudices linked to the advisability of selling certain products should be revised.

Nazir et al. (2012) states that the purpose of this study is to review the factors felt reservation of consumers in online shopping. The main objective of the research is to study, especially what are factors affecting the consumers directly for online shopping. The results of the analysis has shown that most of the people already shopping online and prefer to make their purchases online, but there are

some factors such as psychological factors, social factors emotional factors and the privacy factors which affect the buyer attitudes of online purchases. The protection of privacy and security are major problems that affect the behavior of the population to buy online. Various attitudes of consumers toward online shopping are not in rest in the study which reveals that the purchase online is easy, comfortable and better than conventional shopping due to various factors. Price, the trust, the convenience and the recommendations have been identified as important factors. Price was considered to be the most fascinating and affecting factor for the majority of students and the general public. Most of the consumers hesitate not to do shopping online, because of the insecure payment and transactions systems.

Bhavan and Kalaiselvi (2013) states that Internet and Web technologies have fundamentally changed the way businesses interacted, transacted and communicated with consumers. It has become a dynamic virtual medium for selling and buying of information, products or services, because of the growth and development of retail brands has experienced considerable change over the last few decades. A few years back, when online shopping was in its nascent stage, there were very limited sales as well as purchases on the online shopping arena. But with the passage of time, this scenario has improved tremendously as people have started gaining confidence about purchasing products online and it has become an integral part of modern life across the world. Due to large number of online shoppers in India, the present study helps to identify the attitude and behavior of consumers towards online shopping.

Chandra and Sinha (2013) shows that the main objective of the study is to analyze factors affecting on online shopping behavior of consumers that might be one of the most important issues of e-commerce and marketing field. However, there is very limited knowledge about online consumer behavior because it is a complicated socio-technical phenomenon and involves too many factors. Finally regression analysis was used on data in order to test hypotheses of study.

METHODOLOGY

The following methodologies are used in the study:

Area of Study

The study on consumers' buying behavior towards online shopping has been limited to the consumers located in Bangalore city.

Sampling Technique

The researcher has adopted a convenient sampling method for this study. The sample size of the study is 200.

Sources of Data

The study was mainly based on primary data. A structured questionnaire was used for data collection. Considerable data has also been tapped from secondary sources, such as books, magazines, research articles published in various journal, websites, etc.

LIMITATIONS OF THE STUDY

The study has been restricted to 200 respondents only. The coverage of this study is limited to Bangalore city only and may not apply the findings and suggestions to other areas.

DATA ANALYSIS AND INTERPRETATION

The results are discussed under:

**TABLE 1
CONSUMERS' PREFERENCE AND USAGE OF ONLINE SHOPPING**

S.No.	Variables	Classification	No. of Respondents	Percentage
1	Usage Hours of Internet per day	1-2 hours a day	38	19.0
		3-5 hours a day	61	30.5
		More than 5 hours a day	66	33.0
			35	17.5

		Less than once a day		
		Total	200	100.0
2	Period of usage	Less than 1 year	78	39.0
		1-4 years	98	49.0
		Above 4 years	24	12.0
		Total	200	100.0
3	Frequency of purchase	Weekly once	27	13.5
		Twice in a month	83	41.5
		Whenever desired	48	24.0
		Occasionally	42	21.0
		Total	200	100.0
4	Most Preferred Product to purchase from online	Clothing	75	37.5
		Tickets	52	26.0
		Accessories	33	16.5
		Others	40	20.0
		Total	200	100.0
5	Most Important factor for product selection	Product Ratings	51	25.5
		Product Reviews	61	30.5
		Discuss with friends/relatives	57	28.5
		Price comparison	31	15.5
		Total	200	100.0
6	Post-purchase behavior	Discuss with Friends/Family	65	32.5
		Write a review about product	54	27.0
		Contact seller for further guidance	47	23.5
		Others	34	17.0
		Total	200	100.0

Source: Primary Data

Table 1 reveals that the respondents' buying behavior of online shopping in Bangalore city. It is clearly understood from the table 1 that under the usage hours of internet per day, 33 percentage of the respondents have been using an internet for more than 5 hours a day, 30.5 percentage of the respondents have been using an internet for 3-5 hours a day, 19 percentage of the respondents have been using an internet for 1-2 hours a day and only the remaining 17.5 percentage of the respondents have been using an internet for less than once a day. Under the period of usage of online shopping, 49 percentage of them have been using an online shopping for the period of 1-4 years, 39 percentage of them have been using an online shopping for the period of less than 1 year and 12 percentage of them have been using an online shopping for the period of above 4 years. Under the frequency of purchase from online, 41.5 percentage of the respondents make the online purchase twice in a month, 24 percentage of the respondents make the online purchase whenever desired, 21 percentage of the respondents make the online purchase occasionally and 13.5 percentage of the respondents make the online purchase weekly once.

Under the most preferred product to purchase online, 37.5 percentage of the respondents prefer clothing to be purchased from online, 26 percentage of the respondents prefer tickets to be purchased from online, 20 percentage of the respondents prefer other items like home décor items, groceries, books & magazines, etc. to be purchased from online and 16.5 percentage of the respondents prefer accessories to be purchased from online. Under the most important factor for product selection, 30.5

percentage of the respondents read the review of the product before selecting the product from online websites, 28.5 percentage of the respondents discuss with their friends and relatives before selecting the product from online websites, 25.5 percentage of the respondents look at the product ratings before selecting the product from online websites and 15.5 percentage of the respondents compare the product prices with similar online sellers before selecting the product from online websites. Under the post-purchase behavior, 32.5 percentage of the respondents discuss with their friends/family about the purchased product, 27 percentage of the respondents do write a review about the product, 23.5 percentage of the respondents do contact the seller for further guidance, if needed and the rest of 17 percentage of the respondents do other things like recommending the purchased product to others, registering complaint about defective product, etc.

TABLE 2
REASONS FOR PREFERRING ONLINE SHOPPING – GARRETT SCORES AND RANK

S.No.	Reasons	Total Score	Average	Rank
1	Convenience	11313	56.57	I
2	Wider range of products & services	10750	53.75	VI
3	Special Offers/Coupons	10825	54.13	IV
4	Fun & Enjoyment of Shopping	10838	54.19	III
5	Time Saving	11105	55.53	II
6	Ability to do comparison shopping easily	10605	53.02	VIII
7	Ability to shop anytime (24/7)	10794	53.97	V
8	Availability at better prices	10638	53.19	VII

Source: Compiled from Primary Data

Table 2 reveals that ‘Convenience’ was ranked as a first reason with a score of 56.57 Garrett points. ‘Time Saving’ was ranked as a second reason with a score of 55.53 Garrett points. ‘Fun & Enjoyment of Shopping’ was ranked as a third reason with a score of 54.19 Garrett points. ‘Special Offers/Coupons’ was ranked as a fourth reason with a score of 54.13 Garrett points. ‘Ability to shop anytime (24/7)’ was ranked as a fifth reason with a score of 53.97 Garrett points. ‘Wider range of products & services’ was ranked as a sixth reason with a score of 53.75 Garrett points. ‘Availability at better prices’ was ranked as a seventh reason with a score of 53.19 Garrett points. ‘Ability to do comparison shopping easily’ was ranked as an eighth reason with a score of 53.02 Garrett points.

TABLE 3
WEBSITES USED NORMALLY FOR SHOPPING ONLINE – GARRETT SCORES AND RANK

S.No.	Websites	Total Score	Average	Rank
1	Jabong.com	10653	53.27	VII
2	Myntra.com	10752	55.53	II
3	Snapdeal.com	10750	53.75	VI
4	ebay.com	10638	53.19	VIII
5	Irctc.co.in	11105	53.76	V
6	redBus.in	10825	54.13	III
7	Flipkart.com	11313	56.57	I
8	Others	10794	53.97	IV

Source: Compiled from Primary Data

Table 3 states that ‘Flipkart.com’ was ranked as a first website normally used by the respondents for online shopping with a score of 56.57 Garrett points. ‘Myntra.com’ was ranked as a second website normally used by the respondents for online shopping with a score of 55.53 Garrett points. ‘redBus.in’ was ranked as a third website normally used by the respondents for online shopping with a score of 54.13 Garrett points. ‘Others like FabFurnish.com, Amazon.com, Naaptol.com, etc.’ was ranked as a fourth website normally used by the respondents for online

shopping with a score of 53.97 Garrett points. 'Irctc.co.in' was ranked as a fifth website normally used by the respondents for online shopping with a score of 53.76 Garrett points. 'Snapdeal.com' was ranked as a sixth website normally used by the respondents for online shopping with a score of 53.75 Garrett points. 'Jabong.com' was ranked as a seventh website normally used by the respondents for online shopping with a score of 53.27 Garrett points. 'ebay.com' was ranked as an eighth website normally used by the respondents for online shopping with a score of 53.19 Garrett points.

TABLE 4

FACTORS INFLUENCING THE RESPONDENTS' DECISION MAKING IN THE FINAL SELECTION OF THE PRODUCT- GARRETT SCORES AND RANK

S.No.	Factors	Total Score	Average	Rank
1	Not available in local stores	10031	50.16	III
2	Price comparison available	9579	47.89	IV
3	Product reviews available	10121	50.61	II
4	Additional Discounts/Offers	10299	51.49	I

Source: Compiled from Primary Data

It is understood from table 4 that 'Additional discounts/offers' was ranked as the first factor which influence the respondents' decision making in the final selection of the product with a score of 51.49 Garrett points. 'Product reviews available' was ranked as a second factor which influence the respondents' decision making in the final selection of the product with a score of 50.61 Garrett points. 'Not available in local stores' was ranked as a third factor which influence the respondents' decision making in the final selection of the product with a score of 50.16 Garrett points. 'Price comparison available' was ranked as a fourth factor which influence the respondents' decision making in the final selection of the product with a score of 47.89 Garrett points.

TABLE 5

PREFERRED METHOD OF PAYMENT WHILE SHOPPING ONLINE-GARRETT SCORES AND RANK

S.No.	Method of payment	Total Score	Average	Rank
1	Net Banking	9554	47.77	V
2	Credit card	10436	52.18	III
3	Debit card	10172	50.86	IV
4	Cash on delivery	10888	54.44	I
5	Others	10728	53.64	II

Source: Compiled from Primary Data

Table 5 shows that 'Cash on delivery' was ranked as the first preferred method of payment by the respondents while shopping online with a score of 54.44 Garrett points. 'Others like e-wallet, gift card, gift coupon, etc.' was ranked as a second preferred method of payment by the respondents while shopping online with a score of 53.64 Garrett points. 'Credit card' was ranked as a third preferred method of payment by the respondents while shopping online with a score of 52.18 Garrett points. 'Debit card' was ranked as a fourth preferred method of payment by the respondents while shopping online with a score of 50.86 Garrett points. 'Net banking' was ranked as a fifth preferred method of payment by the respondents while shopping online with a score of 47.77 Garrett points.

CONCLUSION

The emerging trend in shopping is online shopping which caters all classes of people. Nowadays, people are more willing to shop online rather than going in physical stores. The maximum percentage of the respondents prefers clothing to be purchased from online. 'Product reviews' are the most important factor considered by the respondents for product selection. The main reason for preferring online shopping is 'Convenience' whose average is 56.57 Garrett points. 'Flipkart.com' was ranked as a first website normally used by the respondents for online shopping with a score of 56.57 Garrett points. The factors influencing the respondents' decision making in the final Selection of the

product is 'Additional discounts/offers' whose average is 51.49 Garrett points. The most preferred payment method for online shopping is 'Cash on Delivery' whose average is 54.44 Garrett points. The researchers' have suggested that seasonal gifts should be given to the regular customers of the particular website during festival times to bring satisfaction to them in their online purchase and also suggested that the consumers' should be educated to use the secure mode of online payment for their online purchase.

REFERENCES:

1. Shih-Lun Alex Wang (2003), "Customer Testimonials and News Clips as contextual cues in the consumer cognitive processing of online shopping: How do they Build Trust and then Increase Purchase Intention", *Journal of Promotion Management*, Vol. 9, No. 1-2, pp: 145-162.
2. Catherine Demangeot and Amanda J. Broderick (2007), "Conceptualising consumer behavior in online shopping environments", *International Journal of Retail & Distribution Management*, Vol. 35, Iss: 11, pp: 878 – 894.
3. Orapin Laohapensang (2009), "Factors influencing internet shopping behavior: a survey of consumers in Thailand", *Journal of Fashion Marketing and Management: An International Journal*, Vol. 13 Iss: 4, pp: 501 – 513.
4. Blanca Hernández, Julio Jiménez and José Martín M. (2011), "Age, gender and income: do they really moderate online shopping behavior?", *Online Information Review*, Vol. 35, Iss: 1, pp: 113 – 133.
5. Sajjad Nazir, Arsalan Tayyab, Aziz Sajid, Haroon ur Rashid and Irum Javed (2012), "How Online Shopping Is Affecting Consumers Buying Behavior in Pakistan", *International Journal of Computer Science Issues*, Vol. 9, Issue 3, No. 1, pp : 486- 495.
6. Ashok Kumar Chandra and Devendra Kumar Sinha (2013), "Factors Affecting the Online Shopping Behavior: A Study With Reference to Bhilai Durg", *International Journal of Advanced Research in Management and Social Sciences*, Vol.2, No.5, pp: 160-177, May 2013.
7. Saravana Bhavan N. and Kalaiselvi S. (2013), "Internet shopping: Consumers' Attitude and Behavior towards Online Shopping With Reference To Coimbatore", *International Research Journal of Business and Management*, Vol. 2, pp: 1-11.
8. Wikipedia (www.wikipedia.com)
9. Google Search (www.google.com)
10. www.emeraldinsight.com
11. www.flipkart.com