



A study on preference to wards online shopping among college students with reference to erode region

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ABSTRACT — E-shopping (Electronic Shopping) is nothing but buying of purchasing goods or service online by giving online or offline payments. The specialty of E-shopping is that with a single click of computer mouse, you can order anything from the vast range of products and service. Trustworthiness of e-commerce websites makes these e-retailers more successful. Online shopping portal can attract more customers if it provides vast varieties of products, clear information, good feedback, secure online transactions, and privacy policy. Unlimited choices are made available to the customers by number of e-shops available online. E shopping made the people capable of purchasing anything through the internet. Now - a - days, not only the people who are reluctant to go to the market but also almost all people willing to buy goods and service online. Internet has made available all the things which are even not available in local market. And this is the specialty of e-commerce. There are more benefits of E-shopping rather than barriers. Because of such advantages for consumer the popularity of ‘online shopping’ is increasing day by day. And this is also main reason behind rapidly spreading online market.

Keywords — online shopping, Issues in online shopping.

1. INTRODUCTION OF THE STUDY:

Ever since the launch of Amazon and E-bay, e-commerce activities have had gained momentum among all cross sectional users of the internet. Internet has changed the way how consumers would buy and sell products. India has an average internet user base of about 250 million as of June 2015. India’s e-commerce business has leaped by more than 80 percent in 2015 and the drive is likely to in the coming years, with projections to reach \$50-70 billion by 2020 . Tough the size of India’s e-commerce market in 2015 was around \$13 billion, it accounts to only a small percentage of

total sales happening in the country. Globally, total online sales reached \$1.22 trillion in 2015 and China accounted for more than \$200 billion. India is a prospective and lucrative market for e-commerce players. India is also anticipated to be the third major e-commerce marketplace in the world following the US and China. Internet has become an important tool, which usage has increased and beside usage its importance has also increased. Humans’ everyday life has influenced by information and communication technologies (ICT) considerably. People use more ICT’s in their daily lives. The use more cell phone, more computer and also use more Internet. Generally ICT, especially Internet simplifies information related work. In early days of information age, number of web sites and Information on web sites are limited and static. Sometimes web site content had not been updated yearlong. Increasing web usage and new internet technologies lead to end user can update web content and lead to increase web usage. Recently internet has spread quickly and has become crucial tool all over the world. In western countries and also in other countries people started to use Internet via desktop computer. After invention of mobile devices accessing to Internet expanded. In the last decade, Internet has influenced communication, entertainment and shopping experience. The number of applications is increased an easiness of these applications is also increased. By the way not only experiences users but also inexperienced users can use most of the applications. Internet and internet user have expanded internet limits and this widening has affected especially industrial sectors. Knowledge is the most important factor in today’s life but especially in industry. Internet give opportunities to people share their idea and improvement about their works easily so one, who searches specific knowledge, can easily find over internet. User have developed many applications one of the important application is developed is online shopping .As a shopping media, Internet attracts people and researchers . Growing number of Internet

shopping and internet shoppers attract the researcher concerns day by day more researcher do more research concerning internet shopping process. People, who have Internet experiences, can search and find information quickly and most of the people do not have time to go shopping and they try to purchase their needs over internet and for these people variety and quickness of internet shopping are valuable characteristics of internet shopping .

Over recent years, Shoppers has shifted from the traditional shopping to internet shopping and they do more internet shopping over internet . Internet shopping companies provide some options, which local companies never give. In this manner people prefer internet shopping. Internet shopping options have changed consumers' information search and shopping habits and offer new occasion concerning shopping.

E-shopping (electronic shopping) is nothing but buying or purchasing goods or service online by giving online or offline payments. The specialty of E-shopping is that with a single click of computer mouse, you can order anything from the vast range of products and service.

Trustworthiness of e-commerce websites makes these e-retailers more successful. Online shopping portal can attract more customers if it provides vast varieties of products, clear information, good feedback, secure online transactions, and privacy policy. Unlimited choices are made available to the customers by number of e-shops available online.

E shopping made the people capable of purchasing anything through the internet. Now - a - days, not only the people who are reluctant to go to the market but also almost all people willing to buy goods and service online. Internet has made available all the things which are even not available in local market. And this is the specialty of e-commerce.

There are more benefits of E-shopping rather than barriers. Because of such advantages for consumer the popularity of 'online shopping' is increasing day by day. And this is also main reason behind rapidly spreading online market.

Now - a - days the people are becoming really very busy in their day-to-day work and in earning money. They cannot reserve the time for going to market, for finding the required products. Such peoples like to purchase the things online.

One another main reason of E-shopping is the unavailability of require product in local market. In such cases, people like to buy the products online. And we think this is the main reason behind the rapid increase of online market. Some products are available mostly online like software, e-books, newsletters, etc.

Following are some benefits of online shopping:

- ❖ Potentially cheaper retail prices
- ❖ Greater product variety and information about that variety
- ❖ Time saving and convenient
- ❖ Provision of hard to find goods
- ❖ SMART intelligence (learning of individual preference and consumption patterns and searching out best prices)
- ❖ New consumption practices (including the promised intelligent consumer durables which monitor our consumption and order items as they run out) – instant delivery of certain products (e.g. software, electronic documents, etc.).

OBJECTIVES OF THE STUDY

- ❖ To understand the respondents adaption to the internet.
- ❖ To study the factors influencing to purchase online.
- ❖ To study the issues faced in online
- ❖ To explore the demographic profile of young online consumers.

2. RESEARCH METHODOLOGY

Business research is a systematic inquiry that provides information to guide business decisions and aimed to solve managerial problems. Research methodology is a way to solve the systematically solve the research problems. It may be understood a science of studying how research is done scientifically. It includes the overall research design, the sample procedure, data collection method and analysis procedure.

RESEARCH DESIGN

The research design is primarily descriptive in nature. Sample selection was convenience in nature, as to collect data from students in engineering courses, in Erode region.

DATA COLLECTION

The survey was conducted using a self-completion questionnaire method, whereby questionnaires are handed out to respondents for self-completion and returned to the researcher immediately.

The data used for the purpose this study are

- ❖ Primary Data (Primary data for the study was collected by the questionnaire method. The structured question was administrated to the respondents (consumers))
- ❖ Secondary Data

SAMPLING TECHNIQUES

- ❖ Non – Probability Sampling – Convenience Sampling

STATISTICAL TOOLS USED

- ❖ simple percentage analysis method
- ❖ Ranking method
- ❖ Chi-Square test.

3. CONCEPTUAL FRAMEWORK

Various theoretical models on shopping behaviour ,Technology Acceptance Model, Teory of Reasoned Action or Innovative Diffusion Teory etc.(Shergill and Chen ,2005), have been used to explore the underlying psyche of online shopping. There are many factors that would motivate a consumer towards online purchase access to detailed information, competitive prices, greater choice and convenience ((Kumar, Lang &Peng, 2005, Zhou, Dai & Zhang, 2007). Online shopping is significantly influenced by reference groups, peers, family members and their recommendations (Foucalt &Scheufele, 2002).Online shopping enables better product and price comparisons, as compared to traditional shopping (Alba et al., 1997). Final purchase is mainly based on dimensions like how, price and product comparison services, transaction costs like delivery time, delivery costs, ease of placing orders, personal information security etc. (Alba et al., 1997). Studies also reveal that gender, age, income level and educational qualification are significant factor that influence how one would use and adopt technology (Slyke et al., 2005). Menon and Kahn, (2002); Childers et al., (2001); Mathwick et al., (2001) concluded that Online shopping features can be either consumers' perceptions of functional and utilitarian dimensions, like "ease of use" and "usefulness", or their perceptions of emotional and hedonic dimensions like

“enjoyment by including both utilitarian and hedonic dimensions, aspects from the information systems or technology literature, as well as the consumer behavior literature are integrated in our framework. Li and Zhang (2002) defined consumer satisfaction as the extent to which consumers’ perceptions of the online shopping experience confirm their expectations. Kateranttanakul (2002) argued that the reliability of website content facilitates consumers to perceive lower risks, better justifications for their decisions and ease in reaching the optimal decisions, and in turn affects customer satisfaction and intention to purchase online.

Jung-Hwan and Chungdo (2010) conducted a research to compare the e-service quality perceptions of US and South Korean consumers in relation to overall e-service quality, e-satisfaction, and e-loyalty to understand geographic and cultural differences in the context of international expansion of e-business. Results of the research revealed that there is a significant positive effect of overall e-service quality on consumers’ e-satisfaction towards online shopping and the positive effects of overall e-service quality and e-satisfaction on e-loyalty (Jung-Hwan & Chungdo, 2010). Technology factors deal with the consumer’s perceptions of their interaction with the B2C website and the Internet merchant responsible for that website. Some researchers focus primarily on the impact of consumer perceptions of website characteristics (Ho and Wu 1999, Szymanski and Hise 2000), such as logistical support, security, homepage design, and the like, on customer satisfaction with Internet shopping. The insights into consumer perception help identify features of Internet stores that have considerable impact on building customer satisfaction.

Consumers’ previous experiences with online purchases, or lack thereof, can be a significant influence of levels of risk perception by consumers and their purchasing decisions [Dillon, T. D., & Reif, H. L. (2004). Factors influencing consumer’s e-commerce commodity purchases. *Information Technology, Learning, and Performance*, 22(2), 1-12.]. Churchill and Surprenant urged disconfirmation as an intervening variable affecting satisfaction and that the effect of disconfirmation is adequately captured by expectation and perceived performance. Syed and Norjaya (2010) had conducted a study to investigate the key factors that influencing customer satisfaction through online shopping. Jarvenpaa and Todd [1997] claim that it may be that consumers expect e-commerce to offer a wider product variety because of the reach of the Internet and the potential to track down specialty goods and services. Superior product assortment results in positive perceptions of customer satisfaction [Szymanski & Hise 2000], especially if the customer wants an item that isn’t widely available. Tse and Wilton [3] followed the results proposed by Churchill and Surprenant, and investigated customer satisfaction formation. Oliver proposed a model that expresses consumer satisfaction as a function of expectation and expectancy disconfirmation. Prior research has identified and validated many elements of trustworthiness, such as ability, benevolence, and integrity [Lee & Turban 2001; Manes 1997; VanSlyke et al. 2004]. ISSN 2348 - 8891 *Altius Shodh Journal of Management & Commerce*

Effective website design includes navigation capability or visual appeal of the website (Cyr, 2008). Liuet al. [1997]

examined the web sites of Fortune 500 companies to identify how they are using the web for interacting with their customers. Ho [1997] examined 1800 websites from various industries across several countries. Hoffman et al. [1996] created six categories for classifying commercial web sites online storefront, Internet presence, content, mall, incentive site, and search agent. Others classify online shopping stores as superstores, promotional stores, sales stores, one-page stores, and product listings [Spiller & Lohse, 1997]. Kalakota and Whinston [1996] define a security threat as a circumstance, condition, or event with the potential to cause economic hardship to data or network resources in the form of destruction, disclosure, modification of data, denial of service, and/or fraud, waste, and abuse. Navigation, product information, and site design are critical to e-satisfaction [Szymanski & Hise 2000]. Thus, a key to building a usable Website is to create good links and navigation mechanisms Mannix 1999; Radosevich 1997). Cyr (2008) examined characteristics of culture and design, which are information design, navigation design and visual design, as antecedents to website trust, website satisfaction and e-loyalty in a sample of three countries which are Canada, Germany and China.

Christy and Matthew (2005) illustrated security as the website’s ability in protecting consumer personal information collected from its electronic transactions from the unauthorized use of disclosure. Consumers concern about the security, liability and privacy of the online website (Gefen, 2000). According to the prior research (Elliot & Fowell, 2000; Szymanski & Hise, 2000), as perception of security risk decreases, satisfaction with the information service of online stores is expected to increase. In other words, strong security attribute does increase the degree of customer satisfaction. In the study conducted by Christian and France (2005), they identified three categories of factors as keys to influence e-satisfaction in which including technology, shopping, and individual product factors. Kateranttanakul (2002) argued that the reliability of website content facilitates consumers to perceive lower risks, better justifications for their decisions and ease in reaching the optimal decisions, and in turn affects customer satisfaction and intention to purchase online.

Online shoppers expect websites to protect personal data, provide for secure payment, and maintain the privacy of online communication (Franzak et al., 2001). Cox and Dale (2001) suggested that without a quality management approach that guarantees quality from its systems, staff and suppliers, a business will not be able to deliver the appropriate level of service quality to satisfy its customers. The study conducted by Christian and France (2005) through a conjoint analysis of consumer preferences based on data collected from 188 young consumers reveals that the three most important attributes to consumers for online satisfaction are privacy (technology factor), merchandising (product factor), and convenience (shopping factor). Szymanski and His (2000) indicated that wider assortment of products may be attractive to customers and e-satisfaction would be more positive when online stores offer superior product assortments.

Doll and Torkzadeh (1988) developed a measure that includes content, accuracy, format, and timeliness of system output. Delivery is the amount of time necessary for the package to go from the distribution center to the customer’s

door. Internet shopping experiences are heavily relied on the information published on the website, as well as the quality of the system (Chen and Wells 1999, Janda et al. 2002, Szymanski and Hise 2000, Wolfenbarger and Gilly 2001). Turban and Gehrke (2000) urged that the ISSN 2348 - 8891 Altius Shodh Journal of Management & Commerce quality of the web content determines whether potential customers will be attracted to or driven away from the website. Janda et al. Information quality and system quality, representing semantic level and technical level respectively, are postulated as two key antecedents of user satisfaction (DeLone and McLean 1992).

TRENDS-IN-SHOPPING-CART-DEVELOPMENT HUMAN LIFE CYCLE

- Infancy : birth to 1year old....learn to trust... growing rapidly. Learn to move.
- Early childhood : 1-3years old...toddler... Potty training....parents control...explore surroundings
- Middle childhood : 3-6 years old...learn difference between right and wrong
- Late childhood : 6-12 years old...learning skill...discover hobbies
- Adolescent : 13-17 years old puberty...body changes hormones
- Young adult : 18-30 years...college, get job, married, have kids.
- First adulthood : 30-45 years old ... balance work and family
- Second adulthood : 45-70 years old give back to the community, mid-life, children grown, parents get for themselves
- Late adulthood : 70+ ... learn to accept death ... time for hobbies... families impacted

"E-SHOPPING" AMOUNG INDIAN YOUTH

Today youth comprise the highest segment of India’s population. The young are busy with their schedule and multiples distractions. Since, purchasing now just a click away and reduces their precious time, hence the youths’ perception towards online shopping has changed radically. They rely more on the internet for ticketing, booking, or shopping. E-commerce in the present day is swiftly on the rise all across the world and India is not untouched. The Indian youth’s curiosity towards online shopping is escalating day by day. The youth’s perception towards online shopping is different; they see in it an ease of time, comfortable, variety and with more interest. When online shopping had just come into the picture, the perception was of high rates, low security, and untrustworthy. But gradually, the perception has changed and at the moment it is showing encouraging signs among Indian Youth’s. Online shopping creates a craze among youth especially among females because previously where they spent a lot of time in window-shopping, today just sitting at home they can browse through many sites and choose the best deal and place an order within few minutes. Online shopping sites face competition from thousands of available options. Online traffic has increased which shows the popularity of the Internet shopping. Smart phones and feature phones are helping India’s youth get online more than ever before.

They’re using the mobile web for fun, social media, and shopping. This is reflected in how tech and web-based businesses and startups are flourishing in the country. E-commerce startups such as Flipkart, Snapdeal, Amazon, jabong and others have grown in revenues as well as user numbers; they are among the pick of global and local investors this year. In fact, a recent Frost and Sullivan’s study Impact of Social Media on Online Shopping Behaviour in India shows how social media and e-commerce are intertwined in usage among Indian users. According to the study, over 60 percent of net users inurban India spend over four hours per day and surf the internet mainly for entertainment, networking, business, education, and shopping. More than 130 million people in the country are linked to the internet through fixed and mobile broadband, while over 80 million are on Facebook and 20 million on LinkedIn in India. Over 2 hours per day on social media. The study also reveals that close to 50 percent of young web users in India spend over two hours on social media portals daily. Over 30 percent of users agreed that friends or peers impact their online shopping, and 17 percent say they’re influenced by things like online ads, reviews and information gleaned from the web. Interestingly, the report finds that buyers are referring much more to social media before shopping so as to make informed decisions. More than 67 percent of Indian web users from urban areas are highly influenced by social media while buying items online. A group of web users between 18 and 35 years of age participated in the study and 60 percent of them admitted shopping online once a month, while 40 percent wanted to increase online spending over the next year or so. More than 40 percent of participants said they bought one or more items after seeing it/them on a social networking site. According to VidyaNath, Frost and Sullivan’s research director of ICT practice, Indian businesses need to link up their websites with social media to drive sales and online revenues, and they also need to follow user behavior patterns carefully in their marketing plans. “What works for one company, may not work for the other, hence social media marketing has to be carefully and strategically implemented to see tangible results,” Nath concluded. This study is likely to be useful for existing online businesses and as well as others that plan to explore the online retail industry in India.

4. DATA ANALYSIS AND INTERPRETATION MOST FAVORITE ONLINE STORE

S.No.	Online stores	No. of Respondents	Percentage
1	Flipkart	69	46
2	Amazon	27	18
3	Snapdeal	47	31.3
4	Others	7	4.7
	Total	150	100

Interpretation:

From the above table shows that 46% of the respondents are Flipkart, 31.3% of the respondents are Amazon, 18% of the respondents are Snapdeal, 4.7% of the respondents are Others .

WHAT PRODUCT DO YOU INTEND TO BUY IN ONLINE

Interpretation:

From the above table 46 % of respondents are using electronics, 26.7 % of respondents are using fashion & lifestyle, 23.3 % of respondents are using home needs and 3.3 % of respondents are using other products.

RANKING METHOD:

PROBLEMS FACED BY THE RESPONDENTS DUE TO ONLINE :

Interpretation:

It is revealed that “Damaged Products” is ranked as No.1 with a total score of 5290. “Poor Customer Service” is ranked as No.2 with a total score of 4824. “Receive goods wrong” is ranked as No.3 with a total score of 4328. “Payment issue” is ranked as No.4 with a total score of 3836, “Online Tracking” is ranked as No. 5 with total score of 3294, and “Delivery was delayed” and “Package was incomplete” and “out of stock” and “Ability to create an account” and “website was slow” was ranked as No. 6,7,8,9 and 10 problem’s.

CHI-SQUARE ANALYSIS showing the association between family income and amount spent in last one year.

Family income(m onthly)	Amount spent in last one year					Total
	Below Rs.5000	Rs.5000- Rs.10000	Rs.10000- Rs.15000	Rs.15000- Rs.20000	Above Rs.20000	
Below Rs.10000	9	7	10	4	2	32
Rs.10000- Rs.20000	4	10	8	5	3	30
Rs.20000- Rs.30000	6	10	4	4	3	27
Rs.30000- Rs.40000	7	9	7	6	2	31
Above Rs. 40000	3	4	5	8	10	30
Total	29	40	34	27	20	150

H₀: There is no significant relationship between family income and amount spent in last one year.

H₁: There is significant relationship between family income and amount spent in last one year.

Degree of Freedom

$$\begin{aligned}
 &= (r-1) (c-1) \\
 &= (5-1) (5-1) \\
 &= 16
 \end{aligned}$$

Interpretation

As calculated value (68.5) is greater than the tabulated value (26.296) H₁ is accepted and H₀ is rejected.

Result

It is clear from the above table that H₁ is accepted and it is concluded that there is significant difference between family income and amount spent in last one year.

5. FINDINGS

S.No.	Product do you intend to buy in online	No. Of Respondents	Percentage
1	Electronics	70	46.7
2	Fashion & Lifestyle	40	26.7
3	Home Needs	35	23.3
4	Others	5	3.3
	Total	150	100

- 44.7% of respondents belong to the age group of 21 – 23 years.
- 40.7% of respondents are having family of two earning members in Erode region.
- 46% of an respondents are having family income of Rs.20000 to 30000 per month.
- 52.7% of respondents are doing post-graduation in Erode region.
- 68.7% of the respondents having computer/laptop at home.
- 38.7% of the respondents having broadband connections.
- 28.7% of the respondents are actively using internet about 2 -3 years in Erode region.
- 31.3% of the respondents are using internet for more than 4 hours a day in their daily routine life.
- 64% of the respondents are visiting offline store before purchase through online.
- 38.7% of the respondents are getting the idea of buying through online by their family/friends.
- 42% of the respondents are buying the products through online when they need the products in Erode region.
- 23.3 % of respondents are home needs and 3.3 % of respondents are using other products have less number of respondents Product do you intend to buy in online.
- As per the Rank Method, we find that
 - “Damaged Products” is ranked as No.1, “Poor Customer Service” is ranked as No.2 .
- As per the Chi-Square test, we find that
 - There is significant relationship between family income and amount spent in last one year.

6. SUGGESTIONS

- In India still the penetration of internet has not happened the way it should have been which hampers online shopping. Ecommerce revolution can be brought about by providing more broadband connections at affordable prices.
- Convenience and time saving are the main reason to shop online. Therefore Business Model sites should be designed in such a way that consumers spend less time in finding information they are looking for as delay in searching or loading a web page might turn the consumers to others sites which have faster download and display times.
- By improving the after sales services, providing more secured payment options, timely delivery of the goods with better packaging can further boost the demand of various products and services through web stores.

- The market segments like toys, flowers and house wares must be targeted by the marketers on through online shopping penetration.

7. CONCLUSION

The growth potential of the online retail fragment in India is attracting many leading international market players to invest in India. For instance, Amazon has made a whopping investment of \$2 million and more players are set to enter the lucrative Indian market. The entry of international players has increased the competition in the segment. The findings regarding motivators and barriers to online purchase among college students are clearly indicate that lower price and convenience can act as strong motivators while refund policy and security and privacy concerns were the biggest barriers to online shopping. The fact that an average online user, especially the youth, is spending more time online gives various market players the opportunity to draw more users to their websites through innovative marketing strategies. Portals should gain competitive by focusing on both psychological and infrastructural needs, as to deliver efficient and effective service, thereby help build sustainable development of e-commerce in India. We can able to see a positive response from Erode region engineer students towards online shopping. The young adults have purchased many products and expressed a welcome note for the future.

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